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The National Water Resources Board (NWRB, formerly the National Water Resources Council) is the body responsible for coordinating and integrating all activities related to water resources development and management. Its principal objective is to achieve a scientific and orderly development and management of all water resources of the country consistent with the principles of optimum utilization, conservation and protection to meet present and future needs.

PD 1067

# Water Code of the Philippines

and the Amended  
Implementing Rules and Regulations

2005年3月21日通知?

T. J. H. Mr. J. H. H.



REPUBLIC OF THE PHILIPPINES  
NATIONAL WATER RESOURCES BOARD  
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## TABLE OF CONTENTS

|                     |   | Page     |
|---------------------|---|----------|
| <b>CHAPTER I.</b>   | <b>DECLARATION OF OBJECTIVES &amp; PRINCIPLES</b>                       | <b>2</b> |
| Art. 1.             | Short Title   | 2        |
| Art. 2.             | Objectives  | 2        |
| Art. 3.             | Underlying Principles   | 2        |
| Art. 4.             | Classification of Water   | 2        |
| <b>CHAPTER II.</b>  | <b>OWNERSHIP OF WATERS</b>  | <b>2</b> |
| Art. 5.             | State Ownership of Water  | 2        |
| Art. 6.             | Ownership of Waters in Private Lands                                    | 3        |
| Art. 7.             | Control and Disposal of Captured Waters                                 | 3        |
| Art. 8.             | Control of Waters in Appropriator's Canal or Aqueduct                   | 3        |
| <b>CHAPTER III.</b> | <b>APPROPRIATION OF WATERS</b>  | <b>3</b> |
| Art. 9.             | Waters - How may be Appropriated<br>Appropriation of Waters Defined     | 3        |
| Art. 10.            | Purposes for which Waters may be Appropriated                           | 3        |
| Art. 11.            | Waters Exempt from Appropriation  | 4        |
| Art. 12.            | Used of Previously Appropriated Waters for<br>Another Purpose           | 4        |
| Art. 13.            | Water Right and Water Permit  | 4        |
| Art. 14.            | Exemption from Water Permit   | 4        |
| Art. 15.            | Who may Apply for Water Permit  | 5        |
| Art. 16.            | Application for Water Permit  | 5        |
| Art. 17.            | Right to use Water - When Acquired                                      | 5        |
| Art. 18.            | Conditions in Water Permit  | 5        |
| Art. 19.            | Transfer of Water Right   | 5        |
| Art. 20.            | Measure and Limit of Appropriation<br>of Waters; beneficial use defined | 5        |
| Art. 21.            | Standards of beneficial use;<br>obligation of appropriator              | 5        |
| Art. 22.            | Priority Right  | 6        |
| Art. 23.            | Grounds for Altering Priorities   | 6        |
| Art. 24.            | How Water Right may be excused  | 6        |
| Art. 25.            | Easements for Construction and<br>Maintenance of Hydraulic Works        | 6        |
| Art. 26.            | Reduction in Quantity and Period of Use of Waters                       | 6        |
| Art. 27.            | Diminution of Streamflow - Who Shall Bear                               | 6        |
| Art. 28.            | Duration of Water Permit; Grounds for Suspension                        | 6        |
| Art. 29.            | Grounds for Revocation of Water Permit                                  | 7        |
| Art. 30.            | Modification or Cancellation of Water Permit                            | 7        |

|   |           |   |           |
|---|-----------|---|-----------|
| <b>CHAPTER IV. UTILIZATION OF WATERS</b>  | <b>7</b>  | <b>CHAPTER VI. CONSERVATION AND PROTECTION OF WATERS AND WATERSHEDS AND RELATED LAND RESOURCES</b>    | <b>11</b> |
| Art. 31. Preference in Development of Waters  | 7         | Art. 66. Establishment of Minimum Stream Flows and Water Levels                                       | 11        |
| Art. 32. Conjunctive Utilization of Subterranean or Ground Water and Surface Water        | 7         | Art. 67. Declaration of Protected Areas   | 12        |
| Art. 33. Utilization of Waters in Open Canals, Aqueducts or Reservoirs of Private Persons | 7         | Art. 68. Conservation of Waters in Wells  | 12        |
| Art. 34. Recapture of Waters  | 7         | Art. 69. Injurious Waters from Wells  | 12        |
| Art. 35. Precaution Against Spread of Disease   | 8         | Art. 70. Recharge of Subterranean or Ground Water   | 12        |
| Art. 36. Reuse of Waste Water   | 8         | Art. 71. Appropriation of Waters by Irrigation Associations   | 12        |
| Art. 37. Preservation of Scenic Places and Historical Relics                              | 8         | Art. 72. Water Resource Project and Ecological Changes  | 12        |
| Art. 38. Structures Across Navigable or Flotable Waterways                                | 8         | Art. 73. Conservation of Fish and Wildlife  | 12        |
| Art. 39. Approval of Plan and Specifications of certain Hydraulic Structures              | 8         | Art. 74. Reservation of Swamps and Marshes for Wildlife   | 12        |
| Art. 40. Excavation for Emission or Enlargement of Hot Spring                             | 8         | Art. 75. Pollution of Source of Water Supply; Water Pollution defined                                 | 12        |
| Art. 41. Development of Waters for Recreational Purposes                                  | 8         | Art. 76. Establishment of Cemetery or Waste Disposal Area near a Source of Water Supply               | 13        |
| Art. 42. Inducement or Restraint on Rainfall  | 8         | Art. 77. Dumping of Mine Tailings and Sediments into River or Waterways                               | 13        |
| Art. 43. Alteration of Water Level of River, Stream, Lake, etc.                           | 8         | Art. 78. Restriction in the application of Fertilizers and Pesticides in certain areas                | 13        |
| Art. 44. Outlets of Drainage Systems  | 9         |   |           |
| Art. 45. Cost of Construction and Maintenance of Common Drainage Channel                  | 9         | <b>CHAPTER VII. ADMINISTRATION OF WATERS AND ENFORCEMENT OF THE PROVISIONS OF THIS CODE</b>           | <b>13</b> |
| Art. 46. Easement of Drainage   | 9         | Art. 79. Administration and Enforcement of the Provisions of this Code                                | 13        |
| Art. 47. Damage due to Storage of Waters  | 9         | Art. 80. Who may be Deputized to perform any of Specific Functions of Council                         | 13        |
| Art. 48. Obligation of Project Constructor  | 9         | Art. 81. Data Collection, Research and Manpower Development   | 13        |
| Art. 49. Easement of Aqueduct   | 9         | Art. 82. Rules & Regulations - Penalties for Violations thereof                                       | 13        |
| Art. 50. Easement of Natural Flow of Waters   | 9         | Art. 83. Water Fees or Charges  | 14        |
| Art. 51. Easement of Public use on Banks of rivers and Other Natural Bodies of Water      | 9         | Art. 84. Authority to Enter Public and Private Lands; Power of Eminent Domain                         | 14        |
| Art. 52. Provisions of Civil Code on Easement Suppletory                                  | 9         | Art. 85. Approval of Programs and Projects Required; Consultation with public prior to implementation | 14        |
| <b>CHAPTER V. CONTROL OF WATERS</b>   | <b>10</b> | Art. 86. Liability of Engineer and Constructor in case of Failure of Hydraulic Structure              | 14        |
| Art. 53. Establishment of Flood Control Areas   | 10        | Art. 87. Power to administer Oath, Issue Subpoena and Cite a party for contempt                       | 14        |
| Art. 54. Regulation of Activities within Flood Control Areas                              | 10        | Art. 88. Decision of Council immediately executory  | 15        |
| Art. 55. Flood Control Structures in Flood Control Areas                                  | 10        | Art. 89. Appeal from Decision of Council  | 15        |
| Art. 56. Cultivation of River Beds, Sand Bars, and Tidal Flats                            | 10        |   |           |
| Art. 57. Construction of Levees or Revetments by Private Land Owners                      | 10        | <b>CHAPTER VIII. PENAL PROVISIONS</b>   | <b>15</b> |
| Art. 58. Effect of Sudden Change of Course of a River                                     | 10        | Art. 90. Administrative Penalties for a Certain Acts  | 15        |
| Art. 59. Declaration of Navigability of Rivers  | 10        | Art. 91. Criminal Acts Defined and Penalized  | 16        |
| Art. 60. Rafting of Logs and other Objects  | 11        | Art. 92. Liability of Official of Juridical Entities  | 17        |
| Art. 61. Impounding of Waters   | 11        | Art. 93. Jurisdiction of Courts in Criminal Offences Defined and Penalized Under Art. 91              | 17        |
| Art. 62. Reservoir Storage and Operation  | 11        | Art. 94. Period of Prescription for Criminal Offenses   | 17        |
| Art. 63. Qualification Requirement to Operate Reservoir                                   | 11        |   |           |
| Art. 64. Control Measures for the Exploitation of Subterranean or Ground Water Resources  | 11        |   |           |
| Art. 65. Trans-basin Water Diversion  | 11        |   |           |

|  |           |
|--|-----------|
| <b>CHAPTER IX. TRANSITORY AND FINAL PROVISIONS</b>               | <b>17</b> |
| Art. 95. Registration of Existing Claims to the Use of Water     | 17        |
| Art. 96. Vested or Acquired Right - When Void                    | 18        |
| Art. 97. Validity of Acts and Contracts Under Prior Legislations | 18        |
| Art. 98. Validity of Interim Rules and Regulations               | 18        |
| Art. 99. Separability Clause                                     | 18        |
| Art. 100. Repealing Clause                                       | 18        |
| Art. 101. Date of Effectivity                                    | 18        |

**AMENDED IMPLEMENTING RULES AND REGULATIONS**

|  |           |
|--|-----------|
| <b>RULE I. APPROPRIATION AND UTILIZATION OF WATERS</b>                                       | <b>21</b> |
| Section 1. Water may be Appropriated for the following descending purposes and uses          | 21        |
| Section 2. When Permit / Authority from the National Water Resources Council Must be Secured | 22        |
| Section 3. Qualification of Applicants for Permit / Authority                                | 22        |
| Section 4. Place of Filing Applications  | 22        |
| Section 5. Forms and Requirements of Application   | 23        |
| Section 6. Other Requirements  | 26        |
| Section 7. Filing Fee  | 27        |
| Section 8. Water Fees or Charges   | 27        |
| Section 9. Processing, Posting & Sending of Notices of Applications                          | 27        |
| Section 10. Action After Posting of Notices for Appropriation of Surface Waters              | 28        |
| Section 11. Registration of Water Wells / Sources used for Single Household Purposes         | 29        |
| Section 12. Action After Posting of Notices for Appropriation of Ground Water                | 30        |
| Section 13. Board's Action   | 30        |
| Section 14. Water Permit   | 31        |
| Section 15. Conditions in Permit   | 31        |
| Section 16. Periodic and Final Inspection of Project   | 33        |
| Section 17. Notice of Completed Structures/Diversion Works                                   | 33        |
| Section 18. Inspection of Works  | 33        |
| Section 19. Certificate of Compliance  | 33        |
| Section 20. Revocation of Permit   | 34        |
| Section 21. Recurrent Water Shortage   | 34        |
| Section 22. Basic Diversion Requirements for Irrigation Use                                  | 34        |
| Section 23. Construction/Repair of Other Structures  | 34        |
| Section 24. Establishments of Easements  | 35        |
| Section 25. Establishments of Control Areas  | 35        |
| Section 26. Coordinated Use of Waters in Control Areas                                       | 35        |
| Section 27. Registration of Wells in Control Areas   | 35        |
| Section 28. Temporary Permits  | 35        |

|   |           |
|---|-----------|
| <b>RULE II. CONTROL, CONSERVATION AND PROTECTION OF WATERS, WATERSHEDS AND RELATED LAND RESOURCES</b> | <b>36</b> |
| Section 29. Watershed Management, Protection and Rehabilitation                                       | 36        |
| Section 30. Prohibited Construction on Navigable or Flotable Waterways                                | 36        |
| Section 31. Determination of Easements  | 36        |
| Section 32. When Permit / Authority from the Department of Public Works and Highways Is Required      | 36        |
| Section 33. Place of Filing Applications of Permit / Authority  | 37        |
| Section 34. Form and Contents of Applications   | 37        |
| Section 35. Action on Application   | 38        |

|             |  |    |
|-------------|--|----|
| Section 36. | Limitation on Permits to Cultivate River Beds, Sand Bars and Tidal Flats | 38 |
| Section 37. | Construction and Completion of Works                                     | 38 |
| Section 38. | Establishment of Flood Control Areas                                     | 38 |
| Section 39. | Inter-Agency Flood Plain Management Committee                            | 38 |
| Section 40. | Storage and Rafting of Logs  | 39 |
| Section 41. | Prohibitions and Requirements on Water Impoundment                       | 39 |
| Section 42. | Reservoir Operations   | 39 |
| Section 43. | Employment of Engineer in Dam Operations                                 | 40 |
| Section 44. | Qualifications of Well Drillers  | 40 |
| Section 45. | Permit to Drill a Well   | 41 |
| Section 46. | Requirements for Drilled Well  | 41 |
| Section 47. | Minimum Stream Flows and Water Levels                                    | 42 |
| Section 48. | Protection of Water Supply Sources                                       | 43 |
| Section 49. | Mine Tailings Disposal   | 43 |
| Section 50. | Complaint on Drainage System Construction                                | 43 |

**RULE III. ADMINISTRATION AND ENFORCEMENT 44**

|             |  |    |
|-------------|--|----|
| Section 51. | General Guidelines for Water Resources Development Projects / Programs | 44 |
| Section 52. | Specific Guidelines  | 44 |
| Section 53. | Water Resources Projects / Programs by Government Sector               | 44 |
| Section 54. | Water Resources Projects / Programs by Private Sector                  | 44 |
| Section 55. | Requirements of Water Resources Projects/Programs                      | 44 |
| Section 56. | Resolution of Conflict Arising from Project                            | 45 |
| Section 57. | Deputies   | 45 |
| Section 58. | Information Assessment   | 45 |
| Section 59. | Agents   | 45 |
| Section 60. | Committee on Arbitration   | 46 |
| Section 61. | Review and Approval of Rules and Regulations Involving Water           | 46 |
| Section 62. | Agreements Involving Water   | 46 |
| Section 63. | Disposition of Funds Collected   | 46 |

**RULE IV. PROCEDURE IN CONFLICT RESOLUTION 46**

|             |  |    |
|-------------|--|----|
| Section 64. | Parties in Water Use Conflicts / Controversies | 46 |
| Section 65. | Complaints                                     | 46 |
| Section 66. | Place of Filing                                | 47 |
| Section 67. | Filing Fee                                     | 47 |
| Section 68. | Answer   | 47 |
| Section 69. | Preliminary Conference                         | 47 |
| Section 70. | Amicable Settlement                            | 47 |
| Section 71. | Venue of Hearings                              | 48 |
| Section 72. | Order of Proceedings                           | 48 |
| Section 73. | Authority / Functions of Hearing Officer       | 48 |
| Section 74. | Orders / Rulings                               | 48 |
| Section 75. | Investigation / Report                         | 48 |
| Section 76. | Decision                                       | 49 |
| Section 77. | Proof of Service                               | 49 |

|             |  |    |
|-------------|--|----|
| Section 78. | Appeal / Motion for Reconsideration and / or Reinvestigation | 49 |
| Section 79. | Stay of Execution  | 50 |

**RULE V. FINES AND PENALTIES 50**

|             |  |    |
|-------------|--|----|
| Section 80. | Light Offenses   | 50 |
| Section 81. | Less Grave Offenses                                    | 50 |
| Section 82. | Grave Offenses   | 51 |
| Section 83. | Non-Payment of Annual Water Charges                    | 51 |
| Section 84. | Penalties for Delinquency                              | 51 |
| Section 85. | Violation by Juridical Persons                         | 51 |
| Section 86. | Violation for Non-Permittees                           | 51 |
| Section 87. | Violations by Non-Owners                               | 51 |
| Section 88. | Offer of Compromise                                    | 52 |
| Section 89. | Summary Revocation / Suspension                        | 52 |
| Section 90. | Applicability of the New Rules of Court & Related Laws | 53 |
| Section 91. | Appeal of Council Decisions                            | 53 |
| Section 92. | Services of DOJ / OSG lawyers and prosecutor           | 53 |
| Section 93. | Resolutions Amending Specific Provisions               | 53 |
| Section 94. | Date of Effectivity                                    | 53 |

Republic of the Philippines  
**NATIONAL WATER RESOURCES BOARD**

**WATER CODE OF THE PHILIPPINES**  
with Amended Implementing Rules and Regulations

**MALACAÑANG**  
Manila

**PRESIDENTIAL DECREE NO. 1067**

**A DECREE INSTITUTING A WATER CODE, THEREBY REVISING AND CONSOLIDATING THE LAWS GOVERNING THE OWNERSHIP, APPROPRIATION, UTILIZATION, EXPLOITATION, DEVELOPMENT, CONSERVATION AND PROTECTION OF WATER RESOURCES.**

WHEREAS, Article XIV, Section 8 of the New Constitution of the Philippines provides, *inter alia*, that all waters of the Philippines belong to the State;

WHEREAS, existing water legislations are piece-meal and inadequate to cope with increasing scarcity of water and changing patterns of water use;

WHEREAS, there is a need for a **Water Code** based on rational concepts of integrated and multipurpose management of water resources and sufficiently flexible to adequately meet future developments;

WHEREAS, water is vital to national development and it has become increasingly necessary for government to intervene actively in improving the management of water resources;

NOW, THEREFORE, I, **FERDINAND E. MARCOS**, President of the Philippines, by virtue of the powers in me vested by the Constitution, do hereby order and decree the enactment of the **Water Code of the Philippines of 1976**, as follows:

**CHAPTER I  
DECLARATION OF OBJECTIVES AND PRINCIPLES**

**Art. 1.** This Code shall be known as *The Water Code of the Philippines*.

**Art. 2.** The objectives of this Code are:

- a. To establish the basic principles and framework relating to the appropriation, control and conservation of water resources to achieve the optimum development and rational utilization of these resources;
- b. To define the extent of the rights and obligations of water users and owners including the protection and regulation of such rights;
- c. To adopt a basic law governing the ownership, appropriation, utilization, exploitation, development, conservation and protection of water resources and rights to land related thereto; and
- d. To identify the administrative agencies which will enforce this Code.

**Art. 3.** The underlying principles of this Code are:

- a. All waters belong to the State.
- b. All waters that belong to the State can not be the subject of acquisitive prescription.
- c. The State may allow the use or development of waters by administrative concession.
- d. The utilization, exploitation, development, conservation and protection of water resources shall be subject to the control and regulation of the government through the National Water Resources Council, hereinafter referred to as the Council.
- e. Preference in the use and development of waters shall consider current usages and be responsive to the changing needs of the country.

**Art. 4.** Waters, as used in this Code, refers to water under the ground, water above the ground, water in the atmosphere and the waters of the sea within the territorial jurisdiction of the Philippines.

**CHAPTER II  
OWNERSHIP OF WATERS**

**Art. 5.** The following belong to the State;

- a. Rivers and their natural beds;
- b. Continuous or intermittent waters of springs and brooks running in their natural beds and the beds themselves;
- c. Natural lakes and lagoons;

- d. All other categories of surface waters such as water flowing over lands, water from rainfall whether natural or artificial, and water from agriculture runoff, seepage and drainage;
- e. Atmospheric water;
- f. Subterranean or ground waters; and,
- g. Seawater

**Art. 6.** The following waters found on private lands also belong to the State;

- a. Continuous or intermittent waters rising on such lands;
- b. Lakes and lagoons naturally occurring on such lands;
- c. Rain water falling on such lands;
- d. Subterranean or ground waters; and,
- e. Waters in swamps and marshes.

The owner of the land where the water is found may use the same for domestic purposes without securing a permit, provided that such use shall be registered, when required by the Council. The Council, however, may regulate such use when there is wastage, or in times of emergency.

**Art. 7.** Subject to the provisions of this Code, any person who captures or collects water by means of cisterns, tanks, or pools shall have exclusive control over such water and the right to dispose the same.

**Art. 8.** Water legally appropriated shall be subject to the control of the appropriator from the moment it reaches the appropriator's canal or aqueduct leading to the place where the water will be used or stored and, thereafter, so long as it is being beneficially used for the purposes for which it was appropriated.

**CHAPTER III  
APPROPRIATION OF WATERS**

**Art. 9.** Waters may be appropriated and used in accordance with the provisions of this Code.

*Appropriation of waters*, as used in this Code, is the acquisition of rights over the use of waters or the taking or diverting of waters from a natural source in the manner and for any purpose allowed by law.

**Art. 10.** Water may be appropriated for the following purposes:

- a. Domestic
- b. Municipal
- c. Irrigation
- d. Power generation
- e. Fisheries
- f. Livestock raising

- g. Industrial
- h. Recreational, and
- i. Other purposes

*Use of water for domestic purposes* is the utilization of water for drinking, washing, bathing, cooking or other household needs, home gardens, and watering of lawns or domestic animals.

*Use of water for municipal purposes* is the utilization of water for supplying the water requirements of the community.

*Use of water for irrigation* is the utilization of water for producing agricultural crops.

*Use of water for power generation* is the utilization of water for producing electrical or mechanical power.

*Use of water for fisheries* is the utilization of water for the propagation and culture of fish as a commercial enterprise.

*Use of water for livestock raising* is the utilization of water for large herds or flocks of animals raised as a commercial enterprise.

*Use of water for industrial purposes* is the utilization of water in factories, industrial plants and mines, including the use of water as an ingredient of a finished product.

*Use of water for recreational purposes* is the utilization of water for swimming pools, bath houses, boating, water skiing, golf courses and other similar facilities in resorts and other places of recreation.

**Art. 11.** The State, for reasons of public policy, may declare waters not previously appropriated, in whole or in part, exempt from appropriation for any or all purposes and, thereupon, such waters may not be appropriated for those purposes.

**Art. 12.** Waters appropriated for a particular purpose may be applied for another purpose only upon prior approval of the Council and on condition that the new use does not unduly prejudice the rights of other permittees, or require an increase in the volume of water.

**Art. 13.** Except as otherwise herein provided, no person, including government instrumentalities or government-owned or controlled corporations, shall appropriate water without a water right, which shall be evidenced by a document known as a *water permit*.

*Water right* is the privilege granted by the government to appropriate and use water.

**Art. 14.** Subject to the provisions of this Code concerning the control, protection, conservation, and regulation of the appropriation and use of waters, any person may appropriate or use natural bodies of water without securing a water permit for any of the following:

- a. Appropriation of water by means of handcarried receptacles; and,
- b. Bathing or washing, watering or dipping of domestic or farm animals, and navigation of watercrafts or transportation of logs and other objects by floatation.

**Art. 15.** Only citizens of the Philippines, of legal age, as well as juridical persons, who are duly qualified by law to exploit and develop water resources, may apply for water permits.

**Art. 16.** Any person who desires to obtain a water permit shall file an application with the Council who shall make known said application to the public for any protests.

In determining whether to grant or deny an application, the Council shall consider the following: *protests filed, if any; prior permits granted; the availability of water; the water supply needed for beneficial use; possible adverse effects; land-use economics; and other relevant factors.*

Upon approval of an application, a water permit shall be issued and recorded.

**Art. 17.** The rights to the use of water is deemed acquired as of the date of filing of the application for a water permit in case of approved permits, or as of the date of actual use in a case where no permit is required.

**Art. 18.** All water permits granted shall be subject to conditions of beneficial use, adequate standards of design and construction, and such other terms and conditions as may be imposed by the Council.

Such permits shall specify the maximum amount of water which may be diverted or withdrawn, the maximum rate of diversion or withdrawal, the time or times during the year when water may be diverted or withdrawn, the point or points of diversion or location of wells, the place of use, the purposes for which water may be used, and such other requirements the Council deems desirable.

**Art. 19.** Water rights may be leased or transferred in whole or in part to another person with prior approval of the Council, after due notice and hearing.

**Art. 20.** The measure and limit of appropriation of waters shall be for beneficial use. *Beneficial use* of water is the utilization of water in the right amount during the period that the water is needed for producing the benefits for which the water is appropriated.

**Art. 21.** Standards of beneficial use shall be prescribed by the Council for the appropriator of water for different purposes and conditions, and the use of waters which are appropriated shall be measured and controlled in accordance therewith.



Excepting those for domestic use, every appropriator of water shall maintain water control and measuring devices, and keep records of water withdrawal. When required by the Council, all appropriators of water shall furnish information on water use.

**Art. 22.** Between two or more appropriators of water from the same source of supply, priority in time of appropriation shall give the better right, except that in times of emergency the use of water for domestic and municipal purposes shall have a better right over all other uses; **Provided**, that where water shortage is recurrent and the appropriator for municipal use has a lower priority in time of appropriation, then it shall be his duty to find an alternative source of supply in accordance with conditions prescribed by the Council.

**Art. 23.** Priorities may be altered on grounds of greater beneficial use, multi-purpose use, and other similar grounds after due notice and hearing, subject to payment of compensation in proper cases.

**Art. 24.** A water right shall be exercised in such a manner that the rights of third persons or of other appropriators are not prejudiced thereby.

**Art. 25.** A holder of a water permit may demand the establishment of easements necessary for the construction and maintenance of the works and facilities needed for the beneficial use of the waters to be appropriated, subject to the requirements of just compensation and to the following conditions:

- a. That he is the owner, lessee, mortgagee or one having real right over the land upon which he proposes to use water; and
- b. That the proposed easement is the most convenient and the least onerous to the servient estate.

Easements relating to the appropriation and use of waters may be modified by the agreement of the contracting parties provided the same is not contrary to law or prejudicial to third persons.

**Art. 26.** Where water shortage is recurrent, the use of the water pursuant to a permit may, in the interest of equitable distribution of benefits among legal appropriators, be reduced after due notice and hearing.

**Art. 27.** Water users shall bear the diminution of any water supply due to natural causes of *force majeure*.

**Art. 28.** Water permits shall continue to be valid as long as water is beneficially used; however, it may be suspended on the grounds of non-compliance with approved plans and specifications or schedules of water distribution; use of water for a purpose other than that for which it was granted; non-payment of water charges; wastage;

failure to keep records of water diversion, when required; and violation of any term or condition of any permit or of rules and regulations promulgated by the Council.

Temporary permits may be issued for the appropriation and use of water for short periods under special circumstances.

**Art. 29.** Water permit may be revoked after due notice and hearing on grounds of non-use; gross violation of the conditions imposed in the permit; unauthorized sale of water; willful failure or refusal to comply with rules and regulations or any lawful order; pollution, public nuisance or acts detrimental to public health and safety; when the appropriator is found to be disqualified under the law to exploit and develop natural resources of the Philippines; when, in the case of irrigation, the land is converted to non-agricultural purposes; and other similar grounds.

**Art. 30.** All water permits are subject to modification or cancellation by the Council, after due notice and hearing, in favor of a project of greater beneficial use or for multi-purpose development, and a water permittee who suffers thereby shall be duly compensated by the entity or person in whose favor the cancellation was made.

#### CHAPTER IV UTILIZATION OF WATERS

**Art. 31.** Preference in the development of water resources shall consider security of the State, multiple use, beneficial effects, adverse effects and cost of development.

**Art. 32.** The utilization of subterranean or ground water shall be coordinated with that of surface waters such as rivers, streams, springs and lakes, so that a superior right in one is not adversely affected by an inferior right in the other.

For this purpose, the Council shall promulgate rules and regulations and declare the existence of control areas for the coordinated development, protection and utilization of subterranean or ground water and surface waters.

**Control area** is an area of land where subterranean or ground water and surface water are so interrelated that withdrawal and use in one similarly affects the other. The boundary of a control area may be altered from time to time, as circumstances warrant.

**Art. 33.** Water contained in open canals, aqueducts or reservoirs of private persons may be used by any person for domestic purpose or for watering plants as long as the water is withdrawn by manual methods without checking the stream or damaging the canal, aqueduct or reservoir; **Provided**, that this right may be restricted by the owner should it result in loss or injury to him.

**Art. 34.** A water permittee or appropriator may use any water course to convey water to another point in the watercourse for the purpose stated in a permit and such

water may be diverted or recaptured at that point by said permittee in the same amount less allowance for normal losses in transit.

**Art. 35.** Works for the storage, diversion, distribution and utilization of water resources shall contain adequate provision for the prevention and control of diseases that may be induced or spread by such works when required by the Council.

**Art. 36.** When the reuse of waste water is feasible, it shall be limited as much as possible, to such uses other than direct human consumption. No person or agency shall distribute such water for public consumption until it is demonstrated that such consumption will not adversely affect the health and safety of the public.

**Art. 37.** In the construction and operation of hydraulic works, due consideration shall be given to the preservation of scenic places and historical relics and, in addition to the provisions of existing laws, no works that would require the destruction or removal of such places or relics shall be undertaken without showing that the destruction or removal is necessary and unavoidable.

**Art. 38.** Authority for the construction of dams, bridges and other structures across or that which may interfere with the flow of navigable or floatable waterways shall first be secured from the Department of Public Works, Transportation and Communications.

**Art. 39.** Except in cases of emergency to save life or property, the construction or repair of the following works shall be undertaken only after the plans and specifications therefor, as may be required by the Council, are approved by the proper government agency; dams for the diversion or storage of water, structures for the use of water power; installations for the utilization of subterranean or ground water and other structures for utilization of water resources.

**Art. 40.** No excavation for the purpose of emission of a hot spring or for the enlargement of the existing opening thereof shall be made without prior permit.

Any person or agency who intends to develop a hot spring for human consumption must first obtain a permit from the Department of Health.

**Art. 41.** No person shall develop a stream, lake or spring for recreational purposes without first securing a permit from the Council.

**Art. 42.** Unless otherwise ordered by the President of the Philippines and only in times of national calamity or emergency, no person shall induce or restrain rainfall by any method such as cloud seeding without a permit from the proper government agency.

**Art. 43.** No person shall raise or lower the water level of a river, stream, lake, lagoon or marsh nor drain the same without a permit.

**Art. 44.** Drainage systems shall be so constructed that their outlets are rivers, lakes, the sea, natural bodies of water, or such other water course as may be approved by the proper government agency.

**Art. 45.** When a drainage channel is constructed by a number of person for their common benefit, the cost of construction and maintenance of the channel shall be borne by each in proportion to the benefits derived.

**Art. 46.** When artificial means are employed to drain water from higher to lower land, the owner of the higher land shall select the routes and methods of drainage that will cause the minimum damage to the lower lands, subject to the requirements of just compensation.

**Art. 47.** When the use, conveyance or storage of waters results in damage to another, person responsible for the damage shall pay compensation.

**Art. 48.** When a water resources project interferes with the access of a landowner to a portion of his property or with the conveyance of irrigation or drainage water, the person or agency constructing the project shall bear the cost of construction and maintenance of the bridges, flumes and other structures necessary for maintaining access, irrigation or drainage, in addition to paying compensation for land and incidental damages.

**Art. 49.** Any person having an easement for an aqueduct may enter upon the servient land for the purpose of cleaning, repairing or replacing the aqueduct or the removal of obstructions therefrom.

**Art. 50.** Lower estates are obliged to receive the waters which naturally and without the intervention of man flow from the higher estates, as well as the stone or earth which they carry with them.

The owner of the lower estate can not construct works which will impede this natural flow, unless he provides an alternative method of drainage; neither can the owner of the higher estate make works which will increase this natural flow.

**Art. 51.** The banks of rivers and streams and the shores of the seas and lakes throughout their entire length and within a zone of three (3) meters in urban areas, twenty (20) meters in agricultural areas and forty (40) meters in forest areas, along their margins are subject to the easement of public use in the interest of recreation, navigation, floatage, fishing and salvage. No person shall be allowed to stay in this zone longer than what is necessary for recreation, navigation, floatage, fishing or salvage or to build structures of any kind.

**Art. 52.** The establishment, extent, form and conditions of easements of water not expressly determined by the provisions of this Code shall be governed by the provisions of the Civil Code.

## CHAPTER V CONTROL OF WATERS

**Art. 53.** To promote the best interest and the coordinated protection of flood plain lands, the Secretary of Public Works, Transportation and Communications may declare flood control areas and promulgate guidelines for governing flood plain management plans in these areas.

**Art. 54.** In declared flood control areas rules and regulations may be promulgated to prohibit or control activities that may damage or cause deterioration of lakes and dikes, obstruct the flow of water, change the natural flow of river, increase flood losses or aggravate flood problems.

**Art. 55.** The government may construct necessary flood control structures in declared flood control areas, and for this purpose it shall have a legal easement as wide as may be needed along the adjacent to the river bank and outside the bed or channel of the river.

**Art. 56.** River beds, sand bars and tidal flats may not be cultivated except upon prior permission from the Secretary of the Department of Public Works, Transportation and Communication and such permission shall not be granted where such cultivation obstructs the flow of water or increase flood levels so as to cause damage to other areas.

**Art. 57.** Any person may erect levees or revetments to protect his property from flood, encroachment by the river or change in the course of the river, provided that such construction does not cause damage to the property of another.

**Art. 58.** When a river or stream suddenly changes its course to traverse private lands, the owners of the affected lands may not compel the government to restore the river to its former bed; nor can they restrain the government from taking steps to revert the river or stream to its former course. The owners of the land thus affected are not entitled to compensation for any damage sustained thereby. However, the former owners of the new bed shall be the owners of the abandoned bed in proportion to the area lost by each.

The owners of the affected lands may undertake to return the river or stream to its old bed at their own expense; **Provided**, that a permit therefor is secured from the Secretary of Public Works, Transportation and Communication and work pertaining thereto are commenced within two years from the change in the course of the river or stream.

**Art. 59.** Rivers, lakes and lagoons may, upon the recommendation of the Philippine Coast Guard, be declared navigable either in whole or in part.

**Art. 60.** The rafting of logs and other objects on rivers and lakes which are flodable may be controlled or prohibited during designated seasons of the year with due regard to the needs of irrigation and domestic water supply and other uses of water.

**Art. 61.** The impounding of water in ponds or reservoirs may be prohibited by the Council upon consultation with the Department of Health if it is dangerous to public health, or it may order that such pond or reservoir be drained if such is necessary for the protection of public health.

**Art. 62.** Waters of a stream may be stored in a reservoir by a permittee in such amounts as will not prejudice the right of any permittee downstream. Whatsoever operates the reservoir shall, when required, release water for minimum stream flow.

All reservoir operations shall be subject to rules and regulations issued by the Council or any proper government agency.

**Art. 63.** The operator of a dam for the storage of water may be required to employ an engineer possessing qualifications prescribed for the proper operation, maintenance and administration of the dam.

**Art. 64.** The Council shall approve the manner, location, depth and spacing in which borings for subterranean or ground water may be made, determine the requirements for the registration of every boring or alteration to existing borings as well as other control measures for the exploitation of subterranean or ground water resources, and in coordination with the Professional Regulation Commission, prescribe the qualifications of those who would drill such borings.

No person shall drill a well without permission from the Council.

**Art. 65.** Water from one river basin may be transferred to another river basin only with approval of the Council. In considering any request of such transfer, the Council shall take into account the full costs of the transfer, the benefits that would accrue to the basin of origin without the transfer, the benefits would accrue to the receiving basin on account of the transfer, alternative schemes for supplying water to the receiving basin, and other relevant factors.

## CHAPTER VI CONSERVATION AND PROTECTION OF WATERS AND WATERSHED AND RELATED LAND RESOURCES

**Art. 66.** After due notice and hearing when warranted by circumstances, minimum stream flows for rivers and streams and minimum water levels for lakes may be established by the Council under such conditions as may be necessary for the protection of the environment, control of pollution, navigation, prevention of salt drainage, and general public use.

**Art. 67.** Any watershed or any area of land adjacent to any surface water or overlying any ground water may be declared by the Department of Natural Resources as a protected area. Rules and regulations may be promulgated by such Department to prohibit or control such activities by the owners or occupants thereof within the protected area which may damage or cause the deterioration of the surface water or ground water or interfere with the investigation, use, control, protection, management or administration of such waters.

**Art. 68.** It shall be the duty of any person in control of a well to prevent the water from flowing on the surface of the land, or into any surface water, or any porous stratum underneath the surface without being beneficially used.

**Art. 69.** It shall be the duty of any person in control of a well containing water with minerals or other substances injurious to man, animals, agriculture, and vegetation to prevent such waters from flowing on the surface of the land or any surface water or into any other aquifer or porous stratum.

**Art. 70.** No person shall utilize an existing well or pond or spread waters for recharging subterranean or ground water supplies without prior permission of the Council.

**Art. 71.** To promote better water conservation and usage for irrigation purposes, the merger of irrigation associations and the appropriation of waters by associations instead of by individuals shall be encouraged.

No water permit shall be granted to an individual when his water requirement can be supplied through an irrigation association.

**Art. 72.** In the consideration of a proposed water resource project, due regard shall be given to ecological changes resulting from the construction of the project in order to balance the needs of development and the protection of the environment.

**Art. 73.** The conservation of fish and wildlife shall receive proper consideration and shall be coordinated with other features of water resources development programs to ensure that fish and wildlife values receive equal attention with other project purposes.

**Art. 74.** Swamps and marshes which are owned by the State and which have primary value for waterfowl propagation or other wildlife purposes may be reserved and protected from drainage operation and development.

**Art. 75.** No person shall, without prior permission from the National Pollution Control Commission, build any works that may produce dangerous or noxious substances or perform any act which may result in the introduction of sewage, industrial waste, or any pollutant into any source of water supply.

**Water pollution** is the impairment of the quality of water beyond a certain standard. This standard may vary according to the use of the water and shall be set by the National Pollution Control Commission.

**Art. 76.** The establishment of cemeteries and waste disposal areas that may affect the source of a water supply or a reservoir for domestic or municipal use shall be subject to the rules and regulations promulgated by the Department of Health.

**Art. 77.** Tailings from mining operations and sediments from placer mining shall not be dumped into rivers and waterways without prior permission from the Council upon recommendation by the National Pollution Control Commission.

**Art. 78.** The application of agricultural fertilizers and pesticides may be prohibited or regulated by the National Pollution Control Commission in areas where such application may cause pollution of a source of water supply.

## CHAPTER VII ADMINISTRATION OF WATERS AND ENFORCEMENT OF THE PROVISIONS OF THE CODE

**Art. 79.** The Administration and enforcement of the provisions of this Code, including the granting of permits and the imposition of penalties for administrative violations hereof, are hereby vested in the Council, and except in regard to those functions which under this Code are specifically conferred upon other agencies of the government, the Council is hereby empowered to make all decisions and determinations provided in this Code.

**Art. 80.** The Council may deputize any official or agency of the government to perform any of its specific functions or activities.

**Art. 81.** The Council shall provide a continuing program for data collection, research and manpower development needed for the appropriation, utilization, exploitation, conservation and protection of the water resources of the country.

**Art. 82.** In the implementation of the provisions of this Code, the Council shall promulgate the necessary rules and regulations which may provide penalties consisting of a fine not exceeding *One Thousand Pesos (P1,000.00)* and/or suspension or revocation of the water permit or the right to the use of water. Violations of such rules and regulations may be administratively dealt with by the Council.

Such rules and regulations shall take effect fifteen (15) days after publication in newspapers of general circulation.

Rules and regulations prescribed by any government agency that pertain to the utilization, exploitation, development, control, conservation or protection of water resources shall, if the Council so requires, be subject to its approval.

**Art. 83.** The Council is hereby authorized to impose and collect reasonable fees, charges for water resources development from water appropriators, except when it is purely for domestic purpose.

**Art. 84.** The Council and other agencies authorized to enforce this Code are empowered to enter upon private lands, with previous notice to the owner, for the purpose of conducting surveys and hydrologic investigations and to perform such other acts as are necessary in carrying out their functions including the power to exercise the right of eminent domain.

**Art. 85.** No program or project involving the appropriation, utilization, exploitation, development, control, conservation, or protection of water resources may be undertaken without prior approval of the Council, except those which the Council may, in its discretion, exempt.

The Council may require consultation with the public prior to the implementation of certain water resources development projects.

**Art. 86.** When plans and specifications of a hydraulic structure are submitted for approval, the government agency whose functions embrace the type of project for which the structure is intended, shall review the plans and specifications and recommend to the Council proper action thereon and the latter shall approve the same only when they are in conformity with the requirements of this Code and the rules and regulations promulgated by the Council. Notwithstanding such approval, neither the engineer who drew up the plans and specifications of the hydraulic structure, nor the constructor who built it, shall be relieved of his liability for damages in case of failure thereof by reason of defect in plans and specifications, or failure due to defect in construction, within ten (10) years from the completion of the structure.

Any action to recover such damages must be brought within five (5) years following such failure.

**Art. 87.** The Council or its duly authorized representatives, in the exercise of its power to investigate and decide cases brought to its cognizance, shall have the power to administer oaths, compel the attendance of witnesses by *subpoena* and the production of relevant documents by *subpoena duces tecum*.

Non-compliance or violation of such orders or *subpoena* and *subpoena duces tecum* shall be punished in the same manner as indirect contempt of an inferior court upon application by the aggrieved party with the proper Court of First Instance in accordance with the provisions of Rule 721 of the Rules of Court.

**Art. 88.** The Council shall have original jurisdiction over all disputes relating to appropriation, utilization, exploitation, development, control, conservation and protection of waters within the meaning and context of the provisions of this Code.

The decisions of the Council on water rights controversies shall be immediately executory and enforcement thereof may be suspended only when a bond, in an amount fixed by the Council to answer for damages occasioned by the suspension or stay of execution, shall have been filed by the appealing party, unless the suspension is by virtue of an order of a competent court.

All disputes shall be decided within sixty (60) days after the parties submit the same for decision or resolution.

The Council shall have the power to issue writs of execution and enforce its decisions with the assistance of local or national police agencies.

**Art. 89.** The decisions of the Council on water rights controversies may be appealed to the Court of First Instance of the province where the subject matter of the controversy is situated within fifteen (15) days from the date the party appealing receives a copy of the decision, on any of the following grounds: (1) grave abuse of discretion; (2) question of law; and (3) questions of fact and law.

#### CHAPTER VIII PENAL PROVISIONS

**Art. 90.** The following acts shall be penalized by suspension or revocation of the violator's water permit or other right to the use of water and / or a fine of not exceeding One Thousand Pesos (P1,000.00), in the discretion of the Council:

- a. Appropriation of subterranean or ground water for domestic use by an overlying landowner without registration required by the Council.
- b. Non-observance of any standard of beneficial use of water.
- c. Failure of the appropriator to keep a record of water withdrawal, when required.
- d. Failure to comply with any of the terms or conditions in a water permit or a water rights grant.
- e. Unauthorized use of water for a purpose other than that for which a right or permit was granted.
- f. Construction or repair of any hydraulic work or structure without duly approved plans and specifications, when required.
- g. Failure to install a regulating and measuring device for the control of the volume of water appropriated, when required.
- h. Unauthorized sale, lease, or transfer of water and/or water rights.
- i. Failure to provide adequate facilities to prevent or control diseases when required by the Council in the construction of any work for the storage, diversion, distribution and utilization of water.

- j. Drilling of a well without permission of the Council.
- k. Utilization of an existing well or ponding or spreading of water for recharging subterranean or ground water supplies without permission of the Council.
- l. Violation of or non-compliance with any order, rule, or regulation of the Council.
- m. Illegal taking or diversion of water in an open canal, aqueduct or reservoir.
- n. Malicious destruction of hydraulic works or structures valued at not exceeding P5,000.00.

**Art. 91.** A fine not exceeding Three Thousand Pesos (P3,000.00) or imprisonment for not more than three (3) years, or both such fine and imprisonment, in the discretion of the Court, shall be imposed upon any person who commits any of the following acts:

- 1. Appropriation of water without a water permit, unless such person is expressly exempted from securing a permit by the provisions of this Code.
- 2. Unauthorized obstruction of an irrigation canal.
- 3. Cultivation of a river bed, sand bar or tidal flat without permission.
- 4. Malicious destruction of hydraulic works or structure valued at not exceeding Twenty Five Thousand Pesos (P25,000.00).

**B.** A fine exceeding Three Thousand Pesos (P3,000.00) but not more than Six Thousand Pesos (P6,000.00) or imprisonment exceeding three (3) years but not more than six (6) years, or both such fine and imprisonment in the discretion of the Court, shall be imposed on any person who commits any of the following acts:

- 1. Distribution for public consumption of waste water which adversely affects the health and safety of the public.
- 2. Excavation or enlargement of the opening of a hot spring without permission.
- 3. Unauthorized obstruction of a river or waterway, or occupancy of a river bank or seashore without permission.
- 4. Establishment of a cemetery or a waste disposal area near a source of water supply or reservoir for domestic or municipal use without permission.
- 5. Constructing, without prior permission of the government agency concerned, works that produce dangerous or noxious substance, or performing acts that result in the introduction of sewage, industrial waste, or any substance that pollutes a source of water supply.
- 6. Dumping mine tailings and sediments into rivers or waterways without permission.
- 7. Malicious destruction of hydraulic works or structure valued more than Twenty-Five Thousand Pesos (P25,000.00) but not exceeding One Hundred Thousand Pesos (P100,000.00)

**C.** A fine exceeding Six Thousand Pesos (P6,000.00) but not more than Ten Thousand Pesos (P10,000.00) or imprisonment exceeding six (6) years but not more than twelve

(12) years, or both such fine and imprisonment, in the discretion of the Court, shall be imposed upon any person who commits any of the following acts:

- 1. Misrepresentation of citizenship in order to qualify for water permit.
- 2. Malicious destruction of a hydraulic works or structure, valued at more than One Hundred Thousand Pesos (P100,000.00).

**Art. 92.** If the offense is committed by a corporation, trust, firm, partnership, association or any other juridical person, the penalty shall be imposed upon the President, General Manager, and other guilty officer or officers of such corporation, trust firm, partnership association or entity, without prejudice to the filing of a civil action against said juridical person. If the offender is an alien, he shall be deported after serving his sentence, without further proceedings.

After final judgment of conviction, the Court upon petition of the prosecuting attorney in the same proceedings, and after due hearing, may, when the public interest so requires, order the suspension or dissolution of such corporation, trust, firm, partnership, association or juridical person.

**Art. 93.** All actions for offenses punishable under Article 91 of this Code shall be brought before the proper court.

**Art. 94.** Actions for offenses punishable under this Code by a fine of not more than Three Thousand Pesos (P3,000.00) or by an imprisonment of not more than three (3) years, or both such fine and imprisonment, shall prescribe in five (5) years; those punishable by a fine exceeding Three Thousand Pesos (P3,000.00) but not more than Six Thousand Pesos (P6,000.00) or an imprisonment exceeding three (3) years but not more than six (6) years, or both such fine and imprisonment, shall prescribe in seven (7) years; and those punishable by a fine exceeding Six Thousand Pesos (P6,000.00) but not more than Ten Thousand Pesos (P10,000.00) or an imprisonment exceeding six (6) years but not more than twelve (12) years, or both such fine and imprisonment, shall prescribe in ten (10) years.

## CHAPTER IX TRANSITORY AND FINAL PROVISIONS

**Art. 95.** Within two (2) years from the promulgation of this Code, all claims for a right to use water existing on or before December 31, 1974 shall be registered with the Council which shall confirm said rights in accordance with the provisions of this Code, and shall set their respective priorities.

When priority in time of appropriation from a certain source of supply cannot be determined, the order of preference in the use of the waters shall be as follows:

- a. Domestic and municipal use
- b. Irrigation

- c. Power generation
- d. Fisheries
- e. Livestock raising
- f. Industrial use, and
- g. Other uses.

Any claim not registered within said period shall be considered waived and the use of water deemed abandoned, and the water shall thereupon be available for disposition as unappropriated waters in accordance with the provisions of this Code.

**Art. 96.** No vested or acquired right to the use of the water can arise from acts or omissions which are against the law or which infringe upon the rights of others.

**Art. 97.** Acts and contracts under the regime of old laws, if they are valid in accordance therewith, shall be respected, subject to the limitations established in this Code. Any modification or extension of these acts and contracts after the promulgation of this Code, shall be subject to the provisions hereof.

**Art. 98.** Interim rules and regulations promulgated by the Council shall continue to have binding force and effect, when not in conflict with the provisions of this Code.

**Art. 99.** If any provision or part of this Code, or the application thereof to any person or circumstance, is declared unconstitutional or invalid for any reason, the other provisions or parts therein shall not be affected.

**Art. 100.** The following laws, parts and/or provisions of laws are hereby repealed:

- a. The provisions of the Spanish Law on Waters of August 3, 1866, the Civil Code of Spain in 1889 and the Civil Code of the Philippines (R.A. 386) on ownership of waters, easements relating to waters, use of public waters and acquisitive prescription on the use of waters, which are inconsistent with the provisions of this Code;
- b. The provisions of R.A. 6395, otherwise known as the Revised Charter of the National Power Corporation, particularly section 3, paragraph (f), and section 12, insofar as they relate to the appropriation of waters and the grant thereof;
- c. The provisions of Act No. 2152, as amended, otherwise known as the Irrigation Act, section 3, paragraph (k) and (m) of P.D. No. 813, R.A. 2056; Section 90, C.A. 137; and
- d. All Decrees, Laws, Acts, parts of Acts, rules of Court, executive orders, and administrative regulations which are contrary to or inconsistent with the provisions of this Code.

**Art. 101.** This Code shall take effect upon its promulgation.

Done in the City of Manila, this 31st day of December, Nineteen Hundred and Seventy Six.

(Sgd.) **FERDINAND E. MARCOS**  
President

By the President:

(Sgd.) **JACOBO C. CLAVE**  
Presidential Executive Assistant

**WATER CODE OF THE PHILIPPINES**  
**Amended Implementing Rules and Regulations**

Pursuant to the Water Code of the Philippines (the "Water Code") vesting upon the National Water Resources Board (the NWRB) the administration and enforcement of the provisions thereof, the following rules and regulations are hereby promulgated:

**RULE I**  
**APPROPRIATION AND UTILIZATION OF WATERS**

**Section 1. *Water may be appropriated for the following descending purposes and uses:***

- a. Domestic
- b. Municipal
- c. Irrigation
- d. Power generation
- e. Fisheries
- f. Livestock raising
- g. Industrial
- h. Recreational, and
- i. Other purposes

*Use of water for domestic purposes* is the utilization of water directly drawn from a source by a household for drinking, washing, bathing, cooking, watering of gardens or animals and other domestic uses.

*Use of water for municipal purposes* is the utilization of water for supplying the water requirements of a community, whether by piped or bulk distribution for domestic and other uses, direct consumption, the drawer or abstractor of which being the national government, its subsidiary agencies, local government units, private persons, cooperatives or corporations.

*Use of water for irrigation* is the utilization of water for producing agricultural crops.

*Use of water for power generation* is the utilization of water for producing electrical or mechanical power.

*Use of water for fisheries* is the utilization of water for the propagation and culture of fish as a commercial enterprise or any other aqua-culture ventures.

*Use of water for livestock raising* is the utilization of water for large herds or flocks of animals raised as a commercial enterprise.

*Use of water for industrial purposes* is the utilization of water in factories, industrial plants and mines including the use of water as an ingredient of a finished product.

*Use of water for recreational purposes* is the utilization of water for swimming pools, bath houses, boating, water skiing, golf courses and other similar facilities in resorts and other places of recreation.



**Section 2. When Permit/Authority from the National Water Resources Board Must be Secured** – As required under the provisions of P. D. 1067, a permit/authority shall be secured from the Board in the following instances:

- a) Appropriation of water for any purpose stated under Section 1, except for “purely domestic purpose”, provided that such use shall be registered with the Board. “Purely domestic purpose” as used in these rules is defined as the use of not more than 250 liters/capita/day of water by a single household;
- b) Change in purpose of the appropriation;
- c) Amendment of an existing permit, such as change in point or nature of diversion, amount of appropriation, period of use, etc;
- d) Transfer or lease of water right, as evidenced by a water permit;
- e) Temporary permit to appropriate and use of water;
- f) Developing a stream, lake or spring for recreational purposes;
- g) Lowering or raising the level of the water of a lake, river or marsh, or draining the same;
- h) Transbasin diversion;
- i) Dumping of mine tailings or wastes into a river or a waterway;
- j) Such other instances that will require a permit as determined by the Board.

In the following instances, the granting of permit required under the provisions of P.D. 1067 is delegated by the Board to the corresponding agencies indicated and permit pertaining to any of these instances shall be secured from such agency:

- a) Excavation for the emission of a hot spring – Department of Energy (DOE);
- b) Cloud seeding to induce rainfall – subject to other requirements by the Board in coordination with Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA).
- c) Recharging groundwater supplies – Department of Environment and Natural Resources (DENR)

Whenever necessary, the Board may exercise any of the above delegated authorities.

**Section 3. Qualification of Applicants for Permit/Authority** – Only the following may file an application with the Board for permit/authority:

- a) Citizens of the Philippines;
- b) Associations, duly registered cooperatives or corporations organized under the laws of the Philippines, at least 60 percent of the capital of which is owned by citizens of the Philippines;
- c) Government entities and instrumentalities, including government-owned and controlled corporations.

**Section 4. Place of Filing Applications** – Except as otherwise provided in these rules, application for water permit under Section 2 and permits to drill shall be filed

directly with the Board or its deputized agents designated by the Board in the province where the point of diversion or abstraction is situated in the case of appropriation of waters or where the project is located in all other cases.

**Section 5. Form and Requirements of Application** – All applications shall be filed in the prescribed form, sworn to by the applicant and supported by the following:

**A. Water Permit for Municipal Use**

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary’s Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Certificate of Conformance from LWUA (for Water Districts only);
4. Certificate of Registration (if Barangay Waterworks Association, Rural Waterworks and Sanitation Association);
5. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
6. Subdivision Plan (if applicable);
7. Well Drilling Data (in case of existing groundwater source authenticated by the well driller) including Physical and Chemical analysis of water;
8. Sangguniang Bayan/Regional Development Council endorsement (for LGU-managed water supply facilities);
9. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR -Regional Office; and
10. Such other documents that may be required by the Board.

**B. Water Permit for Irrigation Use**

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary’s Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:50,000 showing the exact location of the point of diversion;

4. General layout of the system, including delineation of area indicating hectareage for which water will be used and adjoining lands and their corresponding owners duly indicated relative to the point of diversion;
5. Well Drilling Data (in case of existing groundwater source);
6. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR -Regional Office; and
7. Such other documents that may be required by the Board.

#### C. Water Permit for Power Generation

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
4. Brief Description of the project stating among others, how water will be used, amount of water needed, power to be generated, etc.;
5. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR-Regional Office;
6. Initial Permit from DOE per R.A. 7156; and
7. Such other documents that may be required by the Board.

#### D. Water Permit for Fisheries

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
4. Brief Description of the project stating among others, how water will be used, amount of water needed, etc.;
5. Clearance from Laguna Lake Development Authority (LLDA), in case within watershed of Laguna Lake;

6. Well Drilling Data (in case of existing groundwater source);
7. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR -Regional Office;
8. Clearance from existing dam/reservoir operated by NIA, NPC and other government entities (for fisheries located upstream not within said existing dam/reservoir); and
9. Such other documents that may be required by the Board.

#### E. Water Permit for Livestock Raising

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
4. Well Drilling Data (in case of existing groundwater source);
5. Brief Description of the project stating among others, how water will be used, amount of water needed, etc.
6. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR-Regional Office; and
7. Such other documents that may be required by the Board.

#### F. Water Permit for Industrial Use

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
4. Brief Description of the project stating among others, how water will be used, amount of water needed, etc.
5. Well Drilling Data (in case of existing groundwater source);

6. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR-Regional Office; and
7. Such other documents that may be required by the Board.

G. Water Permit for Other Uses (Recreation, Commercial, Memorial Parks, Environmental etc.)

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
4. Brief Description of the project stating among others, how water will be used, amount of water needed, etc.;
5. Well Drilling Data (in case of existing groundwater source);
6. Certificate of Potability (including Physical and Chemical Analysis of water), if applicable;
7. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR-Regional Office; and
8. Such other documents that may be required by the Board.

**Section 6. Other Requirements** – In addition to the requirements under Section 5, the following are required in the specific instances indicated:

- A. For Well Drilling – All applications involving extraction of groundwater shall include the name of a duly registered well driller who will undertake the drilling.
- B. For Transfer of a Water Permit – A verified petition for the transfer of a water permit shall state the reasons for the transfer and shall attach the contract or agreement for the transfer.
- C. For Lease of a Water Right – A verified petition for the lease of a water permit shall be accompanied by a duly executed contract of lease, *Provided* that no contract of lease shall be for a continuous period exceeding five (5) years, otherwise the contract shall be treated as a transfer of permit in favor of the lessee.

**Section 7. Filing Fee** – A filing fee, as may be fixed by the Board, shall be imposed and collected for all applications and petitions filed with the Board, which shall be paid directly to the Board or through its duly authorized collecting agents.

**Section 8. Water Fees or Charges** – Except when the appropriation is for purely domestic purpose as defined in Section 2 (a) hereof, all appropriators shall pay to the Board water fees or charges for water resources development.

The Board may revise the said water fees or charges or impose special water rates as the need arises, taking into consideration, among others, the following:

- a) Intended use of water;
- b) Quantity/rate of water withdrawal vis-à-vis other users taking into account the water bearing potential of the source;
- c) Environmental effects;
- d) Extent to which water withdrawal will affect the source; and
- e) Development cost of bringing water from the source.

The foregoing notwithstanding, the Board may decide to impose raw water charges based on the maximum volume of water that may be withdrawn using the facilities installed or on the actual volume withdrawn as reflected in the water abstraction meter in lieu of the existing water extraction charges.

**Section 9. Processing, Posting and Sending of Notices of Applications/Petitions** – Upon receipt of an application or a petition, the Board shall process the same to determine completeness of the requirements prescribed in Section 5 hereof. Once completed, and upon payment of the filing fee, notices of the application/petition shall be posted in a conspicuous place in the office of the Board for a period of thirty (30) days. The Board shall also send notices to the following offices for posting in conspicuous places for the same period:

- a) Barangay Chairman of the place where the point of diversion is located;
- b) City or Municipal Secretary of the city or town where the point of diversion is located;
- c) The Secretary of the Sangguniang Panlalawigan of the province where the point of diversion is located;
- d) Department of Public Works and Highways (DPWH) District Engineer or National Irrigation Administration (NIA) Provincial Irrigation Officer as the case may be.

Copies of the notice of application shall, likewise, be furnished to concerned Regional Offices of the Department of Public Works and Highways, National Irrigation Administration, National Power Corporation, Department of Environment and Natural Resources, and Local Water District Office, if there is one and such other agencies as may be specified by the Board.

**Section 10. Action After Posting of Notices for Appropriation of Surface Waters**

**A. Investigation and Studies**

After seven (7) days from the first day of posting of notice at the office where the application is filed, the office concerned shall determine:

1. The approximate seasonal discharge of the water sources;
2. The amount of water already appropriated for beneficial use;
3. The water requirement of the applicant as determined from standards of beneficial use prescribed by the Board;
4. Possible adverse effects on existing grantees/permittees or public/private interest including mitigating measures;
5. Environmental effects;
6. Land-use economics;
7. Whether the area to be irrigated can be integrated with that of an existing or proposed irrigators association for common irrigation facilities, if the purpose is for irrigation only;
8. Climate conditions and changes; and
9. Other relevant factors.

**B. Protest on Applications** - Any person who may be adversely affected by the proposed appropriation may file a verified protest with the Board within thirty (30) days after the last day of posting of Notice.

Protests to an application for water permit shall be governed by the rules prescribed for resolving water use controversies.

**C. Action on Application**

1. For applications filed directly with the Board
  - a. Upon receipt of an application for water permit, the Board shall process the same in accordance with Section 9 hereof.

The Board shall then require interested parties including the concerned water district, private water company or franchisee, or registered irrigators association, company or cooperative to comment on the application within fifteen (15) working days from receipt of a copy of the water permit application which shall be furnished by the Board.

- b. If no protest or comment on the application is filed within the prescribed period, the Board shall immediately decide to approve or deny the permit within sixty (60) days from the date of application provided all the requirements under these rules are complied with.

If a protest has been filed within the above period, a hearing should immediately be set in accordance with the rules and procedures herein provided. Unless restrained by a competent court, protests shall be immediately resolved within sixty (60) days from the date of submission for resolution.

**2. For applications filed with deputized agencies**

Upon receipt of an application for water permit, the deputized agency concerned shall process the same in accordance with Section 9 hereof.

The deputized agency shall require interested party including the concerned water district, private water company or franchisee, or registered irrigators association, company or cooperative to comment on the application within fifteen (15) working days from receipt of a copy of the water permit application which shall be furnished by the Board.

Within fifteen (15) days from the last day of posting of notice, the deputized agency before which the application was filed shall transmit the application to the Board together with all the records, findings of facts, comments of other government agencies, and recommendations. Upon receipt of the records, the Board shall proceed to act on the application in accordance with Section 10 (c) (1) (b).

In cases of application for irrigation, the report shall be coursed by the NIA Regional Director to the Board or any regional office that may be established by the Board.

In cases of application for hydraulic power, the DPWH Regional Director shall transmit the application and all the records to the National Power Corporation Central Office, which shall forward the same to the Board with its comments and recommendations within thirty (30) days from receipt thereof.

**Section 11. Registration of Water Wells/Sources used for Single Household Purposes** - Households using a water source for single household purpose shall register the same with the Board. The Board may impose a reasonable amount for such registration.

In case of conflict involving any right on a well/source used for domestic purpose, the same shall be resolved in accordance with the provisions of the Local Government Code.

**Section 12. Action After Posting of Notices for Appropriation of Groundwater**

A. Permit to Drill – The application to appropriate groundwater shall be processed for adherence to requirements and shall be investigated in the field to determine any adverse effect to public or private interest. Protests on the application shall be governed by Section 10-B hereof. If the application meets the requirements and has been found not to be prejudicial to public or private interest, a permit to drill shall be issued by the Board subject to the following conditions:

1. Drilling operations shall be in accordance with the rules provided herein;
2. The rate of water withdrawal to be approved shall be determined after pumping tests and shall in no case exceed the rate stated in the application;
3. A permit to drill shall remain valid for six (6) months, unless a longer period is allowed by the Board for reasonable grounds; and
4. The permit to drill shall be regarded as a temporary permit, and the regular permit shall be issued after the rate of water withdrawal has been determined.

B. Result of Drilling Operations – A report on the result of the drilling operations shall be submitted to the Board within the 6-month period stated in the preceding section. The report shall include a description of each drilling site, the drilling log, the yield of the well and the assessment of the data obtained.

C. Investigation and Studies – Upon receipt of the report on drilling operations, the investigating office shall consider the proposed withdrawal of groundwater in relation to the following:

1. Safe yield of the source, reasonable or feasible pumping lift;
2. Beneficial use;
3. Adverse effects on existing lawful users of water or to public or private interest;
4. Effects on the environment;
5. Danger of contamination of aquifers, deterioration of water quality or salt water intrusion;
6. Adequacy of proposed well, works, plans and specifications towards meeting prescribed standards; and
7. Comments and/or recommendations of other agencies.

D. Final Action on Application – Within fifteen (15) days from receipt of the report of well drilling operations, the investigating office shall submit the records of the application directly to the Board.

**Section 13. Board's Action** – The Board shall approve or disapprove applications for water permits within thirty (30) days after receipt of the recommendation of the Board Secretariat, unless a longer period is needed for the disposition of protests.

Failure to claim any approved water permit within 6 months from notice of its approval by the Board shall cause the automatic revocation of the approved water permit.

**Section 14. Water Permit** – Approved applications shall be issued water permits subject to such conditions as the Board may impose. Such permit must bear the seal of the Board and the signature of the Executive Director. Disapproved applications shall be returned to applicants through the office where the same was filed within fifteen (15) days of such disapproval stating the reasons therefor.

**Section 15. Conditions in Permits** - Water permits issued by the Board shall be subject to such terms, restrictions and limitations as it may deem proper to impose, and including any, or all of the following conditions:

- a) Within one (1) year from the receipt of the permit, the applicant shall submit to the Board for approval, the plans and specifications for the diversion works, pump structure, water measuring device, and other required structures, and the implementing schedules of construction for private sector projects. No construction work or private sector projects shall commence until the plans, specifications and implementing schedules are duly approved. When the diversion dam is temporary and less than two (2) meters high, the submission of plans for the dam may not be required.
- b) The construction of the necessary structures and diversion works shall begin within ninety (90) days from the date of receipt of the approved plans, specifications and implementing schedules and shall be completed within the approved schedule unless extended by the Board for valid or justifiable reasons, provided, that water shall not be diverted, pumped or withdrawn until after such structures and works shall have been inspected and approved by the Board, unless otherwise allowed. Except in cases of emergency to save life or property or repairs in accordance with the plans originally approved, the alteration or repair of these structures shall not be undertaken without the approval of the Board.
- c) The permittee shall inform the Board or its deputy concerned, that the necessary structures and diversion works required have been completed in accordance with approved plans and specifications. In addition, in cases of appropriation of groundwater, the Permittee shall inform the Board as to the depth and diameter of the well, the drilling log, the specifications and location of casings, cementing, screens and perforations, and the results of tests of capacity, flow, drawdown, and shut-in pressure.
- d) The right of a permittee to the amount of water allowed in the permit is only to the portion or extent that he can use beneficially for the purpose stated therein. The diversion of the water shall be from the source and only for the purpose indicated in the permit. In no case should the said use exceed the

quantity and period indicated therein. In gravity diversions, regulating gates of the canal shall be closed when water is not needed.

- e) The Board may, after due notice and hearing, reduce the quantity of water or adopt a system of apportionment, distribution, or rotation thereof, when the facts and circumstances in any situation would warrant the same, subject to payment of compensation in proper cases, to serve the interest of the public/ or legal appropriations.
- f) The Board may, after due notice and hearing, revoke the permit in favor of projects for greater beneficial use or for multi-purpose development, subject to compensation in proper cases.
- g) The Board shall revoke or suspend the permit if the permittee violates effluent/ water quality standards as determined by the Department of Environment and Natural Resources.
- h) Non-use of the water for the purpose stipulated in the permit for a period of three consecutive years from date of issuance or completion of diversion works and necessary structures, shall render said permit null and void, except as the Board may otherwise allow for reasons beyond the control of the permittee.
- i) Any person in control of a well shall prevent the water waste therefrom and shall prevent water from flowing onto the surface of the land or into any surface water without being beneficially used, or any porous stratum underneath the surface.
- j) Any person in control of a well shall prevent water containing mineral or other substances injurious to the health of humans or animals or to agriculture and vegetation from flowing onto the surface of the land or into any surface or into any other aquifer or porous stratum.
- k) The water permit shall continue to be valid as long as water is beneficially used, however, it may be suspended on the ground of non-compliance with approved plans and specifications or schedule of water distribution; use of water for a purpose other than that for which it was granted; non-payment of water charges; wastage; failure to keep records of water diversion when required; and violation of any term or condition of any permit or of rules and regulations promulgated by the Board.
- l) The water permit may be revoked after due notice and hearing on ground of non-use; gross violation of the condition imposed in the permit; unauthorized sale of water; willful failure or refusal to comply with rules and regulations or any lawful order; pollution; public nuisance or act detrimental to public health and safety; when the appropriator is found to be disqualified under the

law to exploit and develop natural resources of the Philippines; when, in the case of irrigation, the land is converted to non-agricultural purposes; and other similar grounds.

- m) The permittee shall allow the Board inspectors/investigators access to the source at any time upon notice to monitor compliance with the terms and conditions imposed in the permit. Failure to allow said inspectors/investigators access to the source shall cause the cancellation of the water permit issued to permittee.
- n) The permittee shall submit to the Board quarterly records of water withdrawal from the source. Non-compliance hereof shall be ground for the cancellation/ revocation of the water permit issued to permittee.
- o) Wells which are no longer being used shall be properly plugged before abandonment to avoid contamination of the aquifer.

**Section 16. Periodic and Final Inspection of Project** – The Board, in coordination with its deputized agents who investigated the application/petition, may conduct inspection of the project during their construction, alteration, or repair or upon completion thereof to ascertain whether or not they are in accordance with approved plans and specifications.

A report of the inspection shall be submitted to the Board by the deputized agents within ten (10) days from the date of inspection.

**Section 17. Notice of Completed Structures/Diversion Works** – The permittee shall inform the Board or its deputy concerned, that the necessary structures and diversion works required have been completed in accordance with approved plans and specifications.

In cases of appropriation of groundwater, the permittee shall also inform the Board as to the depth and diameter of the well, the drilling log, the specifications and location of casings, cementing, screens and perforations, and the results of tests of capacity, flow, drawdown, and shut-in pressure.

**Section 18. Inspection of Works** – Inspection of the premises shall be conducted by the Board or its deputized agents to determine compliance with the conditions imposed in the permit and such other order, rule or regulation that the Board may issue.

**Section 19. Certificate of Compliance** – The Board shall issue a certificate of compliance to the permittee/grantee after being satisfied that the construction of the necessary structures in connection with the water permit have been duly complied with. Such certificate shall bear the signature of the Executive Director.

**Section 20. Revocation of Permit** – Any permit issued pursuant to the rules may be revoked by the Board, after due notice and hearing, for any of the grounds provided herein or in the Code.

**Section 21. Recurrent Water Shortage** – For purpose of Articles 22 and 26 of the Code, recurrent water shortage shall mean the natural diminution of water in a source of supply to a volume or rate of flow insufficient to meet the water requirements of all legal appropriators.

To prevent recurrent water shortage, the Board shall instruct the concerned appropriators to develop other source/s of water. In such case, the Board may recommend to the President to fast track the development of the identified source/s. Pending the development of the identified source/s, the Board may recommend to the President, necessary measures to augment/optimize the water supply to satisfy the demand, including the possible declaration of a water shortage or crisis.

**Section 22. Basic Diversion Requirements for Irrigation Use** – Except when otherwise justified by the type of irrigation system, soil conditions, kind of crop, topography and other factors, water permits for irrigation use shall be granted on the basis of not exceeding 1.5 liters per second per hectare of land to be irrigated.

**Section 23. Construction/Repair of Other Structures** – Apart from the structures required under Section 15, and except in cases of emergency to save life or property or repairs in accordance with plans previously approved, the construction or repair of the following structures shall be undertaken only after the plans and specifications therefore are approved by the Administrator of the National Irrigation Administration when the structure is for an irrigation project, or by the Secretary of the Department of Public Works and Highways or appropriate local government units in all other cases enumerated hereunder:

- a) Off-stream water impounding structures except earth-fill embankments less than ten (10) meters high from the natural ground surface;
- b) Barrages across natural waterways except temporary dams for irrigation less than two (2) meters high from the stream bed; and
- c) Dikes, levees, revetments, bulkheads, piers, breakwaters and other similar structures or devices that affect the direction or level of materials in rivers, lakes and in maritime waters.

Other structures not included in the above enumeration shall be approved by the proper government agencies as may be designated by the Board.

The approving officials shall prescribe the procedure for filing, processing and approval of the plans and specifications. Structures required in water permits shall be approved as prescribed under Section 15 hereof.

**Section 24. Establishment of Easements** – Actions for the establishment of easements under Article 25 of the Code shall be governed by the Rules of Court.

**Section 25. Establishment of Control Areas** – When the Board deems it necessary to declare a control area, it shall publish the same in three (3) newspapers of general circulation setting forth the purpose for the declaration, the geographic limits of the control areas, and the regulations necessary to achieve its objectives.

**Section 26. Coordinated Use of Waters in Control Areas** – In control areas so declared for the coordinated development, protection and utilization of ground and surface waters, the appropriation of surface water shall, in general, have preference over that of groundwater and, except as otherwise allowed by the Board, a permit for the appropriation of groundwater is valid only to the extent that it does not prejudice any surface water supply.

**Section 27. Registration of Wells in Control Areas** – In declared control areas, all wells without water permits, including those for domestic use, shall be registered with the Board within two (2) years from the declaration. Otherwise, any claim to a right on a well is considered waived and use of water therefrom shall be allowed only after a water permit is secured in accordance with Rule 1 hereof.

**Section 28. Temporary Permits** – The Board may grant temporary permits for the appropriation and use of water in situations such as the following:

- a) Irrigation of an area pending the construction of a larger system to be operated either by the government or by any irrigation association which will serve said area. Such permit shall automatically expire when water becomes available for the area from the larger system. In cases where the supply from the larger system is not adequate, the permit may be modified accordingly;
- b) When there is need to use water for municipal purposes in emergency situations pending the availability of an alternative source of supply as provided in Article 22 of the Code;
- c) For special research projects requiring the use of water for certain periods of time;
- d) For temporary use of water needed for the construction of roads, dikes, buildings and other infrastructures; and
- e) When there are unforeseen delays in the approval of the application and appropriation of water is necessary pending the issuance of a water permit, unless the application is protested.
- f) Pending the submission of plans and specifications of diversion works, pump structure, water measuring device, and other required structures and in addition for private sector projects, the implementing schedules of construction and any additional requirements as may be required by the Board.

Temporary permits shall specify the conditions and the period within which the permit is valid.

**RULE II**  
**CONTROL, CONSERVATION AND PROTECTION OF WATERS,**  
**WATERSHEDS AND RELATED LAND RESOURCES**

**Section 29. Watershed Management, Protection and Rehabilitation** - The NWRB, DENR and other appropriate agencies involved in watershed management shall undertake watershed conservation, protection and rehabilitation and shall adopt appropriate soil and water conservation, and protection measures to safeguard the hydrological integrity of watersheds and help sustain the protection of water for various purposes and uses. (i.e. DENR/ Forest Management Bureau (FMB), Bureau of Soils and Water Management (BSWM), Local Government Units (LGUs), Water District (WD), private sector, etc.)

**Section 30. Prohibited Construction on Navigable or Floatable Waterways** - Except when allowed under these rules, the Board shall recommend to the DPWH, Department of the Interior and Local Government (DILG) or appropriate government agency or local government unit the removal of dams, dikes, or any structure or works or devices that encroach into any public navigable or floatable rivers, streams, coastal waters, waterways, bodies of water, or obstruct or impede the free passage of water or cause inundation.

The rules and regulations of the Philippine Coast Guards pertaining to navigation shall be suppletory to these rules. Rivers, lakes and lagoons may be declared by the Board as navigable in whole or in part upon recommendation of the Philippine Coast Guard.

**Section 31. Determination of Easements** - For purposes of Article 51 of the Code, all easements of public use prescribed for the banks or rivers and the shores of seas and lakes shall be reckoned from the line reached by the highest flood which does not cause inundation or the highest equinoctial tide whichever is higher.

Any construction or structure that encroaches into such easement shall be ordered removed or cause to be removed by the Board in coordination with DPWH, LGU or appropriate government agency or local government unit.

**Section 32. When Permit/Authority from the Department of Public Works and Highways is Required** - A permit/authority shall be secured from the Department of Public Works and Highways in the following instances:

- a) Construction of dams, bridges and other structures in navigable or floatable waterways;
- b) Cultivation of river beds, sand bars and tidal flats upon clearance from DENR;
- c) Construction of private levees, revetments and other flood control and river training works; and
- d) Restoration of river courses to former beds.

**Section 33. Place of Filing Applications of Permit/Authority** - Applications for permit/authority under the next preceding section may be filed with the Department of Public Works and Highways District Engineering Office in the province where the project is to be undertaken.

**Section 34. Form and Contents of Applications** - All applications shall be filed in a prescribed form sworn to by the applicant and supported by the following:

**A. For Cultivation of River Beds, Sand Bars and Tidal Flats**

- 1) Location plan showing the river bed, delineation of the area to be cultivated, the adjoining areas and the corresponding lessees/permittees; and
- 2) Information showing the crops to be planted and the cropping period.

**B. For Private Flood Control Works**

- 1) Location plan showing the river channel, proposed control works and existing works, if any, in the vicinity;
- 2) Cross-sections of the river channel in the site;
- 3) Plans and specifications of control structures;
- 4) Construction schedule; and
- 5) Articles of Incorporation or Articles of Partnership in case applicant is a private corporation or partnership, or Certificate of Registration in case of cooperatives.

**C. For Restoration of River Courses to Former Beds**

- 1) Affidavits of two disinterested persons attesting to the circumstances of the changes in the course of the river or stream, including the date when such change occurred;
- 2) Certified copies of the cadastral plans and technical description of the lots affected by the river or stream, showing the former course to which the river will be restored;
- 3) A recent survey map of the area affected undertaken by a licensed geodetic engineer indicating the present river course as well as the old cadastral stream boundaries;
- 4) Articles of Incorporation or Articles of Partnership in case applicant is a private corporation or partnership, or Certificate of Registration in case of cooperatives; and
- 5) Scheme and schedule of restoration.

**D. For Construction of Dams, Bridges, and Other Structures in Navigable or Floatable Waterways**

- 1) Vicinity map and location plan showing the river and the proposed structure;
- 2) Cross-section of the structure with cross-section of the river at the location of



- the structure showing minimum water level, maximum flood level without structure, and maximum flood level with structure;
- 3) Plan showing extent of maximum flooded area without structure and maximum flooded area with structure;
  - 4) Schemes and details of provisions for passage of watercraft;
  - 5) Construction schedule; and
  - 6) Articles of Incorporation or Articles of Partnership in case applicant is a private corporation or partnership, or Certificate of Registration in case of cooperatives.

**Section 35. Action on Application** – In relation to Section 32, the DPWH District Engineer shall investigate each application filed with the District's Engineering Office, and if necessary, conduct public hearings thereon and shall transmit his report and recommendation to the DPWH Regional Director who, after proper review, shall transmit the application with its supporting documents and recommendations to the DPWH Secretary for appropriate action.

**Section 36. Limitation on Permits to Cultivate River Beds, Sand Bars and Tidal Flats** – A permit to cultivate river beds, sand bars and tidal flats shall be non-transferable and shall not be construed as authorizing reclamation of the area covered by the permit, or as conferring upon the permittee a right of ownership thereof by acquisitive prescription.

**Section 37. Construction and Completion of Work** – The construction of private flood control works and dams, bridges and other structures in navigable rivers or streams shall be undertaken within the approved construction schedule; otherwise, the permit shall automatically be cancelled unless a longer period is allowed.

Work for the restoration of a river or stream to its former bed shall be commenced within the two (2) years from the date of change in the course of the river or stream and completed within one (1) year from start of construction.

**Section 38. Establishment of Flood Control Areas** – Whenever the DPWH Secretary deems it necessary to declare flood control areas for the protection of flood plain lands, he shall publish the same in three (3) newspapers of general circulation setting forth the purpose of the declaration, the geographic limits of the declared control area, and the regulations necessary to achieve the objectives.

**Section 39. Inter-Agency Flood Plain Management Committee** – The Secretary of DPWH shall form an Inter-Agency Flood Plain Management Committee for each flood plain declared as flood control area, the members of which shall include, but not limited to, representatives from the following:

- a) Department of Public Works and Highways;
- b) Department of Environment and Natural Resources;
- c) National Disaster Coordinating Council through the Office of Civil Defense;

- d) Department of the Interior and Local Government;
- e) National Economic and Development Authority;
- f) National Hydraulic Research Center;
- g) Department of Agriculture;
- h) Philippine Atmospheric, Geophysical and Astronomical Services Administration;
- i) Concerned Local Government Unit/s; and
- j) National Water Resources Board

The functions of this Committee shall be:

- a) To establish close liaison among national and local government entities and promote the best interest and the coordinated protection and management of flood plain lands for the mitigation of flood damages viewed in a larger context to include other aspects such as environmental quality and public health, safety and welfare;
- b) To provide guidelines for local governments in the formulation of regulatory ordinances regarding flood plain use and occupancy;
- c) To draft and recommend guidelines for flood plain management in a particular flood control area in order to achieve the goals and objectives thereof; and
- d) To perform such other functions as the Secretary may direct.

**Section 40. Storage and Rafting of Logs** – The Board, through its deputies, may prohibit or control the rafting or storage of logs and other objects on rivers and lakes when:

- a) It causes pollution of waters used for domestic municipal purposes; and
- b) It causes danger to structures such as those for irrigation, power and flood control.

**Section 41. Prohibitions and Requirements on Water Impoundment** – The Board shall, upon recommendation of the Department of Health, prohibit the impounding of water in ponds or reservoirs when:

- a) The water is found to contain excessive pollutants;
- b) It will degrade its quality;
- c) Public health is endangered; and
- d) Such other similar situations.

Existing ponds or reservoirs falling under the aforementioned cases shall be ordered drained by the Board or controlled by other approved methods.

**Section 42. Reservoir Operations** – Owners or persons in control of a reservoir shall submit to the Board the proposed reservoir operation rule curve together with all pertinent data for approval which shall be followed except during periods of

extreme drought and when public interest so requires, wherein the Board may change the operation during the period after due notice and hearing.

The Board shall review periodically or whenever necessary the rule curve for possible revisions.

A rule curve is a diagram showing the minimum water level requirement in the reservoir at a specific time to meet the particular needs for which the reservoir is designed.

Furthermore anyone who operates a reservoir shall submit to the Board his plan for handling maximum discharges with a view to avoiding damage to life and property.

**Section 43. *Employment of Engineer in Dam Operations*** – All operators of storage dams exceeding 10 meters high or overflow dams exceeding 2 meters high from the stream bed shall make arrangements for the periodic inspection of said structures and its operating equipment by a registered engineer (civil/structural/dam).

A multipartite monitoring team shall be formed to monitor activities such as status/conditions of dam structure for the purpose of identifying conditions which may adversely affect the safety of the structures in giving advice to the operator on the proper maintenance and operation thereof.

**Section 44. *Qualifications and Requirements of Well Drillers*** – No person or entity shall be permitted to undertake well drilling work unless he is duly registered with the Board as a well driller. No person or entity (including for domestic family use) shall be registered by the Board as a well driller unless he has at least any of the following qualifications:

**I. For Manual Well Drillers:**

- a) Three (3) years experience in manual well drilling, as certified by a duly registered well driller;
- b) Certificate of Registration of Business Name issued by the Department of Trade and Industry (DTI) or business permit issued by the local government unit;

**II. For Mechanized Well Drillers:**

- a) Certificate of Registration of Business Name issued by DTI or certificate of registration from Securities and Exchange Commission (SEC);
- b) Name/s of personnel with three (3) years experience in mechanized well drilling work as certified by duly registered mechanized well driller; or a holder of a bachelor's degree in geology, civil, mechanical, or other related engineering courses with one (1) year experience in actual drilling work;

- c) Contractor's license issued by the Philippine Contractor's Accreditation Board (PCAB), if available;
- d) Financial Statement
- e) List of completed and on-going projects

**Section 45. *Permit to Drill a Well*** – Except for drilling of wells intended for purely domestic purpose, no person shall drill any well for the extraction of groundwater or make any alteration to any existing well without securing a permit from the Board.

For this purpose, only wells with casings not exceeding 75 millimeters in diameter may be allowed for single household domestic use.

**Section 46. *Requirements for Drilled Wells*** – Drilling of deep wells for the extraction of groundwater shall conform with the following requirements:

- a) The well shall be so designed and constructed that it will seal off contaminated waterbearing formations or formations which have undesirable characteristics;
- b) There shall be no unsealed openings around the well which may channel surface water or contaminated or undesirable groundwater vertically to the intake portion of the well;
- c) All parts of a permanent well shall be of durable materials;
- d) Wells constructed in a sand or gravel aquifer shall be provided with a water-tight casing to a depth of 1.5 meters or more below the lowest expected pumping level, provided that where the pumping level is less than ten (10) meters from the surface, the casing shall extend three (3) meters below the lowest pumping level;
- e) Casing of wells constructed in sandstone aquifers where the overburden consists of unconsolidated materials shall be grouted to a minimum depth of ten (10) meters, provided, that should there be an additional overlying formation of creviced or fractured rock, the casing shall be grouted to its full depth;
- f) Casings of wells constructed in limestone, granite or quartzite where the overburden consists of drift materials shall be extended to a depth of at least fifteen (15) meters, and firmly seated in rock formation, provided, that where the overburden is less than fifteen (15) meters, the casing shall be extended three (3) meters into uncreviced rock, provided, finally, that in no case shall the casing be less than 15 meters;
- g) Wells for domestic and municipal water supply shall be constructed in accordance with sound public health engineering practice;
- h) The extent of pumping and extraction of groundwater shall take into consideration the possibility of salt water intrusion, land subsidence and mining of groundwater;
- i) An abandoned well shall be properly plugged or sealed to prevent pollution of groundwater, to conserve aquifer yield and artesian head, and to prevent poor-quality water from one aquifer entering another.

- j) Free-flowing wells shall be provided with control valves or other similar devices to control and regulate the flow of water from such wells for conservation purposes;
- k) Well sites shall be provided with drainage facilities for the proper disposal/conveyance of surface water flow from the site;
- l) In general, spacing requirements except for wells less than 30 meters deep, shall be in accordance with the table below:

| RATE OF WITHDRAWAL<br>IN LITERS PER SECOND | MINIMUM DISTANCE BETWEEN<br>WELLS IN METERS |
|--|---|
| 2 – 10                                     | 200   |
| More than 10 – 20                          | 400   |
| More than 20 – 40                          | 600   |
| More than 40                               | 1000  |

The Board may increase or decrease the above spacing requirements under any of the following circumstances:

- a) for low-income housing development projects where home lot size will limit available spacing between homeowners' wells;
- b) where the geologic formation may warrant closer or farther spacing between wells; and
- c) where assessment of pumping test records on yields, drawdown, circle of influence, seasonal fluctuations in water table and other technical data on groundwater wells, drilling and operation indicate possible closer or farther spacing between wells.

In modifying the spacing requirements the following criteria shall be applied:

- a) No new well shall cause more than 2 meters of additional drawdown to any existing well;
- b) If the rate of withdrawal applied for a well will cause additional drawdown of more than 2 meters to any existing well the rate of withdrawal applied for shall be reduced to satisfy the drawdown limit;
- c) The Board shall prescribe the maximum pump size and horsepower in the water permit so that the rate of withdrawal shall not exceed that authorized;
- d) Groundwater mining may be allowed provided that the life of the groundwater reservoir system is maintained for at least 50 years.

**Section 47. Minimum Stream Flows and Water Levels** – When the Board deems it necessary to establish minimum streamflows for rivers and streams and/or minimum water levels for lakes as provided under Article 66 of the Code, it shall notify the public through newspapers that a public hearing shall be conducted for such purpose. In the conduct of the hearing, the following shall be considered:

- a) Adverse effects on legal appropriators;
- b) Priorities that may be altered on the basis of greater beneficial use and/or multi-purpose use;
- c) Protection of the environment, control of pollution, navigation, prevention of salt water damage and general public use; and
- d) Other factors relevant to the situation.

In general, the Board shall consider the following criteria in the establishment of minimum streamflows of rivers and streams and minimum water levels of lakes:

- a) For water quality and environmental protection, the minimum stream flow or lake water level shall be estimated based on the threshold concentration of pollutant and environmental requirements in cooperation with the DENR;
- b) For navigation purposes, the minimum flow or water level to be provided shall be such that the resulting streamflow or water level shall remain navigable to the existing vessels that ply the river or lake;
- c) For fish conservation, consideration shall be made such that the resulting streamflow or lake level will not adversely affect the existing fish habitat. The minimum flow/water level to be provided shall be determined by the Board in consultation with BFAR; and
- d) In any case the minimum requirement shall be the observed or estimated absolute minimum streamflow or lake level.

**Section 48. Protection of Water Supply Sources** – No person shall discharge into any source of water supply any domestic sewage, industrial waste, or pollutant not meeting the effluent standards set by the Department of Environment and Natural Resources.

**Section 49. Mine Tailings Disposal** – Water discharged with mine tailings or wastes shall not contain minerals or other substances injurious to man, animal, aquatic life, agriculture or vegetation in concentrations exceeding the maximum prescribed by the Department of Environment and Natural Resources.

Tailing dams, ponds or similar control structures located along the river beds whenever required shall be strong enough to withstand the forces in the river during typhoons and flash floods.

Mine operators shall undertake appropriate erosion control measures in their mining areas to minimize the amount of sediments therein that will be carried to river systems.

**Section 50. Complaint on Drainage System Construction** – Any complaint pertaining to the construction of a drainage system under the provisions of Article 44 of the Code shall be treated under Rule III thereof.

**RULE III  
ADMINISTRATION AND ENFORCEMENT**

**Section 51. *General Guidelines for Water Resources Development Projects/Programs*** – As a general rule, a water resources project/program, may be implemented if it is in accordance with the national socio-economic development goals and objectives or necessary for the national security or protection of life and property. Any project/program involving the appropriation of water shall be directed towards the optimum single and/or multi-purpose utilization thereof. Whenever practicable, projects shall be conceived and viewed according to multi-purpose water resources planning concepts within the area unit of a river basin. In the case of small scale water development projects not readily covered by large-scale water development projects, development planning of the latter shall proceed alongside the implementation of the former.

**Section 52. *Specific Guidelines*** – The size and time phase of projects/programs shall satisfy appropriate socio-economic indicators, more particularly the benefit-cost and/or cost-effectiveness criteria, their supplementary and complementary roles to the projects/program of other government sectoral plans, and their ecological effects.

**Section 53. *Water Resources Projects/Programs By Government Sector*** – Government water resources and related projects/programs shall, prior to its implementation, be submitted by the proponent agencies to the Board for evaluation and approval in accordance with the above guidelines. If necessary, the Board may refer the matter to NEDA Board's Investment Coordination Committee (ICC) and other concerned agencies for comment.

**Section 54. *Water Resources Projects/Programs By Private Sector*** – Any private interested party may propose any water resources project to the Board or through appropriate government agencies who shall forward the same to the Board with their comments. The Board, before approving the project, may, if necessary, refer or consult with other appropriate government agencies.

**Section 55. *Requirements of Water Resources Projects/Programs*** – Project/program proposals shall contain indicators of socio-economic justification, relationship to the National Development Plan, impact statement on the sector's project/program supports and complement, regional impact statement, environmental impact statement, and such as other information as the Board may require, including the submission of a project study or pre-feasibility study for that matter. Projects, such as artesian wells, spring development and barangay waterworks for purely domestic and municipal use, and such other small-scale projects as the Board may determine, shall be exempted from this requirement.

**Section 56. *Resolution of Conflict Arising from Project*** – Any conflict involving the use of water that may arise from the project/program proposal shall be resolved on the basis of national/regional priority and needs, e.g., need for power generation in multipurpose project shall be reckoned on the quantity and time of such need on a grid basis rather than on a single project basis alone.

Any conflict which adversely affects a particular segment of society, group of individuals or small community, may be resolved after a public hearing/consultation has been conducted by the Board or its proper deputies.

**Section 57. *Deputies*** – The Board may appoint a deputy for each or a combination of the following functional areas related to water resources:

- a) hydrologic and meteorologic data;
- b) flooding areas and inland waterways;
- c) lakes and marshes;
- d) watersheds;
- e) water supply and sewerage;
- f) water accounting within watersheds;
- g) other water resources activities

Each deputy shall gather and organize data in accordance with their assigned functions for submission to the Board. The Board shall determine the frequency and type of data to be gathered.

**Section 58. *Information Assessment*** – The Board shall collate and analyze technical data. It shall also develop an indexing system for all its publications indicating the date published, water resource basin involved, basic environmental indicator, and such other related indices.

Studies based on data retrieved from and/or submitted by the deputies may be undertaken by any party provided that he shall furnish the Board the result of such studies. The Board shall undertake a study of the manpower requirements of a water resource sector which may be considered in setting up and implementing appropriate manpower development measures.

It shall also establish a position classification system for employment purposes in coordination with water-oriented agencies and the Compensation and Position Classification Board.

The Board shall initiate and undertake studies of water consumption patterns along the different purposes provided in the Code particularly that of industry.

**Section 59. *Agents*** – The Board may appoint agents to perform specific functions such as investigation of water permit applications, water rights controversies and other activities as it may assign.

**Section 60. Committee on Arbitration** – The Board may create and authorize a Committee on Arbitration for purposes of determining the rate of just compensation in instances provided under the Code. Such committee shall be composed of the Board's Deputy/Agent who must be a professional technical man as Chairman, the Provincial/City Assessor and the Provincial/City Development Officer of the province/city where the subject premises is situated together with the representative of each of the parties involved, as members.

The Committee shall take action on any claim referred to it by the Board for evaluation and submit report thereon within thirty (30) days from receipt of notice of formation of the Committee unless a longer period is required, in which case extension maybe granted upon authority of the Board.

**Section 61. Review and Approval of Rules and Regulations Involving Water** – Rules and regulations issued by other government agencies involving policies on the utilization, exploitation, development, control, conservation or protection of water resources shall be reviewed and approved by the Board, unless the charter of such agency provides that the same shall be approved by the President, in which case the proposed rules shall first be referred to the Board for comment.

**Section 62. Agreements Involving Water** – Any agreement involving the use of water for irrigation, hydro-power, industrial, domestic and municipal water supply shall, in all cases, be subject to review and approval of the Board. In the review of such agreements, the Board may consult the parties and other government agencies concerned.

**Section 63. Disposition of Funds Collected** – All income of the Board from fees and charges shall be remitted to the National Treasury and treated as a special account under the General Fund to the credit of the Board. The operational and maintenance expenses of the deputies and agents of the Board shall be financed under this account in accordance with a special budget to be submitted to the Department of Budget and Management. Any generated surplus shall be invested for water resources development purposes including but not limited to the purposes envisioned under Article 81 as may be recommended by the Board.

#### RULE IV PROCEDURE IN CONFLICT RESOLUTION

**Section 64. Parties in Water Use Conflicts/Controversies** – The complaining party shall be referred to as Complainant/Protestant and the party against whom the complaint is filed shall be referred to as Respondent/Protestee.

**Section 65. Complaints** – All complaints shall be in writing, sworn to by the complainant/protestant and must contain the following:

- a) Name, postal address and personal circumstances of complainant/protestant;
- b) Name, postal address of respondent/protestee;
- c) Substance of the complaint;
- d) Grounds or causes of action;
- e) Brief and concise statement of the pertinent facts and circumstances;
- f) Relief sought; and
- g) Names and postal address of witness to be summoned, if any.

All complaints shall be accompanied by affidavits of witnesses as well as supporting documents, if any.

However, complaints/protests filed solely on the ground of adverse effects on the privileges to use water from any source shall not be entertained unless the complainant/protestant has a legal right over the water source as recognized under existing laws.

**Section 66. Place of Filing** – All complaints/protests regarding utilization, exploitation, allocation and all other aspects of water resource management may be filed directly to the Board.

**Section 67. Filing Fee** – There shall be imposed and collected a filing fee, as may be determined by the Board from every complainant/protestant except from pauper litigants in accordance with the Rules of Court.

**Section 68. Answer** – Upon receipt of a complaint/protest, the Board shall furnish the respondent/protestee with a copy of the complaint/protest and such accompanying documents and require him to answer in writing within ten (10) days from receipt thereof.

Should respondent/protestee fail to answer within the period provided herein, the Board shall proceed ex-parte to receive the evidence and testimony of the complainant/protestant and his witnesses.

**Section 69. Preliminary Conference** – Upon receipt of respondent/protestees' answer, the Hearing Officer shall direct the parties and their attorneys to appear before him for conference to consider the possibility of an amicable settlement, or arriving at stipulation of facts to simplify the issues.

The proceedings during the preliminary conference shall be summary in nature and shall be conducted informally without the Hearing Officer being bound to follow strictly the technical rules of evidence. He shall take appropriate steps towards a peaceful and equitable settlement of the dispute. Should a formal hearing pursue, the proceedings shall be properly recorded and transcript of stenographic notes taken.

**Section 70. Amicable Settlement** – Amicable settlement shall be reduced in writing and signed by the parties. Within fifteen (15) days from submission thereof,

the Board shall issue a resolution based on the amicable settlement unless the same is contrary to law or public policy.

**Section 71. Venue of Hearings** – Hearings shall be conducted in the office of the Board or in the place where the controversy is located as may be agreed upon by the parties.

**Section 72. Order of Proceedings** – The Hearing Officer shall hear first the testimony of the complainant/protestant and his witnesses and next the testimony of the respondent/protestee and his witnesses. During the proceedings, the parties shall have the right to cross-examine the witnesses presented. After the presentation of the evidence by the parties, they may at their option submit memorandum/memoranda in support of their claim/defense in lieu of oral argument.

Insofar as it is applicable, hearings may be conducted in accordance with the Rules of Summary Procedure as established under the Rules of Court. The parties may be allowed to present affidavits in lieu of oral testimony, subject to the right to cross examination by the other party.

**Section 73. Authority/Functions of Hearing Officer** – The Hearing Officer shall be duly authorized to administer oath to witnesses, and secure the attendance of witnesses and/or production of relevant documents through the compulsory process of subpoena and/or subpoena duces tecum. The contending parties may avail of such processes by filing a formal written request with the Hearing Officer.

The proceedings shall be duly recorded and shall include a physical or ocular inspection of the premises and for the purpose, the Hearing Officer and the parties shall have authority to enter upon private property with previous notice to owners thereof.

If any party fails to appear despite due notice, the Hearing Officer may proceed with the reception of evidence in the absence of such party.

**Section 74. Orders/Rulings** – Interlocutory orders/rulings made during the proceedings are not appealable.

Motions for postponements or continuance shall be based on valid and reasonable grounds and the grant or denial thereof rests upon the sound discretion of the Hearing Officer, provided that not more than three (3) postponements may be given to either party or a total of six (6) postponements in a given case, regardless of the number of parties and provided further, that in no case shall any postponement last for more than thirty (30) calendar days.

**Section 75. Investigation Report** – The hearing officer shall transmit to the Board within thirty (30) days from the date of termination of the proceedings, his

report with the complete record of the case and a comprehensive sketch of the premises involved. The report shall contain the following:

- a) Names and postal addresses of the parties;
- b) Nature of the controversy;
- c) Summary of the allegations and proofs presented by parties;
- d) Clear and concise statement of the findings of facts borne by the evidence and/or revealed in the ocular inspections;
- e) The law and rules involved; and
- f) Conclusion, comment and recommendation.

**Section 76. Decision** – All disputes shall be decided within sixty days (60) days after the parties submit the same for decision or resolution. Decisions shall be in writing, stating clearly and concisely the cause or causes of action, findings of facts and the law or rules upon which they are based.

The Board shall have the power to issue writs of execution and enforce its decisions with the assistance of national or local law enforcement agencies subject to prior notice to the party concerned in accordance with Article 84 of the Code.

**Section 77. Proof of Service** – Decisions, resolutions or orders of the Board shall be furnished to the contending parties through their counsel if represented, or by personal/substituted service or registered mail with return card. Personal/substituted service to the parties shall be acknowledged in writing, indicating the date or receipt and the name of the person receiving. Should any person refuse to receive the decision, resolution or order, a written statement to such effect duly signed by the person serving shall be submitted. Decisions, resolutions or orders coursed through the deputies/agents of the Board, shall in all cases, be served upon counsel, if represented, or to the party within five (5) days from the date of receipt by the Office concerned.

**Section 78. Appeal/Motion for Reconsideration and/or Reinvestigation**

A. Appeal from the decision of the Board in accordance with Article 89 of the Code shall be made by the party adversely affected by filing a Notice of Appeal with the Board and payment of appeal fee in an amount to be prescribed by the Board within fifteen (15) days from receipt of the decision unless a motion for reconsideration or reinvestigation is filed with the Board within the same period. The filing of said motion suspends the running of the 15-day period within which to file an appeal with the Court.

B. Motion for reconsideration/reinvestigation shall be based on any of the following grounds:

- 1) Fraud, accident, mistake or excusable negligence which ordinary prudence could not have guarded against and by reason of which the aggrieved party has probably been impaired in his rights;
- 2) Newly discovered evidence which petitioner could not, with reasonable diligence, have discovered, and produced at the investigation and which if presented would probably alter the result; and
- 3) Palpable errors in the findings of facts and conclusions of law or decisions that are not supported by the evidence adduced in the investigation.

Only one motion for reconsideration/reinvestigation accompanied by proof of service upon the other party shall be entertained. Resolution of motion for reconsideration/reinvestigation shall be served upon the parties concerned in accordance with Section 76 hereof.

**Section 79. Stay of Execution** – The filing of motion for reconsideration and/or reinvestigation under the preceding section or an appeal with the Regional Trial Court under Article 89 of the Code shall not stay the execution of the decision, resolution or order of the Board unless a bond as provided for in Article 88 shall have been posted.

## RULE V FINES AND PENALTIES

**Section 80. Light Offenses** – A fine of not more than Five Hundred (P500.00) Pesos per day of violation and/or suspension of the permit/grant for a period of not more than sixty (60) days shall be imposed for any of the following violations:

- a) appropriation of subterranean or groundwater for domestic use by an overlying landowner without the registration when required by the Board;
- b) failure of the appropriator to keep a record of monthly water withdrawals for submission to the Board on a quarterly basis;
- c) repair without permission of hydraulic works or structures involving alteration of its hydraulic or structural features as originally approved;
- d) violation of or non-compliance with any order, rule or regulation of the Board; and
- e) failure to comply with any of the terms or conditions in a water permit or water rights grant not covered by the succeeding sections;

**Section 81. Less Grave Offenses** – A fine of more than Five Hundred (P500.00) Pesos but not exceeding Eight Hundred (P800.00) Pesos per day of violation and/or suspension of the water permit/grant for a period of one hundred twenty (120) days shall be imposed for the following violations:

- a) illegal taking or diversion of water in an open canal or reservoir;
- b) unauthorized utilization of an existing well or ponding or spreading of water for recharging subterranean or groundwater supplies;

**Section 82. Grave Offenses** – A fine of more than Eight Hundred (P800.00) Pesos but not exceeding One Thousand (P1,000.00) Pesos per day of violation and/or revocation of the water permit/grant of any other right to the use of water shall be imposed for any of the following violations:

- a) unauthorized sale, lease or transfer of water permits and/or water rights;
- b) failure to install a regulating and measuring device for the control of the volume of water appropriated when required;
- c) drilling of a well without permit or with expired permit;
- d) failure to provide adequate facilities to prevent or control disease whenever required in the construction of any work for the storage, diversion, distribution and utilization of water;
- e) construction of any hydraulic work or structure without duly approved plans and specifications;
- f) non-observance of any standard for the beneficial use of water and/or schedule of water distribution;
- g) use of water for a purpose other than that for which a right or permit was granted;
- h) malicious destruction of hydraulic works or structures;
- i) unauthorized sale of water in violation of the permit;
- j) abandonment of wells without proper plugging. In this case, the owner of the property where the abandoned well is located shall be presumed to be the owner of the abandoned well unless proven otherwise;
- k) unauthorized construction within the legal easements as provided under Section 31 of the Code; and
- l) appropriation of water without a permit.

**Section 83. Non-Payment of Annual Water Charge** – A fine/penalty of fifty percent (50%) of due per year or fraction thereof plus additional interest for delinquency under Section 84 shall be imposed.

**Section 84. Penalties for Delinquency** – Where the penalty imposed is a fine and the offender fails to pay the same within the given period, he shall be liable, in addition, to pay a penalty interest equivalent to two (2) percent per month of delay or a fraction thereof until fully paid.

**Section 85. Violation by Juridical Persons** – In cases where the offender is a corporation, firm, partnership or association, the penalty shall be imposed upon the guilty officers mentioned in Article 92 of the Code.

**Section 86. Violation of Non-Permittees** – In cases where the violator is not a permittee or grantee or has no right to use the water whatsoever, the Board through

its deputies or authorized representatives shall, in addition to the imposition of appropriate fines and penalties, cause the stoppage of the use of water either by plugging or sealing of the well if the same involves groundwater appropriation or demolition of the dam or hydraulic structures if the same involves surface water, without prejudice to the institution of a criminal/civil action as the facts and circumstances may warrant.

**Section 87. Violations by Non-Owners** – In cases where the violator is not the owner of the well or structure, he shall be penalized twice as much as the fine imposed on the owner of such well or structure without prejudice to the inclusion of his name as a party defendant in any action filed. Proper representations in this regard shall be made with the appropriate agency for the cancellation or suspension of his license/certificates of registration.

**Section 88. Offer of Compromise** – In cases where offender, at any time after the issuance of notice of violation/s but before the execution of the order or decision, offers in writing to pay the fine imposed instead of having his/her permit/grant suspended, the Board may, if the circumstances so warrant, accept such offer of compromise. However, if the penalty imposed is both fine and suspension of the permit, the offer shall necessarily include the amount of the fine imposed as well as such amount as may be determined by the Board corresponding to the period of which the permit should have been suspended.

**Section 89. Summary Revocation/Suspension** – Water permits or other rights to use the water may be revoked or suspended summarily by the Board if any of the following facts and/or conditions exists:

- a) That the suspension/revocation will redound to greater public interest, public health and safety;
- b) That the acts complained of are grossly illegal per se;
- c) That the violative act is the second offense on record involving the same infraction;
- d) That the non-observance of or non-compliance with the rules, order or regulation is willful and deliberate;
- e) When there is a prima facie showing that the non-observance of any standard for the beneficial use of water or non-compliance with any of the terms or conditions in a water permit or water rights grant is prejudicial to the life and property of third person;
- f) When the suspension or revocation thereof is sought by an injured party, provided he files a bond to cover any damage which may be sustained by the permittee or grantee arising from such summary revocation/suspension;
- g) In times of emergency, where there is a prima facie showing that the use of water by the permittee/grantee is wasteful;
- h) When health authorities so recommend to prevent or control the spread of disease due to inadequate facilities;

- i) When in a decision of a competent court, the revocation or suspension of the water permit or grant is ordered or recommended; and
- j) Such other serious offenses or gross violations and infractions as the Board may decide.

**Section 90. Applicability of the New Rules of Court and Related Laws** – The provisions of the New Rules of Court, Presidential Decree Nos. 77 and 911 on preliminary investigation shall have suppletory effect on matters not specifically covered by these rules.

**Section 91. Appeal of Board Decisions** – The decisions of the Board concerning policies on the utilization, exploitation, development, control, conservation and protection of water resources may be appealed to the President.

**Section 92. Services of DOJ/OSG lawyers and prosecutor** – The Board may secure the services of Department of Justice (DOJ)/Office of the Solicitor General (OSG) lawyers and prosecutor to assist in the prosecution of violations of the Water Code.

**Section 93.** The Board may, from time to time, pass resolutions amending specific provisions of these rules, which shall take effect 15 days after its publication in a national newspaper of general circulation.

**Section 94.** These rules shall take effect fifteen (15) days after publication in the Official Gazette and a newspaper of national circulation.

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UNANIMOUSLY ADOPTED AT THE 29<sup>th</sup> MEETING OF THE NATIONAL WATER RESOURCES BOARD ON MARCH 21, 2005.

**Hon. MICHAEL T. DEFENSOR**  
Chairman



S. No 3086  
H. No 6985

Republic of the Philippines  
Congress of the Philippines  
Metro Manila

Fourteenth Congress

Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-seventh day of July, two thousand nine.

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[ REPUBLIC ACT No. 10121 ]

AN ACT STRENGTHENING THE PHILIPPINE DISASTER RISK REDUCTION AND MANAGEMENT SYSTEM, PROVIDING FOR THE NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT FRAMEWORK AND INSTITUTIONALIZING THE NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT PLAN, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

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

SECTION 1. *Title.* – This Act shall be known as the “Philippine Disaster Risk Reduction and Management Act of 2010”.

SEC. 2. *Declaration of Policy.* – It shall be the policy of the State to:

(a) Uphold the people's constitutional rights to life and property by addressing the root causes of vulnerabilities to disasters, strengthening the country's institutional capacity for disaster risk reduction and management and building the resilience of local communities to disasters including climate change impacts;

(b) Adhere to and adopt the universal norms, principles, and standards of humanitarian assistance and the global effort on risk reduction as concrete expression of the country's commitment to overcome human sufferings due to recurring disasters;

(c) Incorporate internationally accepted principles of disaster risk management in the creation and implementation of national, regional and local sustainable development and poverty reduction strategies, policies, plans and budgets;

(d) Adopt a disaster risk reduction and management approach that is holistic, comprehensive, integrated, and proactive in lessening the socioeconomic and environmental impacts of disasters including climate change, and promote the involvement and participation of all sectors and all stakeholders concerned, at all levels, especially the local community;

(e) Develop, promote, and implement a comprehensive National Disaster Risk Reduction and Management Plan (NDRRMP) that aims to strengthen the capacity of the national government and the local government units (LGUs), together with partner stakeholders, to build the disaster resilience of communities, and to institutionalize arrangements and measures for reducing disaster risks, including projected climate risks, and enhancing disaster preparedness and response capabilities at all levels;

(f) Adopt and implement a coherent, comprehensive, integrated, efficient and responsive disaster risk reduction program incorporated in the development plan at various levels of government adhering to the principles of good governance

such as transparency and accountability within the context of poverty alleviation and environmental protection;

(g) Mainstream disaster risk reduction and climate change in development processes such as policy formulation, socioeconomic development planning, budgeting, and governance, particularly in the areas of environment, agriculture, water, energy, health, education, poverty reduction, land-use and urban planning, and public infrastructure and housing, among others;

(h) Institutionalize the policies, structures, coordination mechanisms and programs with continuing budget appropriation on disaster risk reduction from national down to local levels towards building a disaster-resilient nation and communities;

(i) Mainstream disaster risk reduction into the peace process and conflict resolution approaches in order to minimize loss of lives and damage to property, and ensure that communities in conflict zones can immediately go back to their normal lives during periods of intermittent conflicts;

(j) Ensure that disaster risk reduction and climate change measures are gender responsive, sensitive to indigenous knowledge systems, and respectful of human rights;

(k) Recognize the local risk patterns across the country and strengthen the capacity of LGUs for disaster risk reduction and management through decentralized powers, responsibilities, and resources at the regional and local levels;

(l) Recognize and strengthen the capacities of LGUs and communities in mitigating and preparing for, responding to, and recovering from the impact of disasters;

(m) Engage the participation of civil society organizations (CSOs), the private sector and volunteers in the government's disaster risk reduction programs towards complementation of resources and effective delivery of services to the citizenry;

(n) Develop and strengthen the capacities of vulnerable and marginalized groups to mitigate, prepare for, respond to, and recover from the effects of disasters;

(o) Enhance and implement a program where humanitarian aid workers, communities, health professionals, government aid agencies, donors, and the media are educated and trained on how they can actively support breastfeeding before and during a disaster and/or an emergency; and

(p) Provide maximum care, assistance and services to individuals and families affected by disaster, implement emergency rehabilitation projects to lessen the impact of disaster, and facilitate resumption of normal social and economic activities.

SEC. 3. *Definition of Terms.* – For purposes of this Act, the following shall refer to:

(a) “Adaptation” – the adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities.

(b) “Capacity” – a combination of all strengths and resources available within a community, society or organization that can reduce the level of risk, or effects of a disaster. Capacity may include infrastructure and physical means, institutions, societal coping abilities, as well as human knowledge, skills and collective attributes such as social relationships, leadership and management. Capacity may also be described as capability.

(c) “Civil Society Organizations” or “CSOs” – non-state actors whose aims are neither to generate profits nor to seek governing power. CSOs unite people to advance shared goals and interests. They have a presence in public life, expressing the interests and values of their members or others, and are based on ethical, cultural, scientific, religious or philanthropic considerations. CSOs include nongovernment organizations (NGOs), professional associations, foundations, independent research institutes, community-based organizations (CBOs),

faith-based organizations, people's organizations, social movements, and labor unions.

(d) "Climate Change" – a change in climate that can be identified by changes in the mean and/or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity.

(e) "Community-Based Disaster Risk Reduction and Management" or "CBDRRM" – a process of disaster risk reduction and management in which at risk communities are actively engaged in the identification, analysis, treatment, monitoring and evaluation of disaster risks in order to reduce their vulnerabilities and enhance their capacities, and where the people are at the heart of decision-making and implementation of disaster risk reduction and management activities.

(f) "Complex Emergency" – a form of human-induced emergency in which the cause of the emergency as well as the assistance to the afflicted is complicated by intense level of political considerations.

(g) "Contingency Planning" – a management process that analyzes specific potential events or emerging situations that might threaten society or the environment and establishes arrangements in advance to enable timely, effective and appropriate responses to such events and situations.

(h) "Disaster" – a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts, which exceeds the ability of the affected community or society to cope using its own resources. Disasters are often described as a result of the combination of: the exposure to a hazard; the conditions of vulnerability that are present; and insufficient capacity or measures to reduce or cope with the potential negative consequences. Disaster impacts may include loss of life, injury, disease and other negative effects on human, physical, mental and social well-being, together with damage to property, destruction of assets, loss of services, social and economic disruption and environmental degradation.

(i) "Disaster Mitigation" – the lessening or limitation of the adverse impacts of hazards and related disasters. Mitigation measures encompass engineering techniques and hazard-resistant construction as well as improved environmental policies and public awareness.

(j) "Disaster Preparedness" – the knowledge and capacities developed by governments, professional response and recovery organizations, communities and individuals to effectively anticipate, respond to, and recover from, the impacts of likely, imminent or current hazard events or conditions. Preparedness action is carried out within the context of disaster risk reduction and management and aims to build the capacities needed to efficiently manage all types of emergencies and achieve orderly transitions from response to sustained recovery. Preparedness is based on a sound analysis of disaster risk and good linkages with early warning systems, and includes such activities as contingency planning, stockpiling of equipment and supplies, the development of arrangements for coordination, evacuation and public information, and associated training and field exercises. These must be supported by formal institutional, legal and budgetary capacities.

(k) "Disaster Prevention" – the outright avoidance of adverse impacts of hazards and related disasters. It expresses the concept and intention to completely avoid potential adverse impacts through action taken in advance such as construction of dams or embankments that eliminate flood risks, land-use regulations that do not permit any settlement in high-risk zones, and seismic engineering designs that ensure the survival and function of a critical building in any likely earthquake.

(l) "Disaster Response" – the provision of emergency services and public assistance during or immediately after a disaster in order to save lives, reduce health impacts, ensure public safety and meet the basic subsistence needs of the people affected. Disaster response is predominantly focused on immediate and short-term needs and is sometimes called "disaster relief".

(m) "Disaster Risk" – the potential disaster losses in lives, health status, livelihood, assets and services, which could occur

to a particular community or a society over some specified future time period.

(n) "Disaster Risk Reduction" – the concept and practice of reducing disaster risks through systematic efforts to analyze and manage the causal factors of disasters, including through reduced exposures to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events.

(o) "Disaster Risk Reduction and Management" – the systematic process of using administrative directives, organizations, and operational skills and capacities to implement strategies, policies and improved coping capacities in order to lessen the adverse impacts of hazards and the possibility of disaster. Prospective disaster risk reduction and management refers to risk reduction and management activities that address and seek to avoid the development of new or increased disaster risks, especially if risk reduction policies are not put in place.

(p) "Disaster Risk Reduction and Management Information System" – a specialized database which contains, among others, information on disasters and their human material, economic and environmental impact, risk assessment and mapping and vulnerable groups.

(q) "Early Warning System" – the set of capacities needed to generate and disseminate timely and meaningful warning information to enable individuals, communities and organizations threatened by a hazard to prepare and to act appropriately and in sufficient time to reduce the possibility of harm or loss. A people-centered early warning system necessarily comprises four (4) key elements: knowledge of the risks; monitoring, analysis and forecasting of the hazards; communication or dissemination of alerts and warnings; and local capabilities to respond to the warnings received. The expression "end-to-end warning system" is also used to emphasize that warning systems need to span all steps from hazard detection to community response.

(r) "Emergency" – unforeseen or sudden occurrence, especially danger, demanding immediate action.

(s) "Emergency Management" – the organization and management of resources and responsibilities for addressing all aspects of emergencies, in particular preparedness, response and initial recovery steps.

(t) "Exposure" – the degree to which the elements at risk are likely to experience hazard events of different magnitudes.

(u) "Geographic Information System" – a database which contains, among others, geo-hazard assessments, information on climate change, and climate risk reduction and management.

(v) "Hazard" – a dangerous phenomenon, substance, human activity or condition that may cause loss of life, injury or other health impacts, property damage, loss of livelihood and services, social and economic disruption, or environmental damage.

(w) "Land-Use Planning" – the process undertaken by public authorities to identify, evaluate and decide on different options for the use of land, including consideration of long-term economic, social and environmental objectives and the implications for different communities and interest groups, and the subsequent formulation and promulgation of plans that describe the permitted or acceptable uses.

(x) "Mitigation" – structural and non-structural measures undertaken to limit the adverse impact of natural hazards, environmental degradation, and technological hazards and to ensure the ability of at-risk communities to address vulnerabilities aimed at minimizing the impact of disasters. Such measures include, but are not limited to, hazard-resistant construction and engineering works, the formulation and implementation of plans, programs, projects and activities, awareness raising, knowledge management, policies on land-use and resource management, as well as the enforcement of comprehensive land-use planning, building and safety standards, and legislation.

(y) "National Disaster Risk Reduction and Management Framework" or "NDRRMF" – provides for comprehensive, all



hazards, multi-sectoral, inter-agency and community-based approach to disaster risk reduction and management.

(z) "National Disaster Risk Reduction and Management Plan" or "NDRRMP" – the document to be formulated and implemented by the Office of Civil Defense (OCD) that sets out goals and specific objectives for reducing disaster risks together with related actions to accomplish these objectives.

The NDRRMP shall provide for the identification of hazards, vulnerabilities and risks to be managed at the national level; disaster risk reduction and management approaches and strategies to be applied in managing said hazards and risks; agency roles, responsibilities and lines of authority at all government levels; and vertical and horizontal coordination of disaster risk reduction and management in the pre-disaster and post-disaster phases. It shall be in conformity with the NDRRMF.

(aa) "Post-Disaster Recovery" – the restoration and improvement where appropriate, of facilities, livelihood and living conditions of disaster-affected communities, including efforts to reduce disaster risk factors, in accordance with the principles of "build back better".

(bb) "Preparedness" – pre-disaster actions and measures being undertaken within the context of disaster risk reduction and management and are based on sound risk analysis as well as pre-disaster activities to avert or minimize loss of life and property such as, but not limited to, community organizing, training, planning, equipping, stockpiling, hazard mapping, insuring of assets, and public information and education initiatives. This also includes the development/enhancement of an overall preparedness strategy, policy, institutional structure, warning and forecasting capabilities, and plans that define measures geared to help at-risk communities safeguard their lives and assets by being alert to hazards and taking appropriate action in the face of an imminent threat or an actual disaster.

(cc) "Private Sector" – the key actor in the realm of the economy where the central social concern and process are the mutually beneficial production and distribution of goods and services to meet the physical needs of human beings. The

private sector comprises private corporations, households and nonprofit institutions serving households.

(dd) "Public Sector Employees" – all persons in the civil service.

(ee) "Rehabilitation" – measures that ensure the ability of affected communities/areas to restore their normal level of functioning by rebuilding livelihood and damaged infrastructures and increasing the communities' organizational capacity.

(ff) "Resilience" – the ability of a system, community or society exposed to hazards to resist, absorb, accommodate and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions.

(gg) "Response" – any concerted effort by two (2) or more agencies, public or private, to provide assistance or intervention during or immediately after a disaster to meet the life preservation and basic subsistence needs of those people affected and in the restoration of essential public activities and facilities.

(hh) "Risk" – the combination of the probability of an event and its negative consequences.

(ii) "Risk Assessment" – a methodology to determine the nature and extent of risk by analyzing potential hazards and evaluating existing conditions of vulnerability that together could potentially harm exposed people, property, services, livelihood and the environment on which they depend. Risk assessments with associated risk mapping include: a review of the technical characteristics of hazards such as their location, intensity, frequency and probability; the analysis of exposure and vulnerability including the physical, social, health, economic and environmental dimensions; and the evaluation of the effectiveness of prevailing and alternative coping capacities in respect to likely risk scenarios.

(jj) "Risk Management" – the systematic approach and practice of managing uncertainty to minimize potential harm

and loss. It comprises risk assessment and analysis, and the implementation of strategies and specific actions to control, reduce and transfer risks. It is widely practiced by organizations to minimize risk in investment decisions and to address operational risks such as those of business disruption, production failure, environmental damage, social impacts and damage from fire and natural hazards.

(kk) "Risk Transfer" – the process of formally or informally shifting the financial consequences of particular risks from one party to another whereby a household, community, enterprise or state authority will obtain resources from the other party after a disaster occurs, in exchange for ongoing or compensatory social or financial benefits provided to that other party.

(ll) "State of Calamity" – a condition involving mass casualty and/or major damages to property, disruption of means of livelihoods, roads and normal way of life of people in the affected areas as a result of the occurrence of natural or human-induced hazard.

(mm) "Sustainable Development" – development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two (2) key concepts: (1) the concept of "needs", in particular, the essential needs of the world's poor, to which overriding priority should be given; and (2) the idea of limitations imposed by the state of technology and social organizations on the environment's ability to meet present and future needs. It is the harmonious integration of a sound and viable economy, responsible governance, social cohesion and harmony, and ecological integrity to ensure that human development now and through future generations is a life-enhancing process.

(nn) "Vulnerability" – the characteristics and circumstances of a community, system or asset that make it susceptible to the damaging effects of a hazard. Vulnerability may arise from various physical, social, economic, and environmental factors such as poor design and construction of buildings, inadequate protection of assets, lack of public information and awareness, limited official recognition of risks

and preparedness measures, and disregard for wise environmental management.

(oo) "Vulnerable and Marginalized Groups" – those that face higher exposure to disaster risk and poverty including, but not limited to, women, children, elderly, differently-abled people, and ethnic minorities.

SEC. 4. *Scope.* – This Act provides for the development of policies and plans and the implementation of actions and measures pertaining to all aspects of disaster risk reduction and management, including good governance, risk assessment and early warning, knowledge building and awareness raising, reducing underlying risk factors, and preparedness for effective response and early recovery.

SEC. 5. *National Disaster Risk Reduction and Management Council.* – The present National Disaster Coordinating Council or NDCC shall henceforth be known as the National Disaster Risk Reduction and Management Council, hereinafter referred to as the **NDRRM** or the **National Council**.

The National Council shall be headed by the Secretary of the Department of National Defense (DND) as Chairperson with the Secretary of the Department of the Interior and Local Government (DILG) as Vice Chairperson for Disaster Preparedness, the Secretary of the Department of Social Welfare and Development (DSWD) as Vice Chairperson for Disaster Response, the Secretary of the Department of Science and Technology (DOST) as Vice Chairperson for Disaster Prevention and Mitigation, and the Director-General of the National Economic and Development Authority (NEDA) as Vice Chairperson for Disaster Rehabilitation and Recovery.

The National Council's members shall be the following:

- (a) Secretary of the Department of Health (DOH);
- (b) Secretary of the Department of Environment and Natural Resources (DENR);
- (c) Secretary of the Department of Agriculture (DA);

- (d) Secretary of the Department of Education (DepED);
- (e) Secretary of the Department of Energy (DOE);
- (f) Secretary of the Department of Finance (DOF);
- (g) Secretary of the Department of Trade and Industry (DTI);
- (h) Secretary of the Department of Transportation and Communications (DOTC);
- (i) Secretary of the Department of Budget and Management (DBM);
- (j) Secretary of the Department of Public Works and Highways (DPWH);
- (k) Secretary of the Department of Foreign Affairs (DFA);
- (l) Secretary of the Department of Justice (DOJ);
- (m) Secretary of the Department of Labor and Employment (DOLE);
- (n) Secretary of the Department of Tourism (DOT);
- (o) The Executive Secretary;
- (p) Secretary of the Office of the Presidential Adviser on the Peace Process (OPAPP);
- (q) *Chairman*, Commission on Higher Education (CHED);
- (r) Chief of Staff, Armed Forces of the Philippines (AFP);
- (s) Chief, Philippine National Police (PNP);
- (t) The Press Secretary;
- (u) Secretary General of the Philippine National Red Cross (PNRC);

(v) *Commissioner of the National Anti-Poverty Commission-Victims of Disasters and Calamities Sector (NAPC-VDC);*

(w) *Chairperson, National Commission on the Role of Filipino Women;*

(x) *Chairperson, Housing and Urban Development Coordinating Council (HUDCC);*

(y) *Executive Director of the Climate Change Office of the Climate Change Commission;*

(z) *President, Government Service Insurance System (GSIS);*

(aa) *President, Social Security System (SSS);*

(bb) *President, Philippine Health Insurance Corporation (PhilHealth);*

(cc) *President of the Union of Local Authorities of the Philippines (ULAP);*

(dd) *President of the League of Provinces of the Philippines (LPP);*

(ee) *President of the League of Cities of the Philippines (LCP);*

(ff) *President of the League of Municipalities of the Philippines (LMP);*

(gg) *President of the Liga ng Mga Barangay (LMB);*

(hh) *Four (4) representatives from the CSOs;*

(ii) *One (1) representative from the private sector; and*

(jj) *Administrator of the OCD.*

\* *The representatives from the CSOs and the private sector shall be selected from among their respective ranks based on*

the criteria and mechanisms to be set for this purpose by the National Council.

SEC. 6. *Powers and Functions of the NDRRMC.* – The National Council, being empowered with policy-making, coordination, integration, supervision, monitoring and evaluation functions, shall have the following responsibilities:

(a) Develop a NDRRMF which shall provide for a comprehensive, all-hazards, multi-sectoral, inter-agency and community-based approach to disaster risk reduction and management. The Framework shall serve as the principal guide to disaster risk reduction and management efforts in the country and shall be reviewed on a five(5)-year interval, or as may be deemed necessary, in order to ensure its relevance to the times;

(b) Ensure that the NDRRMP is consistent with the NDRRMF;

(c) Advise the President on the status of disaster preparedness, prevention, mitigation, response and rehabilitation operations being undertaken by the government, CSOs, private sector, and volunteers; recommend to the President the declaration of a state of calamity in areas extensively damaged; and submit proposals to restore normalcy in the affected areas, to include calamity fund allocation;

(d) Ensure a multi-stakeholder participation in the development, updating, and sharing of a Disaster Risk Reduction and Management Information System and Geographic Information System-based national risk map as policy, planning and decision-making tools;

(e) Establish a national early warning and emergency alert system to provide accurate and timely advice to national or local emergency response organizations and to the general public through diverse mass media to include digital and analog broadcast, cable, satellite television and radio, wireless communications, and landline communications;

(f) Develop appropriate risk transfer mechanisms that shall guarantee social and economic protection and increase resiliency in the face of disaster;

(g) Monitor the development and enforcement by agencies and organizations of the various laws, guidelines, codes or technical standards required by this Act;

(h) Manage and mobilize resources for disaster risk reduction and management including the National Disaster Risk Reduction and Management Fund;

(i) Monitor and provide the necessary guidelines and procedures on the Local Disaster Risk Reduction and Management Fund (LDRRMF) releases as well as utilization, accounting and auditing thereof;

(j) Develop assessment tools on the existing and potential hazards and risks brought about by climate change to vulnerable areas and ecosystems in coordination with the Climate Change Commission;

(k) Develop vertical and horizontal coordination mechanisms for a more coherent implementation of disaster risk reduction and management policies and programs by sectoral agencies and LGUs;

(l) Formulate a national institutional capability building program for disaster risk reduction and management to address the specific weaknesses of various government agencies and LGUs, based on the results of a biennial baseline assessment and studies;

(m) Formulate, harmonize, and translate into policies a national agenda for research and technology development on disaster risk reduction and management;

(n) In coordination with the Climate Change Commission, formulate and implement a framework for climate change adaptation and disaster risk reduction and management from which all policies, programs, and projects shall be based;

(o) Constitute a technical management group composed of representatives of the abovementioned departments, offices, and organizations, that shall coordinate and meet as often as necessary to effectively manage and sustain national efforts on disaster risk reduction and management;



(p) Task the OCD to conduct periodic assessment and performance monitoring of the member-agencies of the NDRRMC, and the Regional Disaster Risk Reduction and Management Councils (RDRRMCs), as defined in the NDRRMP; and

(q) Coordinate or oversee the implementation of the country's obligations with disaster management treaties to which it is a party and see to it that the country's disaster management treaty obligations be incorporated in its disaster risk reduction and management frameworks, policies, plans, programs and projects.

SEC. 7. *Authority of the NDRRMC Chairperson.* – The Chairperson of the NDRRMC may call upon other instrumentalities or entities of the government and nongovernment and civic organizations for assistance in terms of the use of their facilities and resources for the protection and preservation of life and properties in the whole range of disaster risk reduction and management. This authority includes the power to call on the reserve force as defined in Republic Act No. 7077 to assist in relief and rescue during disasters or calamities.

SEC. 8. *The Office of Civil Defense.* – The Office of Civil Defense (OCD) shall have the primary mission of administering a comprehensive national civil defense and disaster risk reduction and management program by providing leadership in the continuous development of strategic and systematic approaches as well as measures to reduce the vulnerabilities and risks to hazards and manage the consequences of disasters.

The Administrator of the OCD shall also serve as Executive Director of the National Council and, as such, shall have the same duties and privileges of a department undersecretary. All appointees shall be universally acknowledged experts in the field of disaster preparedness and management and of proven honesty and integrity. The National Council shall utilize the services and facilities of the OCD as the secretariat of the National Council.

SEC. 9. *Powers and Functions of the OCD.* – The OCD shall have the following powers and functions:

(a) Advise the National Council on matters relating to disaster risk reduction and management consistent with the policies and scope as defined in this Act;

(b) Formulate and implement the NDRRMP and ensure that the physical framework, social, economic and environmental plans of communities, cities, municipalities and provinces are consistent with such plan. The National Council shall approve the NDRRMP;

(c) Identify, assess and prioritize hazards and risks in consultation with key stakeholders;

(d) Develop and ensure the implementation of national standards in carrying out disaster risk reduction programs including preparedness, mitigation, prevention, response and rehabilitation works, from data collection and analysis, planning, implementation, monitoring and evaluation;

(e) Review and evaluate the Local Disaster Risk Reduction and Management Plans (LDRRMPs) to facilitate the integration of disaster risk reduction measures into the local Comprehensive Development Plan (CDP) and Comprehensive Land-Use Plan (CLUP);

(f) Ensure that the LGUs, through the Local Disaster Risk Reduction and Management Offices (LDRRMOs) are properly informed and adhere to the national standards and programs;

(g) Formulate standard operating procedures for the deployment of rapid assessment teams, information sharing among different government agencies, and coordination before and after disasters at all levels;

(h) Establish standard operating procedures on the communication system among provincial, city, municipal, and barangay disaster risk reduction and management councils, for purposes of warning and alerting them and for gathering information on disaster areas before, during and after disasters;

(i) Establish Disaster Risk Reduction and Management Training Institutes in such suitable location as may be deemed

appropriate to train public and private individuals, both local and national, in such subject as disaster risk reduction and management among others. The Institute shall consolidate and prepare training materials and publications of disaster risk reduction and management books and manuals to assist disaster risk reduction and management workers in the planning and implementation of this program and projects.

The Institute shall conduct research programs to upgrade knowledge and skills and document best practices on disaster risk reduction and management.

The Institute is also mandated to conduct periodic awareness and education programs to accommodate new elective officials and members of the LDRRMCs;

(j) Ensure that all disaster risk reduction programs, projects and activities requiring regional and international support shall be in accordance with duly established national policies and aligned with international agreements;

(k) Ensure that government agencies and LGUs give top priority and take adequate and appropriate measures in disaster risk reduction and management;

(l) Create an enabling environment for substantial and sustainable participation of CSOs, private groups, volunteers and communities, and recognize their contributions in the government's disaster risk reduction efforts;

(m) Conduct early recovery and post-disaster needs assessment institutionalizing gender analysis as part of it;

(n) Establish an operating facility to be known as the National Disaster Risk Reduction and Management Operations Center (NDRRMOC) that shall be operated and staffed on a twenty-four (24) hour basis;

(o) Prepare the criteria and procedure for the enlistment of accredited community disaster volunteers (ACDVs). It shall include a manual of operations for the volunteers which shall be developed by the OCD in consultation with various stakeholders;

(p) Provide advice and technical assistance and assist in mobilizing necessary resources to increase the overall capacity of LGUs, specifically the low income and in high-risk areas;

(q) Create the necessary offices to perform its mandate as provided under this Act; and

(r) Perform such other functions as may be necessary for effective operations and implementation of this Act.

*SEC. 10. Disaster Risk Reduction and Management Organization at the Regional Level.* – The current Regional Disaster Coordinating Councils shall henceforth be known as the Regional Disaster Risk Reduction and Management Councils (RDRRMCs) which shall coordinate, integrate, supervise, and evaluate the activities of the LDRRMCs. The RDRRMC shall be responsible in ensuring disaster sensitive regional development plans, and in case of emergencies shall convene the different regional line agencies and concerned institutions and authorities.

The RDRRMCs shall establish an operating facility to be known as the Regional Disaster Risk Reduction and Management Operations Center (RDRRMOC) whenever necessary.

The civil defense officers of the OCD who are or may be designated as Regional Directors of the OCD shall serve as chairpersons of the RDRRMCs. Its Vice Chairpersons shall be the Regional Directors of the DSWD, the DILG, the DOST, and the NEDA. In the case of the Autonomous Region in Muslim Mindanao (ARMM), the Regional Governor shall be the RDRRMC Chairperson. The existing regional offices of the OCD shall serve as secretariat of the RDRRMCs. The RDRRMCs shall be composed of the executives of regional offices and field stations at the regional level of the government agencies.

*SEC. 11. Organization at the Local Government Level.* – The existing Provincial, City, and Municipal Disaster Coordinating Councils shall henceforth be known as the Provincial, City, and Municipal Disaster Risk Reduction and Management Councils. The Barangay Disaster Coordinating Councils shall cease to exist and its powers and functions shall henceforth be assumed by the existing Barangay Development

Councils (BDCs) which shall serve as the LDRRMCs in every barangay.

(a) Composition: The LDRRMC shall be composed of, but not limited to, the following:

- (1) The Local Chief Executives, Chairperson;
- (2) The Local Planning and Development Officer, member;
- (3) The Head of the LDRRMO, member;
- (4) The Head of the Local Social Welfare and Development Office, member;
- (5) The Head of the Local Health Office, member;
- (6) The Head of the Local Agriculture Office, member;
- (7) The Head of the Gender and Development Office, member;
- (8) The Head of the Local Engineering Office, member;
- (9) The Head of the Local Veterinary Office, member;
- (10) The Head of the Local Budget Office, member;
- (11) The Division Head/Superintendent of Schools of the DepED, member;
- (12) The highest-ranking officer of the Armed Forces of the Philippines (AFP) assigned in the area, member;
- (13) The Provincial Director/City/Municipal Chief of the Philippine National Police (PNP), member;
- (14) The Provincial Director/City/ Municipal Fire Marshall of the Bureau of Fire Protection (BFP), member;
- (15) The President of the Association of Barangay Captains (ABC), member;

- (16) The Philippine National Red Cross (PNRC), member;
- (17) Four (4) accredited CSOs, members; and
- (18) One (1) private sector representative, member.

(b) The LDRRMCs shall have the following functions:

(1) Approve, monitor and evaluate the implementation of the LDRRMPs and regularly review and test the plan consistent with other national and local planning programs;

(2) Ensure the integration of disaster risk reduction and climate change adaptation into local development plans, programs and budgets as a strategy in sustainable development and poverty reduction;

(3) Recommend the implementation of forced or preemptive evacuation of local residents, if necessary; and

(4) Convene the local council once every three (3) months or as necessary.

**SEC. 12. *Local Disaster Risk Reduction and Management Office (LDRRMO).*** – (a) There shall be established an LDRRMO in every province, city and municipality, and a Barangay Disaster Risk Reduction and Management Committee (BDRRMC) in every barangay which shall be responsible for setting the direction, development, implementation and coordination of disaster risk management programs within their territorial jurisdiction.

(b) The LDRRMO shall be under the office of the governor, city or municipal mayor, and the punong barangay in case of the BDRRMC. The LDRRMOs shall be initially organized and composed of a DRRMO to be assisted by three (3) staff responsible for: (1) administration and training; (2) research and planning; and (3) operations and warning. The LDRRMOs and the BDRRMCs shall organize, train and directly supervise the local emergency response teams and the ACDVs.

(c) The provincial, city and municipal DRRMOs or BDRRMCs shall perform the following functions with.

impartiality given the emerging challenges brought by disasters of our times:

(1) Design, program, and coordinate disaster risk reduction and management activities consistent with the National Council's standards and guidelines;

(2) Facilitate and support risk assessments and contingency planning activities at the local level;

(3) Consolidate local disaster risk information which includes natural hazards, vulnerabilities, and climate change risks, and maintain a local risk map;

(4) Organize and conduct training, orientation, and knowledge management activities on disaster risk reduction and management at the local level;

(5) Operate a multi-hazard early warning system, linked to disaster risk reduction to provide accurate and timely advice to national or local emergency response organizations and to the general public, through diverse mass media, particularly radio, landline communications, and technologies for communication within rural communities;

(6) Formulate and implement a comprehensive and integrated LDRRMP in accordance with the national, regional and provincial framework, and policies on disaster risk reduction in close coordination with the local development councils (LDCs);

(7) Prepare and submit to the local sanggunian through the LDRRMC and the LDC the annual LDRRMO Plan and budget, the proposed programming of the LDRRMF, other dedicated disaster risk reduction and management resources, and other regular funding source/s and budgetary support of the LDRRMO/BDRRMC;

(8) Conduct continuous disaster monitoring and mobilize instrumentalities and entities of the LGUs, CSOs, private groups and organized volunteers, to utilize their facilities and resources for the protection and preservation of life and properties during emergencies in accordance with existing policies and procedures;

(9) Identify, assess and manage the hazards, vulnerabilities and risks that may occur in their locality;

(10) Disseminate information and raise public awareness about those hazards, vulnerabilities and risks, their nature, effects, early warning signs and counter-measures;

(11) Identify and implement cost-effective risk reduction measures/strategies;

(12) Maintain a database of human resource, equipment, directories, and location of critical infrastructures and their capacities such as hospitals and evacuation centers;

(13) Develop, strengthen and operationalize mechanisms for partnership or networking with the private sector, CSOs, and volunteer groups;

(14) Take all necessary steps on a continuing basis to maintain, provide, or arrange the provision of, or to otherwise make available, suitably-trained and competent personnel for effective civil defense and disaster risk reduction and management in its area;

(15) Organize, train, equip and supervise the local emergency response teams and the ACDVs, ensuring that humanitarian aid workers are equipped with basic skills to assist mothers to breastfeed;

(16) Respond to and manage the adverse effects of emergencies and carry out recovery activities in the affected area, ensuring that there is an efficient mechanism for immediate delivery of food, shelter and medical supplies for women and children, endeavor to create a special place where internally-displaced mothers can find help with breastfeeding, feed and care for their babies and give support to each other;

(17) Within its area, promote and raise public awareness of and compliance with this Act and legislative provisions relevant to the purpose of this Act;

(18) Serve as the secretariat and executive arm of the LDRRMC;



(19) Coordinate other disaster risk reduction and management activities;

(20) Establish linkage/network with other LGUs for disaster risk reduction and emergency response purposes;

(21) Recommend through the LDRRMC the enactment of local ordinances consistent with the requirements of this Act;

(22) Implement policies, approved plans and programs of the LDRRMC consistent with the policies and guidelines laid down in this Act;

(23) Establish a Provincial/City/Municipal/Barangay Disaster Risk Reduction and Management Operations Center;

(24) Prepare and submit, through the LDRRMC and the LDC, the report on the utilization of the LDRRMF and other dedicated disaster risk reduction and management resources to the local Commission on Audit (COA), copy furnished the regional director of the OCD and the Local Government Operations Officer of the DILG; and

(25) Act on other matters that may be authorized by the LDRRMC.

(d) The BDRRMC shall be a regular committee of the existing BDC and shall be subject thereto. The punong barangay shall facilitate and ensure the participation of at least two (2) CSO representatives from existing and active community-based people's organizations representing the most vulnerable and marginalized groups in the barangay.

*SEC. 13. Accreditation, Mobilization, and Protection of Disaster Volunteers and National Service Reserve Corps, CSOs and the Private Sector.* – The government agencies, CSOs, private sector and LGUs may mobilize individuals or organized volunteers to augment their respective personnel complement and logistical requirements in the delivery of disaster risk reduction programs and activities. The agencies, CSOs, private sector, and LGUs concerned shall take full responsibility for the enhancement, welfare and protection of volunteers, and shall submit the list of volunteers to the OCD, through the

LDRRMOs, for accreditation and inclusion in the database of community disaster volunteers.

A national roster of ACDVs, National Service Reserve Corps, CSOs and the private sector shall be maintained by the OCD through the LDRRMOs. Accreditation shall be done at the municipal or city level.

Mobilization of volunteers shall be in accordance with the guidelines to be formulated by the NDRRMC consistent with the provisions of this Act. Any volunteer who incurs death or injury while engaged in any of the activities defined under this Act shall be entitled to compensatory benefits and individual personnel accident insurance as may be defined under the guidelines.

*SEC. 14. Integration of Disaster Risk Reduction Education into the School Curricula and Sangguniang Kabataan (SK) Program and Mandatory Training for the Public Sector Employees.* – The DepED, the CHED, the Technical Education and Skills Development Authority (TESDA), in coordination with the OCD, the National Youth Commission (NYC), the DOST, the DENR, the DILG-BFP, the DOH, the DSWD and other relevant agencies, shall integrate disaster risk reduction and management education in the school curricula of secondary and tertiary level of education, including the National Service Training Program (NSTP), whether private or public, including formal and nonformal, technical-vocational, indigenous learning, and out-of-school youth courses and programs.

The NDRRMC, the RDRRMCs, the LDRRMCs, the LDRRMOs, the BDRRMCs and the SK councils shall encourage community, specifically the youth, participation in disaster risk reduction and management activities, such as organizing quick response groups, particularly in identified disaster-prone areas, as well as the inclusion of disaster risk reduction and management programs as part of the SK programs and projects.

The public sector employees shall be trained in emergency response and preparedness. The training is

mandatory for such employees to comply with the provisions of this Act.

SEC. 15. *Coordination During Emergencies.* – The LDRRMCs shall take the lead in preparing for, responding to, and recovering from the effects of any disaster based on the following criteria:

- (a) The BDC, if a barangay is affected;
- (b) The city/municipal DRRMCs, if two (2) or more barangays are affected;
- (c) The provincial DRRMC, if two (2) or more cities/municipalities are affected;
- (d) The regional DRRMC, if two (2) or more provinces are affected; and
- (e) The NDRRMC, if two (2) or more regions are affected.

The NDRRMC and intermediary LDRRMCs shall always act as support to LGUs which have the primary responsibility as first disaster responders. Private sector and civil society groups shall work in accordance with the coordination mechanism and policies set by the NDRRMC and concerned LDRRMCs.

SEC. 16. *Declaration of State of Calamity.* – The National Council shall recommend to the President of the Philippines the declaration of a cluster of barangays, municipalities, cities, provinces, and regions under a state of calamity, and the lifting thereof, based on the criteria set by the National Council. The President's declaration may warrant international humanitarian assistance as deemed necessary.

The declaration and lifting of the state of calamity may also be issued by the local sanggunian, upon the recommendation of the LDRRMC, based on the results of the damage assessment and needs analysis.

SEC. 17. *Remedial Measures.* – The declaration of a state of calamity shall make mandatory the immediate

undertaking of the following remedial measures by the member-agencies concerned as defined in this Act:

(a) Imposition of price ceiling on basic necessities and prime commodities by the President upon the recommendation of the implementing agency as provided for under Republic Act No. 7581, otherwise known as the "Price Act", or the National Price Coordinating Council;

(b) Monitoring, prevention and control by the Local Price Coordination Council of overpricing/profitteering and hoarding of prime commodities, medicines and petroleum products;

(c) Programming/reprogramming of funds for the repair and safety upgrading of public infrastructures and facilities; and

(d) Granting of no-interest loans by government financing or lending institutions to the most affected section of the population through their cooperatives or people's organizations.

SEC. 18. *Mechanism for International Humanitarian Assistance.* - (a) The importation and donation of food, clothing, medicine and equipment for relief and recovery and other disaster management and recovery-related supplies is hereby authorized in accordance with Section 105 of the Tariff and Customs Code of the Philippines, as amended, and the prevailing provisions of the General Appropriations Act covering national internal revenue taxes and import duties of national and local government agencies; and

(b) Importations and donations under this section shall be considered as importation by and/or donation to the NDRRMC, subject to the approval of the Office of the President.

SEC. 19. *Prohibited Acts.* - Any person, group or corporation who commits any of the following prohibited acts shall be held liable and be subjected to the penalties as prescribed in Section 20 of this Act:

(a) Dereliction of duties which leads to destruction, loss of lives, critical damage of facilities and misuse of funds;

(b) Preventing the entry and distribution of relief goods in disaster-stricken areas, including appropriate technology, tools, equipment, accessories, disaster teams/experts;

(c) Buying, for consumption or resale, from disaster relief agencies any relief goods, equipment or other aid commodities which are intended for distribution to disaster affected communities;

(d) Buying, for consumption or resale, from the recipient disaster affected persons any relief goods, equipment or other aid commodities received by them;

(e) Selling of relief goods, equipment or other aid commodities which are intended for distribution to disaster victims;

(f) Forcibly seizing relief goods, equipment or other aid commodities intended for or consigned to a specific group of victims or relief agency;

(g) Diverting or misdelivery of relief goods, equipment or other aid commodities to persons other than the rightful recipient or consignee;

(h) Accepting, possessing, using or disposing relief goods, equipment or other aid commodities not intended for nor consigned to him/her;

(i) Misrepresenting the source of relief goods, equipment or other aid commodities by:

(1) Either covering, replacing or defacing the labels of the containers to make it appear that the goods, equipment or other aid commodities came from another agency or persons;

(2) Repacking the goods, equipment or other aid commodities into containers with different markings to make it appear that the goods came from another agency or persons or was released upon the instance of a particular agency or persons;

(3) Making false verbal claim that the goods, equipment or other aid commodity in its untampered original containers actually came from another agency or persons or was released upon the instance of a particular agency or persons;

(j) Substituting or replacing relief goods, equipment or other aid commodities with the same items or inferior/cheaper quality;

(k) Illegal solicitations by persons or organizations representing others as defined in the standards and guidelines set by the NDRRMC;

(l) Deliberate use of false or inflated data in support of the request for funding, relief goods, equipment or other aid commodities for emergency assistance or livelihood projects; and

(m) Tampering with or stealing hazard monitoring and disaster preparedness equipment and paraphernalia.

SEC. 20. *Penal Clause.* – Any individual, corporation, partnership, association, or other juridical entity that commits any of the prohibited acts provided for in Section 19 of this Act shall be prosecuted and upon conviction shall suffer a fine of not less than Fifty thousand pesos (Php50,000.00) or any amount not to exceed Five hundred thousand pesos (Php500,000.00) or imprisonment of not less than six (6) years and one (1) day or more than twelve (12) years, or both, at the discretion of the court, including perpetual disqualification from public office if the offender is a public officer, and confiscation or forfeiture in favor of the government of the objects and the instrumentalities used in committing any of herein prohibited acts.

If the offender is a corporation, partnership or association, or other juridical entity, the penalty shall be imposed upon the officer or officers of the corporation, partnership, association or entity responsible for the violation without prejudice to the cancellation or revocation of these entities' license or accreditation issued to them by any licensing or accredited body of the government. If such offender is an alien, he or she shall, in addition to the penalties prescribed in this Act, be deported without further proceedings after service of the sentence.

However, the prosecution for offenses set forth in Section 19 of this Act shall be without prejudice to any liability for violation of Republic Act No. 3185, as amended, otherwise known as the Revised Penal Code, and other civil liabilities.

*SEC. 21. Local Disaster Risk Reduction and Management Fund (LDRRMF).* – The present Local Calamity Fund shall henceforth be known as the Local Disaster Risk Reduction and Management Fund (LDRRMF). Not less than five percent (5%) of the estimated revenue from regular sources shall be set aside as the LDRRMF to support disaster risk management activities such as, but not limited to, pre-disaster preparedness programs including training, purchasing life-saving rescue equipment, supplies and medicines, for post-disaster activities, and for the payment of premiums on calamity insurance. The LDRRMF shall monitor and evaluate the use and disbursement of the LDRRMF based on the LDRRMF as incorporated in the local development plans and annual work and financial plan. Upon the recommendation of the LDRRMF and approval of the sanggunian concerned, the LDRRMF may transfer the said fund to support disaster risk reduction work of other LDRRMFs which are declared under state of calamity.

Of the amount appropriated for LDRRMF, thirty percent (30%) shall be allocated as Quick Response Fund (QRF) or stand-by fund for relief and recovery programs in order that situation and living conditions of people in communities or areas stricken by disasters, calamities, epidemics, or complex emergencies, may be normalized as quickly as possible.

Unexpended LDRRMF shall accrue to a special trust fund solely for the purpose of supporting disaster risk reduction and management activities of the LDRRMFs within the next five (5) years. Any such amount still not fully utilized after five (5) years shall revert back to the general fund and will be available for other social services to be identified by the local sanggunian.

*SEC. 22. National Disaster Risk Reduction and Management Fund.* – (a) The present Calamity Fund appropriated under the annual General Appropriations Act shall henceforth be known as the National Disaster Risk Reduction and Management Fund (NDRRM Fund) and it shall be used for disaster risk reduction or mitigation, prevention

and preparedness activities such as, but not limited to training of personnel, procurement of equipment, and capital expenditures. It can also be utilized for relief, recovery, reconstruction and other work or services in connection with natural or human-induced calamities which may occur during the budget year or those that occurred in the past two (2) years from the budget year.

(b) The specific amount of the NDRRM Fund and the appropriate recipient agencies and/or LGUs shall be determined upon approval of the President of the Philippines in accordance with the favorable recommendation of the NDRRMC.

(c) Of the amount appropriated for the NDRRM Fund, thirty percent (30%) shall be allocated as Quick Response Fund (QRF) or stand-by fund for relief and recovery programs in order that situation and living conditions of people in communities or areas stricken by disasters, calamities, epidemics, or complex emergencies, may be normalized as quickly as possible.

(d) All departments/agencies and LGUs that are allocated with DRRM fund shall submit to the NDRRMC their monthly statements on the utilization of DRRM funds and make an accounting thereof in accordance with existing accounting and auditing rules.

(e) All departments, bureaus, offices and agencies of the government are hereby authorized to use a portion of their appropriations to implement projects designed to address DRRM activities in accordance with the guidelines to be issued by the NDRRMC in coordination with the DBM.

SEC. 23. *Funding of the OCD.* - As lead agency to carry out the provisions of this Act, the OCD shall be allocated a budget of One billion pesos (Php1,000,000,000.00) revolving fund starting from the effectivity of this Act.

SEC. 24. *Annual Report.* - The National Council, through the OCD, shall submit to the Office of the President, the Senate and the House of Representatives, within the first quarter of the succeeding year, an annual report relating to the progress of the implementation of the NDRRMP.



SEC. 25. *Implementing Rules and Regulations.* – The NDRRMC, through its Chairperson, shall issue the necessary rules and regulations for the effective implementation of this Act within ninety (90) days after approval of this Act. The OCD, in consultation with key stakeholders, shall take the lead in the preparation of the implementing rules and regulations with the active involvement of the technical management group of the NDRRMC.

SEC. 26. *Congressional Oversight Committee.* – There is hereby created a Congressional Oversight Committee to monitor and oversee the implementation of the provisions of this Act. The Committee shall be composed of six (6) members from the Senate and six (6) members from the House of Representatives with the Chairpersons of the Committees on National Defense and Security of both the Senate and the House of Representatives as joint Chairpersons of this Committee. The five (5) other members from each Chamber are to be designated by the Senate President and the Speaker of the House of Representatives, respectively. The minority shall be entitled to pro rata representation but shall have at least two (2) representatives from <sup>Both</sup> each Chambers.

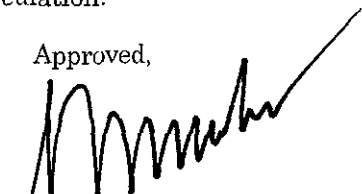
SEC. 27. *Sunset Review.* – Within five (5) years after the effectivity of this Act, or as the need arises, the Congressional Oversight Committee shall conduct a sunset review. For purposes of this Act, the term “sunset review” shall mean a systematic evaluation by the Congressional Oversight Committee of the accomplishments and impact of this Act, as well as the performance and organizational structure of its implementing agencies, for purposes of determining remedial legislation.

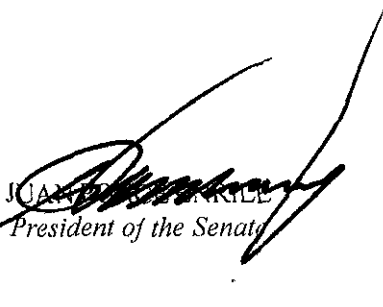
SEC. 28. *Repealing Clause.* – Presidential Decree No. 1566 and all other laws, decrees, executive orders, proclamations and other executive issuances which are inconsistent with or contrary to the provisions of this Act are hereby amended or repealed accordingly.

SEC. 29. *Separability Clause.* – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

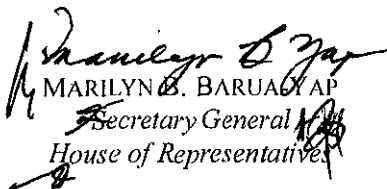
SEC. 30. *Effectivity Clause.* - This Act shall take effect fifteen (15) days following its complete publication in the *Official Gazette* or in two (2) national newspapers of general circulation.

Approved,

  
PROSPERO C. NOGRALES  
*Speaker of the House  
of Representatives*


  
JUAN PONCE ENRILE  
*President of the Senate*

This Act which is a consolidation of Senate Bill No. 3086 and House Bill No. 6985 was finally passed by the Senate and the House of Representatives on February 1, 2010.

  
MARILYN S. BARUA YAP  
*Secretary General  
House of Representatives*

  
EMMA LIRIO-BEYES  
*Secretary of the Senate*

Approved: **MAY 27 2010**

  
GLORIA MACAPAGAL-ARROYO  
*President of the Philippines*

O



Proposed House Bill No. 6676: National Water Security Act

Introduced by Hon. Angelo R. Palmones, Representative, AGHAM Party-List

Filed on November 12, 2012

This is a proposed law that would rename PD No. 1067 Water Code of the Philippines into National Water Security Act of 2012.

The proposed law is envisioned to:

- Promote an integrated water resources management using appropriate physiographic units such as watershed or river basins
- Require all local government units (LGUs) to include on their land use plan a water management and development plan
- Require all Water Districts to submit water resources management plan to LGUs for consideration in the land use plan of the LGUs
- Cover the supervision and regulation of the sewerage systems (not covered in the existing Water Code)

The National Water Resources Board (NWRB) would be tasked to enforce the provisions of the National Water Security Act.

The proposed law stipulates the following provisions related to flood management:

Chapter IV Utilization of Water

Section 52. The banks of rivers and streams and the shores of the seas and lakes throughout the entire length and within a zone of three (3) meters in urban areas, twenty (20) meters in agricultural areas and forty (40) meters in forest areas along their margins are subject to the easement of public use in the interest of recreation, navigation, floatage, fishing and salvage. No person shall be allowed to stay in this zone longer than what is necessary for recreation, navigation, floatage, fishing or salvage or to build structures of any kind without proper clearance from appropriate government agency.

Chapter V Control of Water

Section 54. To promote the best interest and the coordinated protection of flood plain lands, the Secretary of Public Works and Highways in coordination with other concerned national and local government agencies may declare flood control areas and promulgate guidelines for governing flood plan management to be included in the Integrated Water Resource Management Plan in every river basin.

Section 55. In declared flood control areas rules and regulations maybe promulgated to prohibit or control activities that may damage or cause deterioration of lakes and dikes, obstruct the flow of water, change the natural flow of river, increase flood losses or aggravate flood problems.

Section 56. The government may construct necessary flood control structures in declared flood control areas, and for this purpose it shall have a legal easement as wide as maybe needed along the adjacent to the river bank and outside the bed or channel of the river.

Section 57. River beds, sandbars and tidal flats may not be cultivated except upon prior permission from the Secretary of Public Works and Highways and such permission shall not be

granted where such cultivation obstructs the flow of water or increase flood levels so as to cause damage to other areas.

Section 58. Any person may erect levees or revetments to protect his property from flood, encroachment by the river or change in the course of the river, provided that such construction does not cause damage to the property of another.

Section 59. When a river or stream suddenly changes its course to traverse private lands, the owners of the affected lands may not compel the government to restore the river to its former bed; nor they can restrain the government from taking the steps to revert the river or stream to its former course. The owners of the land thus affected are not entitled to compensation for any damage sustained thereby. However, the former owners of the new bed shall be the owners of the abandoned bed in proportion to the area lost by each.

The owners of the affected lands may undertake to return the river or stream to its old bed at their own expense; **Provided**, that a permit therefore is secured from the Secretary of Public Works and Highways and work pertaining thereto are commenced within two years from the change in the course of the river or stream.

Section 63. Water from a stream maybe restored in a reservoir by a permittee in such amounts as will not prejudice the right of any permittee downstream. Whatsoever operates the reservoir shall release water for minimum stream flow.

The National Water Resources Board shall formulate criteria/guidelines in consultation with the stakeholders for the operation of the dam/reservoir which maybe the basis for prioritizing water allocation.

All dam owners/operators are required to submit their reservoir operation rule curve for normal operation to the Board for review and approval.

The owners/operators of dams shall be liable for the negligence about safety measures related to dam's operation.

Section 64. The operator of a dam for the storage of water shall be required to employ a licensed engineer possessing qualifications prescribed for the proper operation, maintenance and administration of the dam.

**MALACAÑANG**

M a n i l a

**PRESIDENTIAL DECREE No. 1152**

**PHILIPPINE ENVIRONMENTAL CODE**

WHEREAS, the broad spectrum of environment has become a matter of vital concern to the government;

WHEREAS, the national leadership has taken a step towards this direction by creating the National Environmental Protection Council under Presidential Decree No. 1121;

WHEREAS, it is necessary that the creation of the Council be implemented with the launching of a comprehensive program of environmental protection and management;

WHEREAS, such a program can assume tangible and meaningful significance only by establishing specific environment management policies and prescribing environment quality standards in a Philippine Environment Code:

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree:

**Section 1.** *Short Title.* This Decree shall be known and cited as the "Philippine Environment Code."

**TITLE I**

**AIR QUALITY MANAGEMENT**

**Section 2.** *Purposes.* The purposes of this Title are:

(a) to achieve and maintain such levels of air quality as to protect public health; and

(b) to prevent to the greatest extent practicable, injury and/or damage to plant and animal life and property, and promote the social and economic development of the country.

## **Chapter I**

### **Standards**

**Section 3. *Ambient Air Quality Standards.*** There shall be established ambient air quality standards which shall prescribe the maximum concentration of air pollutants permissible in the atmosphere consistent with public health, safety and general welfare.

In the establishment of ambient air quality standards, factors such as local atmospheric conditions, location and land use, and available technology, shall be considered among others.

**Section 4. *National Emission Standards.*** There shall be established national emission standards for new and existing stationary and mobile sources of pollution which shall consider among others such factors as type of industry, practicable control technology available, location and land use, and the nature of pollutants emitted.

**Section 5. *Community Noise Standards.*** Appropriate standards for community noise levels shall be established considering, among others, location, zoning and land use classification.

**Section 6. *Standards for Noise-Producing Equipment.*** There shall be established a standard for noise producing equipment such as construction equipment, transportation equipment, stationary engines, and electrical or electronic equipment and such similar equipment or contrivances. The standards shall set a limit on the acceptable level of noise emitted from a given equipment for the protection of public health and welfare, considering among others, the magnitude and condition of use, the degree of noise reduction achievable through the application of best available technology and the cost of compliance.

The Installation of any noise-producing equipment shall conform with the requirements of Presidential Decree No. 1096 and other applicable laws as well as their implementing rules and regulations.

**Section 7. *Aircraft Emission and Sonic Booms.*** Appropriate government agencies shall encourage research studies on the harmful effects of aircraft emissions in the environment in order to establish permissible emission standards.

Research and studies shall also be undertaken to mitigate and/or minimize the effects of sonic booms in the environment.

## **Chapter II**

### **Regulation and Enforcement**

**Section 8. *Air Quality and Noise Standards.*** The National Pollution Control Commission in coordination with appropriate government agencies shall be responsible for the enforcement of ambient air quality emission and noise standards, including the monitoring and surveillance of air pollutants, licensing and permitting of air pollution control facilities, and the promulgation of appropriate rules and regulations.

Existing air quality emission and noise standards may be revised and/or modified consistent with new development and technology.

**Section 9. *Aircraft Noise.*** Community noise standards around airports shall be implemented by the Civil Aeronautics Administration in coordination with the National Pollution Control Commission.

**Section 10. *Vehicular Emissions.*** The Land Transportation Commission, in coordination with the National Pollution Control Commission, shall implement emission standards for motor vehicles and may deputize other appropriate law enforcement agencies for the purpose.

**Section 11. *Radioactive Emissions.*** The release and emission of radioactivity into the environment incident to the establishment or possession of nuclear energy facilities and radioactive materials, handling, transport, production, storage, use and disposal of radioactive materials shall be regulated by the Philippine Atomic Energy Commission in coordination with other appropriate government agencies.

## **Chapter III**

### **Monitoring**

**Section 12. *Air Quality Monitoring.*** The National Pollution Control Commission, in coordination with appropriate government agencies, shall establish to the greatest extent practicable an air quality monitoring network. Such air quality monitoring network shall put to maximum use the capabilities of these agencies.

The National Environmental Protection Council shall be furnished with the results of air quality monitoring activities.

**Section 13. *Weather Modification.*** The Philippine Atmospheric, Geophysical and Astronomical Services Administration shall monitor regularly meteorological factors affecting environmental conditions in order to effectively guide air pollution monitoring activities.

Activities relating to weather modification such as rainfall stimulation and storm seeding experiments shall be undertaken in consultation and/or in coordination with the Philippine Atmospheric, Geophysical and Astronomical Service Administration.

## **TITLE II WATER QUALITY MANAGEMENT**

**Section 14. *Purpose.*** It is the purpose of this Title to prescribe management guidelines aimed to protect and improve the quality of Philippine water resources through:

- (a) classification of Philippine waters;
- (b) establishment of water quality standards;
- (c) protection and improvement of the quality of the Philippine water resources, and
- (d) responsibilities for surveillance and mitigation of pollution incidents.

### **Chapter I Classification and Standards**

**Section 15. *Classification of Philippine Waters.*** The National Pollution Control Commission, in coordination with appropriate government agencies, shall classify Philippine waters, according to their best usage. In classifying said waters, the National Pollution Control Commission shall take into account, among others, the following:

- (a) the existing quality of the body of water at the time of classification;
- (b) the size, depth, surface area covered, volume, direction, rate of flow, gradient of stream; and



(c) the most beneficial uses of said bodies of water and lands bordering them for residential, agricultural, commercial, industrial, navigational, recreational, and aesthetic purposes.

**Section 16. *Reclassification of Waters Based on Intended Beneficial Use.*** Where the public interest so requires, the National Pollution Control Commission, in coordination with appropriate government agencies, shall reclassify a body of water based on the intended beneficial use and take such steps as may be necessary to upgrade the quality of said water. Other government agencies may adopt higher standards for a particular body of water, subject to the approval of the National Pollution Control Commission.

**Section 17. *Upgrading of Water Quality.*** Where the quality of water has deteriorated to a degree where its state will adversely affect its best usage, the government agencies concerned shall take such measures as may be necessary to upgrade the quality of such water to meet the prescribed water quality standards.

**Section 18. *Water Quality Standards.*** The National Pollution Control Commission shall prescribe quality and effluent standards consistent with the guidelines set by the National Environmental Protection Council and the classification of waters prescribed in the preceding sections, taking into consideration, among others, the following:

- (a) the standard of water quality or purity may vary according to beneficial uses; and
- (b) the technology relating to water pollution control.

## **Chapter II**

### **Protection and Improvement of Water Quality**

**Section 19. *Enforcement and Coordination.*** The production, utilization, storage and distribution of hazardous, toxic and other substances such as radioactive materials, heavy metals, pesticides, fertilizers, and oils, and the disposal, discharge and dumping of untreated wastewater, mine tailings and other substances that may pollute any body of water of the Philippines resulting from normal operations of industries, water-borne sources, and other human activities as well as those resulting from accidental spills and discharge shall be regulated by appropriate government agencies pursuant to their respective charters and enabling legislations. In the performance of

the above functions, the government agencies concern shall coordinate with the National Environmental Protection Council and furnish the latter with such information as may be necessary to enable it to attain its objectives under Presidential Decree No. 1121.

**Section 20. *Clean-up Operations.*** It shall be the responsibility of the polluter to contain, remove and clean up water pollution incidents at his own expense. In case of his failure to do so, the government agencies concerned shall undertake containment, removal and clean-up operations and expenses incurred in said operations shall be charged against the persons and/or entities responsible for such pollution.

**Section 21. *Water Quality Monitoring and Surveillance.*** The various government agencies concerned with environmental protection shall establish to the greatest extent practicable a water quality surveillance and monitoring network with sufficient stations and sampling schedules to meet the needs of the country. Said water quality surveillance network shall put to maximum use the capabilities of such government agencies. Each agency involved in such network shall report to the National Environmental Protection Council the results of these monitoring activities as the need arises.

### TITLE III LAND USE MANAGEMENT

**Section 22. *Purpose.*** The purposes of this Title are:

- (a) to provide a rational, orderly and efficient acquisition, utilization and disposition of land and its resources in order to derive therefrom maximum benefits; and
- (b) to encourage the prudent use and conservation of land resources in order to prevent and imbalance between the nation's needs and such resources.

**Section 23. *National Land Use Scheme.*** The Human Settlements Commission, in coordination with the appropriate agencies of the government, shall formulate and recommend to the National Environmental Protection Council a land use scheme consistent with the purpose of this Title.

The Land Use Scheme shall include among others, the following:

- (a) a science-based and technology-oriented land inventory and classification system;
- (b) a determination of present land uses, the extent to which they are utilized, underutilized, rendered idle or abandoned;
- (c) a comprehensive and accurate determination of the adaptability of the land for community development, agriculture, industry, commerce and other fields of endeavor;
- (d) a method of identification of areas where uncontrolled development could result in irreparable damage to important historic, cultural, or aesthetic values, or natural systems or processes of national significance;
- (e) a method for exercising control by the appropriate government agencies over the use of land in areas of critical environmental concern and areas impacted by public facilities including, but not limited to, airports, highways, bridges, ports and wharves, buildings and other infrastructure projects;
- (f) a method to ensure the consideration of regional development and land use in local regulations;
- (g) policy for influencing the location of new communities and methods for assuring appropriate controls over the use of land around new communities;
- (h) a system of controls and regulations pertaining to areas and development activities designed to ensure that any source of pollution will not be located where it would result in a violation of any applicable environmental pollution control regulations; and
- (i) a recommended method for the periodic revisions and updating of the national land use scheme to meet changing conditions.

**Section 24. *Location of Industries.*** In the location of industries, factories, plants, depots and similar industrial establishments, the regulating or enforcing agencies of the government shall take into consideration the social, economic, geographic and significant environmental impact of said establishments.

**TITLE IV**  
**NATURAL RESOURCES MANAGEMENT AND CONSERVATION**

**Section 25. *Purposes.*** The purposes of this Title are:

- (a) to provide the basic policy on the management and conservation of the country's natural resources to obtain the optimum benefits therefrom and to preserve the same for the future generations; and
- (b) to provide general measures through which the aforesaid policy may be carried out effectively.

**Chapter I**  
**Fisheries and Aquatic Resources**

**Section 26. *Management Policy.*** The National government, through the Department of Natural Resources, shall establish a system of rational exploitation of fisheries and aquatic resources within the Philippine territory and shall encourage citizen participation therein to maintain and/or enhance the optimum and continuous productivity of the same.

**Section 27. *Measures for National Exploitation.*** Measures for the national exploitation of fisheries and other aquatic resources may include, but shall not be limited to, the following:

- (a) undertaking manpower and expertise development;
- (b) acquiring the necessary facilities and equipment;
- (c) regulating the marketing of threatened species of fish or other aquatic resources;
- (d) reviewing all existing rules and regulations on the exploitation of fisheries and aquatic resources with a view of formulating guidelines for the systematic and effective enforcement thereof; and
- (e) conserving the vanishing species of fish and aquatic resources such as turtles, sea snakes, crocodiles, corals, as well as maintaining the mangrove

areas, marshes and inland waters, coral reef–areas and islands serving as sanctuaries for fish and other aquatic life.

## **Chapter II Wildlife**

**Section 28. *Management Policy.*** The national government through the Department of Natural Resources, shall establish a system of rational exploitation and conservation of wildlife resources and shall encourage citizen participation in the maintenance and/or enhancement of their continuous productivity.

**Section 29. *Measures for Rational Exploitation.*** Measures for rational exploitation of wildlife resources may include, but shall not be limited to, the following:

- (a) regulating the marketing of threatened wildlife resources.
- (b) reviewing all existing rules and regulations on the exploitation of wildlife resources with a view of formulating guidelines for the systematic and effective enforcement thereof; and
- (c) conserving the threatened species of fauna, increasing their rate of reproduction, maintaining their original habitat, habitat manipulation, determining bag/creel limits, population control in relation to the carrying capacity of any given area, banning of indiscriminate and/or destructive means of catching or hunting them.

## **Chapter III Forestry and Soil Conservation**

**Section 30. *Management Policy for Forestry.*** The national government, through the Department of Natural Resources, shall undertake a system of rational exploitation of forest resources and shall encourage citizen participation therein to keep the country's forest resources at maximum productivity at all time.

**Section 31. *Measures for Rational Exploitation of Forest Resources.*** Measures for the rational exploitation of forest resources may include, but shall not be limited to, the following:

- (a) regulating the marketing of threatened forest resources;
- (b) reviewing all existing rules and regulations on the exploitation of forest resources with a view of formulating guidelines for the systematic and efficient enforcement thereof;
- (c) conserving threatened species of flora as well as increasing their rate of propagation; the banning of destructive modes of exploitation, kaingin making or shifting cultivation, indiscriminate harvesting of minor forest products the recycling methods of waste materials, and
- (d) carrying out a continuing effect on reforestation; timber stand improvement; forest protection; land classification; forest occupancy management; agri-silviculture; range management; agri-silvicultural/kaingin management; industrial tree plantation; parks and wildlife management; multiple use forest; timber management and forest research.

**Section 32.** *Use of Fertilizers and Pesticides.* The use of fertilizers and pesticides in agriculture shall be regulated prescribing therefor a tolerance level in their use. Their use shall be monitored by appropriate government agencies to provide empirical data for effective regulation.

**Section 33.** *Management Policy on Soil Conservation.* The national government, through the Department of Natural Resources and the Department of Agriculture, shall likewise undertake a soil conservation program including therein the identification and protection of critical watershed areas, encouragement of scientific farming techniques, physical and biological means of soil conservation, and short-term and long-term researches and technology for effective soil conservation.

#### **Chapter IV**

#### **Flood Control and Natural Calamities**

**Section 34.** *Measures in Flood Control Program.* In addition to the pertinent provisions of existing laws, the following shall be included in a soil erosion, sediment and flood control program;

- (a) the control of soil erosion on the banks of rivers, the shores of lakes, and the seashores;

- (b) the control of flow and flooding in and from rivers and lakes;
- (c) the conservation of water which, for purposes of this Section shall mean forms of water, but shall not include captive water;
- (d) the needs of fisheries and wildlife and all other recreational uses of natural water;
- (e) measures to control the damming, diversion, taking, and use of natural water, so far as any such act may affect the quality and availability of natural water for other purposes; and
- (f) measures to stimulate research in matters relating to natural water and soil conservation and the application of knowledge thereby acquired.

**Section 35. *Measures to Mitigate Destructive Effects of Calamities.*** The national government, through the Philippine Atmospheric, Geophysical and Astronomical Services Administration, shall promote intensified and concerted research efforts on weather modification, typhoon, earthquake, tsunami, storm surge, and other tropical natural phenomena in order to bring about any significant effect to mitigate or prevent their destructive effects.

## **Chapter V**

### **Energy Development**

**Section 36. *Policy.*** Consistent with the environmental protection policies, the national government, through the Energy Development Board, shall undertake an energy development program encouraging the utilization of invariant sources such as solar, wind and tidal energy.

**Section 37. *Measures for Energy Development.*** Measures for energy development program may include, but shall not be limited to, the following:

- (a) setting up of pilot plants utilizing invariant sources of energy;
- (b) training of technical personnel for purposes of energy development; and
- (c) conducting researches aimed at developing technology for energy development.

**Section 38. *Safety Measures on Energy Development.*** Rules and regulations shall be promulgated to prevent or mitigate the adverse effects of energy development on the environment. For this purpose, all nuclear powered plants exploring and utilizing geothermal energy, whether owned or controlled by private or government entities shall:

- (a) observe internationally accepted standards of safety; and
- (b) provide safety devices to ensure the health and welfare of their personnel as well as the surrounding community.

## **Chapter VI**

### **Conservation and Utilization of Surface and Ground Waters**

**Section 39. *Management Policy.*** In addition to existing laws, the national government through the National Water Resources Council in coordination with other appropriate government agencies, shall prescribe measures for the conservation and improvement of the quality of Philippine water resources and provide for the prevention, control and abatement of water pollution.

## **Chapter VII**

### **Mineral Resources**

**Section 40. *Management Policy.*** – The national government, through the Department of Natural Resources, shall undertake a system of gainful exploitation and rational and efficient utilization of mineral resources and shall encourage citizen participation in this endeavor.

**Section 41. *Measures for Exploitation and Utilization of Mineral Resources.*** Measures for the gainful exploitation and rational and efficient utilization of such mineral resources may include, but shall not be limited to the following:

- (a) increasing research and development in mineral resources technology;
- (b) training of additional technical manpower needed in geology, geophysics, mining engineering, and related fields;
- (c) regulating the exploitation of identified mineral reserves;



- (d) accelerating the exploration of undiscovered mineral deposits; and
- (e) encouraging the establishment of processing plants for refined metals.

## TITLE V WASTE MANAGEMENT

**Section 42.** *Purpose.* The purposes of this Title are:

- (a) to set guidelines for waste management with a view to ensuring its effectiveness;
- (b) to encourage, promote and stimulate technological, educational economic and social efforts to prevent environmental damage and unnecessary loss of valuable resources of the nation through recovery, recycling and re-use of wastes and waste products; and
- (c) to provide measures to guide and encourage appropriate government agencies in establishing sound, efficient, comprehensive and effective waste management.

### Chapter I Enforcement and Guidelines

**Section 43.** *Waste Management Programs.* Preparation and implementation of waste management program shall be required of all provinces, cities and municipalities. The Department of Local Government and Community Development shall promulgate guidelines for the formulation and establishment of waste management programs.

Every waste management program shall include the following:

- (a) an orderly system of operation consistent with the needs of the area concerned;
- (b) a provision that the operation will not create pollution of any kind or will constitute public nuisance;
- (c) a system for a safe and sanitary disposal of waste;

- (d) a provision that existing plans affecting the development, use and protection of air, water or natural resources shall be considered;
- (e) schedules and methods of implementing the development, construction and operation of the plan together with the estimated costs; and
- (f) a provision for the periodic revision of the program to ensure its effective implementation.

**Section 44.** Responsibility of Local Governments. Each province, city or municipality shall provide measures to facilitate the collection, transportation, processing and disposal of waste within its jurisdiction in coordination with other government agencies concerned. For this purpose, the national government shall provide the necessary subsidy, to local governments upon request made through the National Environmental Protection Council and subject to such terms and conditions as the latter may provide.

## **Chapter II**

### **Methods of Solid Waste Disposal**

**Section 45.** *Solid Waste Disposal.* Solid Waste disposal shall be by sanitary landfill, incineration, composting, and other methods as may be approved by competent government authority.

**Section 46.** *Sanitary Landfills.* Local governments, including private individuals, corporations or organizations may operate one or more sanitary landfills. Any entity proposing to operate a sanitary landfill shall submit to the appropriate government agency an operational work plan showing, among other things, a map of the proposed work location, disposal areas for rubbish, garbage, refuse and other waste matter; and the equipment or machinery needed to accomplish its operations. In no case shall landfill or work locations under this Section be located along any shore or coastline, or along the banks of rivers and streams, lakes throughout their entire length, in violation of any existing rules and regulations.

**Section 47.** *Incineration and Composting Plants.* The installation and establishment of incineration or composting plants, or the alteration/modification of any part thereof shall be regulated by the local governments concerned in coordination with the National Pollution Control Commission.

**Section 48. *Disposal Sites.*** The location of solid waste disposal sites shall conform with existing zoning; land use standards, and pollution control regulations.

**Section 49. *Dumping into the Sea and Other Navigable Waters.*** The dumping or disposal of solid wastes into the sea and any body of water in the Philippines, including shorelines and river banks, where these wastes are likely to be washed into the water is prohibited. However, dumping of solid wastes or other materials into the sea or any navigable waters shall be permitted in case of immediate or imminent danger to life and property, subject to the rules and regulations of the Philippine Coast Guard and the National Pollution Control Commission.

Government agencies and private entities which are undertaking solid waste management programs shall make consultations with the government agencies concerned with respect to the effects of such dumping to the marine environment and navigation.

### **Chapter III Methods of Liquid Waste Disposal**

**Section 50. *Liquid Waste Disposal.*** Wastewater from manufacturing plants, industries, community, or domestic sources shall be treated either physically, biologically or chemically prior to disposal in accordance with the rules and regulations promulgated by proper government authority.

**Section 51. *Applicability of Sec. 8.*** The provisions of Sec. 8 hereof shall likewise apply to the dumping or disposal of liquid waste into the sea and other bodies of water.

### **TITLE VI MISCELLANEOUS PROVISIONS**

**Section 52. *Population–Environment Balance.*** In the assessment of development projects, the National Environmental Protection Council, hereinafter referred to in this Title as the “Council” shall take into consideration their effect on population with a view to achieving a rational and orderly balance between man and his environment.

**Section 53. *Environmental Education.*** The Department of Education and Culture shall integrate subjects on environmental education in its school curricula at all levels. It

shall also endeavor to conduct special community education emphasizing the relationship of man and nature as well as environmental sanitation and practices.

The Council and other government agencies implementing environmental protection laws in coordination with public information agencies of the government shall undertake public information activities for the purpose of stimulating awareness and encouraging involvement in environmental protection.

**Section 54. *Environmental Research.*** The Council shall undertake and/or promote continuing studies and research programs on environmental management and shall, from time to time, determine priority areas of environmental research.

**Section 55. *Monitoring and Dissemination of Environmental Information of Foreign Origin.*** The Council shall keep itself informed of current environmental developments by obtaining information and literature from foreign sources through the Department of Foreign Affairs, government agencies and other entities, both domestic and foreign. Such information and literature shall be given the widest dissemination possible.

**Section 56. *Incentives.*** To operate the installation and the utilization of pollution control facilities, the following incentives are hereby granted:

- (a) exemption to the extent of fifty (50) per cent of tariff duties and compensating tax for the importation of pollution control equipment, devices, spare parts and accessories for a period of five (5) years from the effectivity of this Decree subject to the conditions that will be imposed by the Council.
- (b) a tax credit equivalent to fifty (50) per cent of the value of the compensating tax and tariff duties that would have been paid on the pollution control equipment, devices, spare parts and accessories had these items been imported shall, within a period of seven (7) years from the effectivity of this Decree be given to the person or firm who or which purchases them from a domestic manufacturer, and another tax credit equivalent to twenty-five (25) per cent thereof shall be given to the said manufacturer subject to such conditions as may be imposed by the Council; and
- (c) deductions equivalent to fifty (50) per cent of the expenses actually incurred on research projects undertaken to develop technologies for the manufacture of pollution control equipment which have been proven effective

and commercially reproducible, from the taxable income of the person or firm actually undertaking such projects subject to the conditions that may be imposed by the Council.

The pollution control equipment, devices, spare parts and accessories acquired under this Section shall not be sold, transferred or disposed of within five (5) years from the date of acquisition without the prior approval of the Council otherwise the importer or purchaser shall pay twice the amount of the tax exemption or tax credit granted.

**Section 57. *Financial Assistance/Grant.*** Financial assistance/grant for the study, design and construction of environmental protection facilities especially for waste disposal in favor of cities, municipalities, small and medium-scale industries may be granted on a case to case basis subject to such conditions as may be imposed by the Council.

**Section 58. *Participation of Local Government Units and Private Individuals.*** It shall be the responsibility of local government units as well as private individuals to actively participate in the environmental management and protection programs of the government.

**Section 59. *Preservation of Historic and Cultural Resources and Heritage.*** It shall be the duty of every person to help preserve the historic and cultural resources of the country such as sites, structures, artifacts, documents, objects, memorials and priceless trees.

**Section 60. *Government Offices Performing Environmental Protection Functions.*** Government agencies vested by law to exercise environmental management powers, shall continue to function as such within their respective jurisdictions. The Council may, however, in the exercise of its powers and functions under Presidential Decree No. 1121, inquire into any action or issue of environmental significance.

**Section 61. *Public Hearings.*** The Council may, whenever it deems necessary, conduct public hearings on issues of environmental significance.

**Section 62. *Definition of Terms.*** As used in this Code:

- (a) *"Ambient Air Quality"* means the average atmospheric purity as distinguished from discharge measurements taken at the source of pollution. It is the general amount of pollution present in a broad area.
- (b) *"Emission"* means the act of passing into the atmosphere an air contaminant, pollutant, gas stream and unwanted sound from a known source.
- (c) *"Water Quality"* means the characteristics of water which define its use in terms of physical, chemical and biological contents; hence the quality of water for domestic use is different from industrial use.
- (d) *"Water Quality Surveillance"* means a close and continuous supervision of the water quality to detect development movements or changes in the characteristics of the water.
- (e) *"Water Quality Standard"* means a plan that is established by governmental authority as a program for water pollution prevention and abatement. Such a standard may include water use classification and the criteria to support the uses of the water.
- (f) *"Effluent Standards"* means restrictions established to limit levels of concentration of physical, chemical and biological constituents which are discharged from point sources.
- (g) *"Clean-up Operations"* refers to activities conducted in removing the pollutants discharged or spilled in water to restore it to pre-spill condition.
- (h) *"Accidental Spills"* refers to spills of oil or other hazardous substances in water that result from accidents involving the carriers of such substance such as collisions and grounding.
- (i) *"Areas of Critical Environmental Concern"* are areas where uncontrolled development could result in irreparable damage to important historic, cultural, or aesthetic values or natural systems or processes of national significance.
- (j) *"Hazardous Substances"* means elements or compounds which when discharged in any quantity present imminent or substantial danger to public health and welfare.

(k) *“Areas Impacted by Public Facilities”* refers to areas where the introduction of public facilities may tend to induce development and urbanization of more than local significance or impact.

(l) *“Environmental Impact”* is the alteration, to any degree, of environmental conditions or the creation of a new set of environmental conditions, adverse or beneficial, to be induced or caused by a proposed project.

(m) *“Government Agencies”* refers to national, local and regional agencies and instrumentalities including government-owned and controlled corporations.

## TITLE VII FINAL PROVISIONS

**Section 63. *Separability of Provisions.*** If any provision of this Code, or the application of such provisions to any person or circumstance, is declared unconstitutional, the remainder of the Code or the application of such provision to other persons or circumstances shall not be affected by such declaration.

**Section 64. *Effectivity.*** This Code shall take effect upon its approval.

Done in the City of Manila, this 6th day of June in the year of Our Lord, nineteen hundred and seventy-seven.

The Lawphil Project – Arellano Law Foundation

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# THE LOCAL GOVERNMENT CODE OF THE PHILIPPINES

## BOOK I

### GENERAL PROVISIONS

#### TITLE ONE. - BASIC PRINCIPLES

##### CHAPTER 1. - THE CODE, POLICY AND APPLICATION

**SECTION 1. Title.** - This Act shall be known and cited as the "Local Government Code of 1991".

**SECTION 2. Declaration of Policy.** - (a) It is hereby declared the policy of the State that the territorial and political subdivisions of the State shall enjoy genuine and meaningful local autonomy to enable them to attain their fullest development as self-reliant communities and make them more effective partners in the attainment of national goals. Toward this end, the State shall provide for a more responsive and accountable local government structure instituted through a system of decentralization whereby local government units shall be given more powers, authority, responsibilities, and resources. The process of decentralization shall proceed from the national government to the local government units.

(b) It is also the policy of the State to ensure the accountability of local government units through the institution of effective mechanisms of recall, initiative and referendum.

(c) It is likewise the policy of the State to require all national agencies and offices to conduct periodic consultations with appropriate local government units, non-governmental and people's organizations, and other concerned sectors of the community before any project or program is implemented in their respective jurisdictions.

**SECTION 3. Operative Principles of Decentralization.** - The formulation and implementation of policies and measures on local autonomy shall be guided by the following operative principles:

(a) There shall be an effective allocation among the different local government units of their respective powers, functions, responsibilities, and resources;

(b) There shall be established in every local government unit an accountable, efficient, and dynamic organizational structure and operating mechanism that will meet the priority needs and service requirements of its communities;



- (c) Subject to civil service law, rules and regulations, local officials and employees paid wholly or mainly from local funds shall be appointed or removed, according to merit and fitness, by the appropriate appointing authority;
- (d) The vesting of duty, responsibility, and accountability in local government units shall be accompanied with provision for reasonably adequate resources to discharge their powers and effectively carry out their functions; hence, they shall have the power to create and broaden their own sources of revenue and the right to a just share in national taxes and an equitable share in the proceeds of the utilization and development of the national wealth within their respective areas;
- (e) Provinces with respect to component cities and municipalities, and cities and municipalities with respect to component Barangays, shall ensure that the acts of their component units are within the scope of their prescribed powers and functions:
- (f) Local government units may group themselves, consolidate or coordinate their efforts, services, and resources for purposes commonly beneficial to them;
- (g) The capabilities of local government units ,especially the municipalities and Barangays, shall be enhanced by providing them with opportunities to participate actively in the implementation of national programs and projects;
- (h) There shall be a continuing mechanism to enhance local autonomy not only by legislative enabling acts but also by administrative and organizational reforms;
- (i) Local government units shall share with the national government the responsibility in the management and maintenance of ecological balance within their territorial jurisdiction, subject to the provisions of this Code and national policies;
- (j) Effective mechanisms for ensuring the accountability of local government units to their respective constituents shall be strengthened in order to upgrade continually the quality of local leadership;
- (k) The realization of local autonomy shall be facilitated through improved coordination of national government policies and

programs and extension of adequate technical and material assistance to less developed and deserving local government units;

- (l) The participation of the private sector in local governance, particularly in the delivery of basic services, shall be encouraged to ensure the viability of local autonomy as an alternative strategy for sustainable development; and
- (m) The national government shall ensure that decentralization tributes to the continuing improvement of the performance of local government units and the quality of community life.

**SECTION 4. Scope of Application.** - This Code shall apply to all provinces, cities, municipalities, Barangays, and other political subdivisions as may be created by law, and, to the extent herein provided, to officials, offices, or agencies of the national government.

**SECTION 5. Rules of Interpretation.** - In the interpretation of the provisions of this Code, the following rules shall apply:

- (a) Any provision on a power of a local government unit shall be liberally interpreted in its favor, and in case of doubt, any question thereon shall be resolved in favor of devolution of powers and of the lower local government unit. Any fair and reasonable doubt as to the existence of the power shall be interpreted in favor of the local government unit concerned;
- (b) In case of doubt, any tax ordinance or revenue measure shall be construed strictly against the local government unit enacting it, and liberally in favor of the taxpayer. Any tax exemption, incentive or relief granted by any local government unit pursuant to the provisions of this Code shall be construed strictly against the person claiming it.
- (c) The general welfare provisions in this Code shall be liberally interpreted to give more powers to local government units in accelerating economic development and upgrading the quality of life for the people in the community;
- (d) Rights and obligations existing on the date of effectivity of this Code and arising out of contracts or any other source of prestation involving a local government unit shall be governed by the original terms and conditions of said contracts or the law in force at the time such rights were vested; and

- (e) In the resolution of controversies arising under this Code where no legal provision or jurisprudence applies, resort may be had to the customs and traditions in the place where the controversies take place.

## **CHAPTER 2. - GENERAL POWERS AND ATTRIBUTES OF LOCAL GOVERNMENT UNITS**

**SECTION 6. Authority to Create Local Government Units.** - A local government unit may be created, divided, merged, abolished, or its boundaries substantially altered either by law enacted by Congress in the case of a province, city, municipality, or any other political subdivision, or by ordinance passed by the Sangguniang Panlalawigan or Sangguniang Panlungsod concerned in the case of a Barangay located within its territorial jurisdiction, subject to such limitations and requirements prescribed in this Code.

**SECTION 7. Creation and Conversion.** - As a general rule, the creation of a local government unit or its conversion from one level to another level shall be based on verifiable indicators of viability and projected capacity to provide services, to wit:

- (a) **Income.** - It must be sufficient, based on acceptable standards, to provide for all essential government facilities and services and special functions commensurate with the size of its population, as expected of the local government unit concerned;
- (b) **Population.** - It shall be determined as the total number of inhabitants within the territorial jurisdiction of the local government unit concerned; and
- (c) **Land Area.** - It must be contiguous, unless it comprises two or more islands or is separated by a local government unit independent of the others; properly identified by metes and bounds with technical descriptions; and sufficient to provide for such basic services and facilities to meet the requirements of its populace. Compliance with the foregoing indicators shall be attested to by the Department of Finance (DOF), the National Statistics Office (NSO), and the Lands Management Bureau (LMB) of the Department of Environment and Natural Resources (DENR).

**SECTION 8. Division and Merger.** - Division and merger of existing local government units shall comply with the same requirements herein prescribed for their creation: Provided however, That such division shall not reduce the income, population, or land area of the local government unit or units concerned to less than the minimum requirements prescribed

in this Code: Provided, further, That the income classification of the original local government unit or units shall not fall below its current income classification prior to such division.

The income classification of local government units shall be updated within six (6) months from the effectivity of this Code to reflect the changes in their financial position resulting from the increased revenues as provided herein.

**SECTION 9. Abolition of Local Government Units.** - A local government unit may be abolished when its income, population, or land area has been irreversibly reduced to less than the minimum standards prescribed for its creation under Book III of this Code, as certified by the national agencies mentioned in Section 17 hereof to Congress or to the Sanggunian concerned, as the case may be.

The law or ordinance abolishing a local government unit shall specify the province, city, municipality, or Barangay with which the local government unit sought to be abolished will be incorporated or merged.

**SECTION 10. Plebiscite Requirement.** - No creation, division, merger, abolition, or substantial alteration of boundaries of local government units shall take effect unless approved by a majority of the votes cast in a plebiscite called for the purpose in the political unit or units directly affected. Said plebiscite shall be conducted by the Commission on Elections (Comelec) within one hundred twenty (120) days from the date of effectivity of the law or ordinance effecting such action, unless said law or ordinance fixes another date.

**SECTION 11. Selection and Transfer of Local Government Site, Offices and Facilities.**

- (a) The law or ordinance creating or merging local government units shall specify the seat of government from where governmental and corporate services shall be delivered. In selecting said site, factors relating to geographical centrality, accessibility, availability of transportation and communication facilities, drainage and sanitation, development and economic progress, and other relevant considerations shall be taken into account.
- (b) When conditions and developments in the local government unit concerned have significantly changed subsequent to the establishment of the seat of government, its Sanggunian may, after public hearing and by a vote of two-thirds (2/3) of all its members, transfer the same to a site better suited to its needs. Provided,

however, That no such transfer shall be made outside the territorial boundaries of the local government unit concerned.

The old site, together with the improvements thereon, may be disposed of by sale or lease or converted to such other use as the Sanggunian concerned may deem beneficial to the local government unit concerned and its inhabitants.

- (c) Local government offices and facilities shall not be transferred, relocated, or converted to other uses unless public hearings are first conducted for the purpose and the concurrence of the majority of all the members of the Sanggunian concerned is obtained.

**SECTION 12. Government Centers.** - Provinces, cities, and municipalities shall endeavor to establish a government center where offices, agencies, or branches of the national government, local government units, or government-owned or -controlled corporations may, as far as practicable, be located. In designating such a center, the local government unit concerned shall take into account the existing facilities of national and local agencies and offices which may serve as the government center as contemplated under this Section. The national government , local government unit or government-owned or -controlled corporation concerned shall bear the expenses for the construction of its buildings and facilities in the government center.

**SECTION 13. Naming of Local Government Units and Public Places, Streets and Structures.**

- (a) The Sangguniang Panlalawigan may, in consultation with the Philippine Historical Commission (PHC), change the name of the following within its territorial jurisdiction:
  - (1) Component cities and municipalities, upon the recommendation of the Sanggunian concerned;
  - (2) Provincial roads, avenues, boulevards, thorough-fares, and bridges;
  - (3) Public vocational or technical schools and other post-secondary and tertiary schools;
  - (4) Provincial hospitals, health centers, and other health facilities; and
  - (5) Any other public place or building owned by the provincial government.

- (b) The Sanggunian of highly urbanized cities and of component cities whose charters prohibit their voters from voting for provincial elective officials, hereinafter referred to in this Code as independent component cities, may, in consultation with the Philippine Historical Commission, change the name of the following within its territorial jurisdiction:
- (1) City Barangays, upon the recommendation of the Sangguniang Barangay concerned;
  - (2) City roads, avenues, boulevards, thorough fares, and bridges;
  - (3) Public elementary, secondary and vocational or technical schools, community colleges and non-chartered colleges;
  - (4) City hospitals, health centers and other health facilities; and
  - (5) Any other public place or building owned by the city government.
- (c) The Sanggunians of component cities and municipalities may, in consultation with the Philippine Historical Commission, change the name of the following within its territorial jurisdiction:
- (6) city and municipal Barangays, upon recommendation of the Sangguniang Barangay concerned;
  - (7) city, municipal and Barangay roads, avenues, boulevards, thorough fares, and bridges;
  - (8) city and municipal public elementary, secondary and vocational or technical schools, post-secondary and other tertiary schools;
  - (9) city and municipal hospitals, health centers and other health facilities; and (5)Any other public place or building owned by the municipal government.
- (d) None of the foregoing local government units, institutions, places, or buildings shall be named after a living person, nor may a change of name be made unless for a justifiable reason and, in any case, not oftener than once every ten (10) years. The name of a local government unit or a public place, street or structure with historical,

cultural, or ethnic significance shall not be changed, unless by a unanimous vote of the Sanggunian concerned and in consultation with the PHC.

- (e) A change of name of a public school shall be made only upon the recommendation of the local school board concerned.
- (f) A change of name of public hospitals, health centers, and other health facilities shall be made only upon the recommendation of the local health board concerned.
- (g) The change of name of any local government unit shall be effective only upon ratification in a plebiscite conducted for the purpose in the political unit directly affected. In any change of name, the Office of the President, the representative of the legislative district concerned, and the Bureau of Posts shall be notified.

**SECTION 14. Beginning of Corporate Existence.** - When a new local government unit is created, its corporate existence shall commence upon the election and qualification of its chief executive and a majority of the members of its Sanggunian, unless some other time is fixed therefor by the law or ordinance creating it.

**SECTION 15. Political and Corporate Nature of Local Government Units.** - Every local government unit created or recognized under this Code is a body politic and corporate endowed with powers to be exercised by it in conformity with law. As such, it shall exercise powers as a political subdivision of the national government and as a corporate entity representing the inhabitants of its territory.

**SECTION 16. General Welfare.** - Every local government unit shall exercise the powers expressly granted, those necessarily implied there from, as well as powers necessary, appropriate, or incidental for its efficient and effective governance, and those which are essential to the promotion of the general welfare. Within their respective territorial jurisdictions, local government units shall ensure and support, among other things, the preservation and enrichment of culture, promote health and safety, enhance the right of the people to a balanced ecology, encourage and support the development of appropriate and self-reliant scientific and technological capabilities, improve public morals, enhance economic prosperity and social justice, promote full employment among their residents, maintain peace and order, and preserve the comfort and convenience of their inhabitants.

**SECTION 17. Basic Services and Facilities.**

- (a) Local government units shall endeavor to be self-reliant and shall continue exercising the powers and discharging the duties and functions currently vested upon them. They shall also discharge the functions and responsibilities of national agencies and offices devolved to them pursuant to this Code. Local government units shall likewise exercise such other powers and discharge such other functions and responsibilities as are necessary, appropriate, or incidental to efficient and effective provision of the basic services and facilities enumerated herein.
- (b) Such basic services and facilities include, but are not limited to, the following:
  - (1) For a Barangay:
    - (i) Agricultural support services which include planting materials distribution system and operation of farm produce collection and buying stations;
    - (ii) Health and social welfare services which include maintenance of Barangay health center and day-care center;
    - (iii) Services and facilities related to general hygiene and sanitation, beautification, and solid waste collection;
    - (iv) Maintenance of Katarungang Pambarangay;
    - (v) Maintenance of Barangay roads and bridges and water supply systems
    - (vi) Infrastructure facilities such as multi- purpose hall, multipurpose pavement, plaza, sports center, and other similar facilities;
    - (vii) Information and reading center; and
    - (viii) Satellite or public market, where viable;
  - (2) For a municipality:
    - (i) Extension and on-site research services and facilities related to agriculture and fishery activities which include dispersal of livestock and poultry, fingerlings, and other seeding materials for aquaculture; palay, corn, and vegetable seed farms; medicinal plant gardens; fruit tree, coconut, and other kinds of seedling nurseries; demonstration farms; quality control of copra and improvement and development of local distribution channels, preferably through cooperatives; inter -Barangay irrigation system; water and soil resource utilization and conservation



- projects; and enforcement of fishery laws in municipal waters including the conservation of mangroves;
- (ii) Pursuant to national policies and subject to supervision, control and review of the DENR, implementation of community-based forestry projects which include integrated social forestry programs and similar projects; management and control of communal forests with an area not exceeding fifty (50) square kilometers; establishment of tree parks, greenbelts, and similar forest development projects;
  - (iii) Subject to the provisions of Title Five, Book I of this Code, health services which include the implementation of programs and projects on primary health care, maternal and child care, and communicable and non-communicable disease control services; access to secondary and tertiary health services; purchase of medicines, medical supplies, and equipment needed to carry out the services herein enumerated;
  - (iv) Social welfare services which include programs and projects on child and youth welfare, family and community welfare, women's welfare, welfare of the elderly and disabled persons; community-based rehabilitation programs for vagrants, beggars, street children, scavengers, juvenile delinquents, and victims of drug abuse; livelihood and other pro-poor projects; nutrition services; and family planning services;
  - (v) Information services which include investments and job placement information systems, tax and marketing information systems, and maintenance of a public library;
  - (vi) Solid waste disposal system or environmental management system and services or facilities related to general hygiene and sanitation;
  - (vii) Municipal buildings, cultural centers, public parks including freedom parks, playgrounds, and sports facilities and equipment, and other similar facilities;
  - (viii) Infrastructure facilities intended primarily to service the needs of the residents of the municipality and which are funded out of municipal funds including, but not limited to, municipal roads and bridges; school buildings and other facilities for public elementary and secondary schools; clinics, health centers and other health facilities necessary to carry out health services; communal irrigation, small water impounding projects

and other similar projects; fish ports; artesian wells, spring development, rainwater collectors and water supply systems; seawalls, dikes, drainage and sewerage, and flood control; traffic signals and road signs; and similar facilities;

- (ix) Public markets, slaughterhouses and other municipal enterprises;
  - (x) Public cemetery;
  - (xi) Tourism facilities and other tourist attractions, including the acquisition of equipment, regulation and supervision of business concessions, and security services for such facilities; and
  - (xii) Sites for police and fire stations and substations and the municipal jail;
- (3) For a Province:
- (i) Agricultural extension and on-site research services and facilities which include the prevention and control of plant and animal pests and diseases; dairy farms, livestock markets, animal breeding stations, and artificial insemination centers; and assistance in the organization of farmers' and fishermen's cooperatives and other collective organizations, as well as the transfer of appropriate technology;
  - (ii) Industrial research and development services, as well as the transfer of appropriate technology;
  - (iii) Pursuant to national policies and subject to supervision, control and review of the DENR, enforcement of forestry laws limited to community-based forestry projects, pollution control law, small-scale mining law, and other laws on the protection of the environment; and mini-hydro electric projects for local purposes;
  - (iv) Subject to the provisions of Title Five, Book I of this Code, health services which include hospitals and other tertiary health services;
  - (v) Social welfare services which include pro grams and projects on rebel returnees and evacuees; relief operations; and, population development services;
  - (vi) Provincial buildings, provincial jails, freedom parks and other public assembly areas, and other similar facilities;
  - (vii) Infrastructure facilities intended to service the needs of the residents of the province and which are funded out of provincial funds including, but not limited to,

provincial roads and bridges; inter-municipal waterworks, drainage and sewerage, flood control, and irrigation systems; reclamation projects; and similar facilities;

- (viii) Programs and projects for low-cost housing and other mass dwellings, except those funded by the Social Security System (SSS), Government Service Insurance System (GSIS), and the Home Development Mutual Fund (HDMF): Provided, That national funds for these programs and projects shall be equitably allocated among the regions in proportion to the ratio of the homeless to the population;
- (ix) Investment support services, including access to credit financing;
- (x) Upgrading and modernization of tax information and collection services through the use of computer hardware and software and other means;
- (xi) Inter-municipal telecommunications services, subject to national policy guidelines; and
- (xii) Tourism development and promotion programs;

(4) For a City:

All the services and facilities of the municipality and province, and in addition thereto, the following:

- (i) Adequate communication and transportation facilities;
- (ii) Support for education, police and fire services and facilities.

- (c) Notwithstanding the provisions of subsection (b) hereof, public works and infrastructure projects and other facilities funded by the national government under the annual General Appropriations Act, other special laws, pertinent executive orders, and those wholly or partially funded from foreign sources, are not covered under this Section, except in those cases where the local government unit concerned is duly designated as the implementing agency for such projects, facilities, programs, and services.
- (d) The designs, plans, specifications, testing of materials, and the procurement of equipment and materials from both foreign and local sources necessary for the provision of the foregoing services and facilities shall be undertaken by the local government unit concerned, based on national policies, standards and guidelines.

- (e) National agencies or offices concerned shall devolve to local government units the responsibility for the provision of basic services and facilities enumerated in this Section within six (6) months after the effectivity of this Code.

As used in this Code, the term "devolution" refers to the act by which the national government confers power and authority upon the various local government units to perform specific functions and responsibilities.

- (f) The national government or the next higher level of local government unit may provide or augment the basic services and facilities assigned to a lower level of local government unit when such services or facilities are not made available or, if made available, are inadequate to meet the requirements of its inhabitants.
- (g) The basic services and facilities hereinabove enumerated shall be funded from the share of local government units in the proceeds of national taxes and other local revenues and funding support from the national government, its instrumentalities and government-owned or -controlled corporations which are tasked by law to establish and maintain such services or facilities. Any fund or resource available for the use of local government units shall be first allocated for the provision of basic services or facilities enumerated in subsection (b) hereof before applying the same for other purposes, unless otherwise provided in this Code.
- (h) The Regional offices of national agencies or offices whose functions are devolved to local government units as provided herein shall be phased out within one (1) year from the approval of this Code. Said national agencies and offices may establish such field units as may be necessary for monitoring purposes and providing technical assistance to local government units. The properties, equipment, and other assets of these regional offices shall be distributed to the local government units in the region in accordance with the rules and regulations issued by the oversight committee created under this Code.
- (i) The devolution contemplated in this Code shall include the transfer to local government units of the records, equipment and other assets and personnel of national agencies and offices, corresponding to the devolved powers, functions, and responsibilities.

Personnel of said national agencies or offices shall be absorbed by the local government units to which they belong or in whose areas they are assigned to the extent that it is administratively viable as determined by the said oversight committee: Provided, That the rights accorded to such personnel pursuant to civil service law, rules and regulations shall not be impaired: Provided, Further, That regional directors who are career executive service officers and other officers of similar rank in the said regional offices who cannot be absorbed by the local government unit shall be retained by the national government, without any diminution of rank, salary or tenure.

- (j) To ensure the active participation of the private sector in local governance, local government units may, by ordinance, sell, lease, encumber, or otherwise dispose of public economic enterprises owned by them in their proprietary capacity.

Costs may also be charged for the delivery of basic services or facilities enumerated in this Section.

**SECTION 18. Power to Generate and Apply Resources.** - Local government units shall have the power and authority to establish an organization that shall be responsible for the efficient and effective implementation of their development plans, program objectives and priorities; to create their own sources of revenue and to levy taxes, fees, and charges which shall accrue exclusively for their use and disposition and which shall be retained by them; to have a just share in national taxes which shall be automatically and directly released to them without need of any further action; to have an equitable share in the proceeds from the utilization and development of the national wealth and resources within their respective territorial jurisdictions including sharing the same with the inhabitants by way of direct benefits; to acquire, develop, lease, encumber, alienate, or otherwise dispose of real or personal property held by them in their proprietary capacity and to apply their resources and assets for productive, developmental, or welfare purposes, in the exercise or furtherance of their governmental or proprietary powers and functions and thereby ensure their development into self-reliant communities and active participants in the attainment of national goals.

**SECTION 19. Eminent Domain.** - A local government unit may, through its chief executive and acting pursuant to an ordinance, exercise the power of eminent domain for public use, or purpose, or welfare for the benefit of the poor and the landless, upon payment of just compensation, pursuant to the provisions of the Constitution and pertinent laws: Provided, however, That the power of eminent domain may not be exercised unless a valid and definite offer has been previously made to the owner, and such offer

was not accepted: Provided, further, That the local government unit may immediately take possession of the property upon the filing of the expropriation proceedings and upon making a deposit with the proper court of at least fifteen percent (15%) of the fair market value of the property based on the current tax declaration of the property to be expropriated: Provided, finally, That, the amount to be paid for the expropriated property shall be determined by the proper court, based on the fair market value at the time of the taking of the property.

## **SECTION 20. Reclassification of Lands.**

- (a) (a) A city or municipality may, through an ordinance passed by the Sanggunian after conducting public hearings for the purpose, authorize the reclassification of agricultural lands and provide for the manner of their utilization or disposition in the following cases: (1) when the land ceases to be economically feasible and sound for agricultural purposes as determined by the Department of Agriculture or (2) where the land shall have substantially greater economic value for residential, commercial, or industrial purposes, as determined by the Sanggunian concerned: Provided, That such reclassification shall be limited to the following percentage of the total agricultural land area at the time of the passage of the ordinance:
- (1) For highly urbanized and independent component cities, fifteen percent (15%);
  - (2) For component cities and first to third class municipalities, ten percent (10%); and
  - (3) For fourth to sixth class municipalities, five percent(5%): Provided, further, That agricultural lands distributed to agrarian reform beneficiaries pursuant to Republic Act Numbered Sixty-six hundred fifty-seven (R.A. No. 6657), otherwise known as "The Comprehensive Agrarian Reform Law", shall not be affected by the said reclassification and the conversion of such lands into other purposes shall be governed by Section 65 of said Act.
- (b) The President may, when public interest so requires and upon recommendation of the National Economic and Development Authority, authorize a city or municipality to reclassify lands in excess of the limits set in the next preceding paragraph.
- (c) The local government units shall, in conformity with existing laws, continue to prepare their respective comprehensive land use plans enacted through zoning ordinances which shall be the primary and

dominant bases for the future use of land resources: Provided, That the requirements for food production, human settlements, and industrial expansion shall be taken into consideration in the preparation of such plans.

- (d) Where approval by a national agency is required for reclassification, such approval shall not be unreasonably withheld. Failure to act on a proper and complete application for reclassification within three (3) months from receipt of the same shall be deemed as approval thereof.
- (e) Nothing in this Section shall be construed as repealing, amending, or modifying in any manner the provisions of R.A. No. 6657.

## **SECTION 21. Closure and Opening of Roads.**

- (a) A local government unit may, pursuant to an ordinance, permanently or temporarily close or open any local road, alley, park, or square falling within its jurisdiction: Provided, however, That in case of permanent closure, such ordinance must be approved by at least two-thirds (2/3) of all the members of the Sanggunian, and when necessary, an adequate substitute for the public facility that is subject to closure is provided.
- (b) No such way or place or any part thereof shall be permanently closed without making provisions for the maintenance of public safety therein. A property thus permanently withdrawn from public use may be used or conveyed for any purpose for which other real property belonging to the local government unit concerned may be lawfully used or conveyed: Provided, however, That no freedom park shall be closed permanently without provision for its transfer or relocation to a new site.
- (c) Any national or local road, alley, park, or square may be temporarily closed during an actual emergency, or fiesta celebrations, public rallies, agricultural or industrial fairs, or an undertaking of public works and highways, telecommunications, and waterworks projects, the duration of which shall be specified by the local chief executive concerned in a written order: Provided, however, That no national or local road, alley, park, or square shall set temporarily closed for athletic, cultural, or civic activities not officially sponsored, recognized, or approved by the local government unit concerned.
- (d) Any city, municipality, or Barangay may, by a duly enacted close and regulate the use of any local ordinance, temporarily street,

road, thoroughfare, or any other public place where shopping malls, Sunday, flea or night markets, or shopping areas may be established and where goods, merchandise, foodstuffs, commodities, or articles of commerce may be sold and dispensed to the general public.

## **SECTION 22. Corporate Powers.**

- (a) Every local government unit, as a corporation, shall have the following powers:
  - (1) To have continuous succession in its corporate name;
  - (2) To sue and be sued;
  - (3) To have and use a corporate seal;
  - (4) To acquire and convey real or personal property;
  - (5) To enter into contracts; and
  - (6) To exercise such other powers as are granted to corporations, subject to the limitations provided in this Code and other laws.
- (b) Local government units may continue using, modify, or change their existing corporate seals: Provided, That newly established local government units or those without corporate seals may create their own corporate seals which shall be registered with the Department of the Interior and Local Government: Provided, further, That any change of corporate seal shall also be registered as provided herein.
- (c) Unless otherwise provided in this Code, contract may be entered into by the local chief executive in behalf of the local government unit without prior authorization by the Sanggunian concerned. A legible copy of such contract shall be posted at a conspicuous place in the provincial capitol or the city, municipal or Barangay hall.
- (d) Local government units shall enjoy full autonomy in the exercise of their proprietary functions and in the management of their economic enterprises, subject to the limitations provided in this Code and other applicable laws.



**SECTION 23. Authority to Negotiate and Secure Grants.** - Local chief executives may, upon authority of the Sanggunian, negotiate and secure financial grants or donations in kind, in support of the basic services or facilities enumerated under Section 17 hereof, from local and foreign assistance agencies without necessity of securing clearance or approval therefor from any department, agency, or office of the national government or from any higher local government unit: Provided, That projects financed by such grants or assistance with national security implications shall be approved by the national agency concerned: Provided, further, That when such national agency fails to act on the request for approval within thirty (30) days from receipt thereof, the same shall be deemed approved.

The local chief executive shall, within thirty (30) days upon signing of such grant agreement or deed of donation, report the nature, amount, and terms of such assistance to both Houses of Congress and the President.

**SECTION 24. Liability for Damages.** - Local government units and their officials are not exempt from liability for death or injury to persons or damage to property.

### **CHAPTER 3. - INTERGOVERNMENTAL RELATIONS**

#### **Article One. - National Government and Local Government Units**

**SECTION 25. National Supervision over Local Government Units.** -(a) Consistent with the basic policy on local autonomy, the President shall exercise general supervision over local government units to ensure that their acts are within the scope of their prescribed powers and functions. The President shall exercise supervisory authority directly over provinces, highly urbanized cities, and independent component cities; through the province with respect to component cities and municipalities; and through the city and municipality with respect to Barangays.

- (b) National agencies and offices with project implementation functions shall coordinate with one another and with the local government units concerned in the discharge of these functions. They shall ensure the participation of local government units both in the planning and implementation of said national projects.
- (c) The President may, upon request of the local government unit concerned, direct the appropriate national agency to provide financial, technical, or other forms of assistance to the local government unit. Such assistance shall be extended at no extra cost to the local government unit concerned.

- (d) National agencies and offices including government-owned or -controlled corporations with field units or branches in a province, city, or municipality shall furnish the local chief executive concerned, for his information and guidance, monthly reports including duly certified budgetary allocations and expenditures.

**SECTION 26. Duty of National Government Agencies in the Maintenance of Ecological Balance.** - It shall be the duty of every national agency or government-owned or -controlled corporation authorizing or involved in the planning and implementation of any project or program that may cause pollution, climatic change, depletion of non-renewable resources, loss of crop land, rangeland, or forest cover, and extinction of animal or plant species, to consult with the local government units, nongovernmental organizations, and other sectors concerned and explain the goals and objectives of project or program, its impact upon the people and the community in terms of environmental or ecological balance, and the measures that will be undertaken to prevent or minimize the adverse effects thereof.

**SECTION 27. Prior Consultations Required.**- No project or program shall be implemented by government authorities unless the consultations mentioned in Sections 2 (c) and 26 hereof are complied with, and prior approval of the Sanggunian concerned is obtained: Provided, That occupants in areas where such projects are to be implemented shall not be evicted unless appropriate relocation sites have been provided, in accordance with the provisions of the Constitution.

**Article Two. - Relations with the Philippine National Police**

**SECTION 28. - Powers of Local Chief Executives over the Units of the Philippine National Police.** - The extent of operational supervision and control of local chief executives over the police force, fire protection unit, and jail management personnel assigned in their respective jurisdictions shall be governed by the provisions of Republic Act Numbered Sixty-nine hundred seventy-five (R.A. No. 6975), otherwise known as "The Department of the Interior and Local Government Act of 1990", and the rules and regulations issued pursuant thereto.

**Article Three. - Inter-Local Government Relations**

**SECTION 29. Provincial Relations with Component Cities and Municipalities.** - The province, through the governor, shall ensure that every component city and municipality within its territorial jurisdiction acts within the scope of its prescribed powers and functions. Highly urbanized cities and independent component cities shall be independent of the province.

**SECTION 30. Review of Executive Orders.** - (a) Except as otherwise provided under the Constitution and special statutes, the governor shall review all executive orders promulgated by the component city or municipal Mayor within his jurisdiction. The city or municipal Mayor shall review all executive orders promulgated by the Punong Barangay within his jurisdiction. Copies of such orders shall be forwarded to the governor or the city or municipal Mayor, as the case may be, within three (3) days from their issuance. In all instances of review, the local chief executive concerned shall ensure that such executive orders are within the powers granted by law and in conformity with provincial, city, or municipal ordinances.

(b) If the governor or the city or municipal Mayor fails to act on said executive orders within thirty (30) days after their submission, the same shall be deemed consistent with law and therefore valid.

**SECTION 31. Submission of Municipal Questions to the Provincial Legal Officer or Prosecutor.** - In the absence of a municipal legal officer, the municipal government may secure the opinion of the provincial legal officer, and in the absence of the latter, that of the provincial prosecutor on any legal question affecting the municipality.

**SECTION. 32. City and Municipal Supervision over Their Respective Barangays.** - The city or municipality, through the city or municipal Mayor concerned, shall exercise general supervision over component Barangays to ensure that said Barangays act within the scope of their prescribed powers and functions.

**SECTION 33. Cooperative Undertakings Among Local Government Units.** - Local government units may, through appropriate ordinances, group themselves, consolidate, or coordinate their efforts, services, and resources for purposes commonly beneficial to them. In support of such undertakings, the local government units involved may, upon approval by the Sanggunian concerned after a public hearing conducted for the purpose, contribute funds, real estate, equipment, and other kinds of property and appoint or assign personnel under such terms and conditions as may be agreed upon by the participating local units through Memoranda of Agreement.

#### **CHAPTER 4. - RELATIONS WITH PEOPLE'S AND NONGOVERNMENTAL ORGANIZATIONS**

**SECTION 34. Role of People's and Nongovernmental Organizations.** - Local government units shall promote the establishment and operation of

people's and nongovernmental organizations to become active partners in the pursuit of local autonomy.

**SECTION 35. Linkages with People's and Non-Governmental Organizations.**

- Local government units may enter into joint ventures and such other cooperative arrangements with people's and nongovernmental organizations to engage in the delivery of certain basic services, capability-building and livelihood projects, and to develop local enterprises designed to improve productivity and income, diversify agriculture, spur rural industrialization, promote ecological balance, and enhance the economic and social well-being of the people.

**SECTION 36. Assistance to People's and Nongovernmental Organizations. -**

A local government unit may, through its local chief executive and with the concurrence of the Sanggunian concerned, provide assistance, financial or otherwise, to such people's and nongovernmental organizations for economic, socially-oriented, environmental, or cultural projects to be implemented within its territorial jurisdiction.

**CHAPTER 5. - LOCAL PREQUALIFICATION, BIDS AND AWARDS COMMITTEE**

**SECTION 37. Local Prequalification, Bids and Awards Committee (Local PBAC).**

- (a) There is hereby created a local prequalification, bids and awards committee in every province, city, and municipality, which shall be primarily responsible for the conduct of prequalification of contractors, bidding, evaluation of bids, and the recommendation of awards concerning local infrastructure projects. The governor or the city or municipal Mayor shall act as the chairman with the following as members:
- (1) The chairman of the appropriations committee of the Sanggunian concerned;
  - (2) A representative of the minority party in the Sanggunian concerned, if any, or if there be none, one (1) chosen by said Sanggunian from among its members;
  - (3) The local treasurer;
  - (4) Two (2) representatives of nongovernmental organizations that are represented in the local development council concerned, to be chosen by the organizations themselves; and (11) Any practicing certified public accountant from the

private sector, to be designated by the local chapter of the Philippine Institute of Certified Public Accountants, if any.

Representatives of the Commission on Audit shall observe the proceedings of such committee and shall certify that the rules and procedures for prequalification, bids and awards have been complied with.

- (b) The agenda and other information relevant to the meetings of such committee shall be deliberated upon by the committee at least one (1) week before the holding of such meetings.
- (c) All meetings of the committee shall be held in the provincial capitol or the city or municipal hall. The minutes of such meetings of the committee and any decision made therein shall be duly recorded, posted at a prominent place in the provincial capitol or the city or municipal hall, and delivered by the most expedient means to elective local officials concerned.

**SECTION 38. Local Technical Committee.** - (a) There is hereby created a local technical committee in every province, city and municipality to provide technical assistance to the local prequalification, bids and awards committees. It shall be composed of the provincial, city or municipal engineer, the local planning and development coordinator, and such other officials designated by the local prequalification, bids and awards committee.

- (b) The chairman of the local technical committee shall be designated by the local prequalification, bids and awards committee and shall attend its meeting in order to present the reports and recommendations of the local technical committee.

## **TITLE TWO. - ELECTIVE OFFICIALS**

### **CHAPTER 1. - QUALIFICATIONS AND ELECTION**

**SECTION 39. Qualifications.** - (a) An elective local official must be a citizen of the Philippines; a registered voter in the Barangay, municipality, city, or province or, in the case of a member of the Sangguniang Panlalawigan, Sangguniang Panlungsod, or Sanggunian bayan, the district where he intends to be elected; a resident therein for at least one (1) year immediately preceding the day of the election; and able to read and write Filipino or any other local language or dialect.

- (b) Candidates for the position of governor, vice- governor or member of the Sangguniang Panlalawigan, or Mayor, vice-mayor or member

of the Sangguniang Panlungsod of highly urbanized cities must be at least twenty-three (23) years of age on election day.

- (c) Candidates for the position of Mayor or vice-mayor of independent component cities, component cities, municipalities must be at least twenty-one (21) years of age on election day.
- (d) Candidates for the position of member of the Sangguniang Panlungsod or Sangguniang bayan must be at least eighteen (18) years of age on election day.
- (e) Candidates for the position of Punong Barangay or member of the Sangguniang Barangay must be at least eighteen (18) years of age on election day.
- (f) Candidates for the Sangguniang kabataan must be at least fifteen (15) years of age but not more than twenty-one (21) years of age on election day.

**SECTION 40. Disqualifications.** - The following persons are disqualified from running for any elective local position:

- (a) Those sentenced by final judgment for an offense involving moral turpitude or for an offense punishable by one (1) year or more of imprisonment, within two (2) years after serving sentence;
- (b) Those removed from office as a result of an administrative case;
- (c) Those convicted by final judgment for violating the oath of allegiance to the Republic;
- (d) Those with dual citizenship;
- (e) Fugitives from justice in criminal or nonpolitical cases here or abroad;
- (f) Permanent residents in a foreign country or those who have acquired the right to reside abroad and continue to avail of the same right after the effectivity of this Code; and
- (g) The insane or feeble-minded.

**SECTION 41. Manner of Election.** - (a) The governor, vice-governor, city Mayor, city vice-mayor, municipal Mayor, municipal vice-mayor, and Punong Barangay shall be elected at large in their respective units by the qualified voters therein. However, the Sangguniang kabataan chairman for each

Barangay shall be elected by the registered voters of the katipunan ng kabataan, as provided in this Code.

- (b) The regular members of the Sangguniang Panlalawigan, Sangguniang Panlungsod, and Sangguniang bayan shall be elected by district, as may be provided for by law. Sangguniang Barangay members shall be elected at large. The presidents of the leagues of Sanggunian members of component cities and municipalities shall serve as ex officio members of the Sangguniang Panlalawigan concerned. The presidents of the liga ng mga Barangay and the pederasyon ng mga Sangguniang kabataan elected by their respective chapters, as provided in this Code, shall serve as ex officio members of the Sangguniang Panlalawigan, Sangguniang Panlungsod, and Sangguniang bayan.
- (c) In addition thereto, there shall be one (1) sectoral representative from the women, one (1) from the workers, and one (1) from any of the following sectors: the urban poor, indigenous cultural communities, disabled persons, or any other sector as may be determined by the Sanggunian concerned within ninety (90) days prior to the holding of the next local elections, as may be provided for by law. The Comelec shall promulgate the rules and regulations to effectively provide for the election of such sectoral representatives.

**SECTION 42. Date of Election.** - Unless otherwise provided by law, the elections for local officials shall be held every three (3) years on the second Monday of May.

**SECTION 43. Term of Office.** - (a) The term of office of all local elective officials elected after the effectivity of this Code shall be three (3) years, starting from noon of June 30, 1992 or such date as may be provided for by law, except that of elective Barangay officials: Provided, That all local officials first elected during the local elections immediately following the ratification of the 1987 Constitution shall serve until noon of June 30, 1992.

- (b) No local elective official shall serve for more than three (3) consecutive terms in the same position. Voluntary renunciation of the office for any length of time shall not be considered as an interruption in the continuity of service for the full term for which the elective official concerned was elected.
- (c) The term of office of Barangay officials and members of the Sangguniang kabataan shall be for three (3) years, which shall begin after the regular election of Barangay officials on the second Monday of May 1994.

## **CHAPTER 2. - VACANCIES AND SUCCESSION**

**SECTION 44. Permanent Vacancies in the Offices of the Governor, Vice-Governor, Mayor, and Vice-Mayor.** - If a permanent vacancy occurs in the office of the governor or Mayor, the vice-governor or vice-mayor concerned shall become the governor or Mayor. If a permanent vacancy occurs in the offices of the governor, vice-governor, Mayor, or vice-mayor, the highest ranking Sanggunian member or, in case of his permanent inability, the second highest ranking Sanggunian member, shall become the governor, vice-governor, Mayor or vice-mayor, as the case may be. Subsequent vacancies in the said office shall be filled automatically by the other Sanggunian members according to their ranking as defined herein.

- (b) If a permanent vacancy occurs in the office of the Punong Barangay, the highest ranking Sanggunian Barangay member or, in case of his permanent inability, the second highest ranking Sanggunian member, shall become the Punong Barangay.
- (c) A tie between or among the highest ranking Sanggunian members shall be resolved by the drawing of lots.
- (d) The successors as defined herein shall serve only the unexpired terms of their predecessors. For purposes of this Chapter, a permanent vacancy arises when an elective local official fills a higher vacant office, refuses to assume office, fails to qualify, dies, is removed from office, voluntarily resigns, or is otherwise permanently incapacitated to discharge the functions of his office.

For purposes of succession as provided in this Chapter, ranking in the Sanggunian shall be determined on the basis of the proportion of votes obtained by each winning candidate to the total number of registered voters in each district in the immediately preceding local election.

### **SECTION 45. Permanent Vacancies in the Sanggunian.**

- (a) Permanent vacancies in the Sanggunian where automatic successions provided above do not apply shall be filled by appointment in the following manner:
  - (1) The President, through the Executive Secretary, in the case of the Sangguniang Panlalawigan and the Sangguniang Panlungsod of highly urbanized cities and independent component cities;



- (2) The governor, in the case of the Sangguniang Panlungsod of component cities and the Sangguniang bayan;
  - (3) The city or municipal Mayor, in the case of Sangguniang Barangay, upon recommendation of the Sangguniang Barangay concerned.
- (b) Except for the Sangguniang Barangay, only the nominee of the political party under which the Sanggunian member concerned had been elected and whose elevation to the position next higher in rank created the last vacancy in the Sanggunian shall be appointed in the manner hereinabove provided. The appointee shall come from the same political party as that of the Sanggunian member who caused the vacancy and shall serve the unexpired term of the vacant office. In the appointment herein mentioned, a nomination and a certificate of membership of the appointee from the highest official of the political party concerned are conditions sine qua non, and any appointment without such nomination and certification shall be null and void ab initio and shall be a ground for administrative action against the official responsible therefor.
- (c) In case the permanent vacancy is caused by a Sanggunian member who does not belong to any political party, the local chief executive shall, upon recommendation of the Sanggunian concerned, appoint a qualified person to fill the vacancy.
- (d) In case of vacancy in the representation of the youth and the Barangay in the Sanggunian, said vacancy shall be filled automatically by the official next in rank of the organization concerned.

**SECTION 46. Temporary Vacancy in the Office of the Local Chief Executive.**

- (a) When the governor, city or municipal Mayor, or Punong Barangay is temporarily incapacitated to perform his duties for physical or legal reasons such as, but not limited to, leave of absence, travel abroad, and suspension from office, the vice-governor, city or municipal vice-mayor, or the highest ranking Sangguniang Barangay member shall automatically exercise the powers and perform the duties and functions of the local chief executive concerned, except the power to appoint, suspend, or dismiss employees which can only be exercised if the period of temporary incapacity exceeds thirty (30) working days.
- (b) Said temporary incapacity shall terminate upon submission to the appropriate Sanggunian of a written declaration by the local chief executive concerned that he has reported back to office. In cases where the temporary incapacity is due to legal causes, the local

chief executive concerned shall also submit necessary documents showing that said legal causes no longer exist.

- (c) When the incumbent local chief executive is traveling within the country but outside his territorial jurisdiction for a period not exceeding three (3) consecutive days, he may designate in writing the officer-in-charge of the said office. Such authorization shall specify the powers and functions that the local official concerned shall exercise in the absence of the local chief executive except the power to appoint, suspend, or dismiss employees.
- (d) In the event, however, that the local chief executive concerned fails or refuses to issue such authorization, the vice-governor, the city or municipal vice-mayor, or the highest ranking Sangguniang Barangay member, as the case may be, shall have the right to assume the powers, duties, and functions of the said office on the fourth (4th) day of absence of the said local chief executive, subject to the limitations provided in subsection (c) hereof.
- (e) Except as provided above, the local chief executive shall in no case authorize any local official to assume the powers, duties, and functions of the office, other than the vice-governor, the city or municipal vice- Mayor, or the highest ranking Sangguniang Barangay member, as the case may be.

**SECTION 47. Approval of Leaves of Absence.** - (a) Leaves of absence of local elective officials shall be approved as follows:

- (1) Leaves of absence of the governor and the Mayor of a highly urbanized city or an independent component city shall be approved by the President or his duly authorized representative;
- (2) Leaves of absence of a vice-governor or a city or municipal vice-mayor shall be approved by the local chief executive concerned: Provided, That the leaves of absence of the members of the Sanggunian and its employees shall be approved by the vice-governor or city or municipal vice-mayor concerned;
- (3) Leaves of absence of the component city or municipal Mayor shall be approved by the governor; and
- (4) Leaves of absence of a Punong Barangay shall be approved by the city or municipal mayor: Provided, That leaves of

absence of Sangguniang Barangay members shall be approved by the Punong Barangay.

- (b) Whenever the application for leave of absence hereinabove specified is not acted upon within five (5) working days after receipt thereof, the application for leave of absence shall be deemed approved.

### **CHAPTER 3. - LOCAL LEGISLATION**

**SECTION 48. Local Legislative Power.** - Local legislative power shall be exercised by the Sangguniang Panlalawigan for the province; the Sangguniang Panlungsod for the city; the Sangguniang bayan for the municipality; and the Sangguniang Barangay for the Barangay.

**SECTION 49. Presiding Officer.** - (a) The vice-governor shall be the presiding officer of the Sangguniang Panlalawigan; the city vice-mayor, of the Sangguniang Panlungsod; the municipal vice-mayor, of the Sangguniang bayan; and the Punong Barangay, of the Sangguniang Barangay. The presiding officer shall vote only to break a tie.

- (b) In the event of the inability of the regular Presiding officer to preside at a Sanggunian session, the members present and constituting a quorum shall elect from among themselves a temporary presiding officer. He shall certify within ten (10) days from the passage of ordinances enacted and resolutions adopted by the Sanggunian in the session over which he temporarily presided.

**SECTION 50. Internal Rules of Procedure.** - (a) On the first regular session following the election of its members and within ninety (90) days thereafter, the Sanggunian concerned shall adopt or update its existing rules of procedure.

- (b) The rules of procedure shall provide for the following:
  - (1) The organization of the Sanggunian and the election of its officers as well as the creation of standing committees which shall include, but shall not be limited to, the committees on appropriations, women and family, human rights, youth and sports development, environmental protection, and cooperatives; the general jurisdiction of each committee; and the election of the chairman and members of each committee;
  - (2) The order and calendar of business for each session;

- (3) The legislative process;
- (4) The parliamentary procedures which include the conduct of members during sessions;
- (5) The discipline of members for disorderly behavior and absences without justifiable cause for four (4) consecutive sessions, for which they may be censured, reprimanded, or excluded from the session, suspended for not more than sixty (60) days, or expelled: Provided, That the penalty of suspension or expulsion shall require the concurrence of at least two-thirds (2/3) vote of all the Sanggunian members: Provided, further, That a member convicted by final judgment to imprisonment of at least one (1) year for any crime involving moral turpitude shall be automatically expelled from the Sanggunian; and
- (6) Such other rules as the Sanggunian may adopt.

**SECTION 51. Full Disclosure of Financial and Business Interests of Sanggunian Members.** - (a) Every Sanggunian member shall, upon assumption to office, make a full disclosure of his business and financial interests. He shall also disclose any business, financial, or professional relationship or any relation by affinity or consanguinity within the fourth civil degree, which he may have with any person, firm, or entity affected by any ordinance or resolution under consideration by the Sanggunian of which he is a member, which relationship may result in conflict of interest. Such relationship shall include:

- (1) Ownership of stock or capital, or investment, in the entity or firm to which the ordinance or resolution may apply; and
  - (2) Contracts or agreements with any person or entity which the ordinance or resolution under consideration may affect. In the absence of a specific constitutional or statutory provision applicable to this situation, "conflict of interest" refers in general to one where it may be reasonably deduced that a member of a Sanggunian may not act in the public interest due to some private, pecuniary, or other personal considerations that may tend to affect his judgment to the prejudice of the service or the public.
- (b) The disclosure required under this Act shall be made in writing and submitted to the secretary of the Sanggunian or the secretary of the committee of which he is a member. The disclosure shall, in all

cases, form part of the record of the proceedings and shall be made in the following manner:

- (1) Disclosure shall be made before the member participates in the deliberations on the ordinance or resolution under consideration: Provided, That, if the member did not participate during the deliberations, the disclosure shall be made before voting on the ordinance or resolution on second and third readings; and
- (2) Disclosure shall be made when a member takes a position or makes a privilege speech on a matter that may affect the business interest, financial connection, or professional relationship described herein.

**SECTION 52. Sessions.** - (a) On the first day of the session immediately following the election of its members, the Sanggunian shall, by resolution, fix the day, time, and place of its regular sessions. The minimum number of regular sessions shall be once a week for the Sangguniang Panlalawigan, Sangguniang Panlungsod, and Sangguniang bayan, and twice a month for the Sangguniang Barangay.

- (b) When public interest so demands, special sessions may be called by the local chief executive or by a majority of the members of the Sanggunian.
- (c) All Sanggunian sessions shall be open to the public unless a closed-door session is ordered by an affirmative vote of a majority of the members present, there being a quorum, in the public interest or for reasons of security, decency, or morality. No two (2) sessions, regular or special, may be held in a single day.
- (d) In the case of special sessions of the Sanggunian, a written notice to the members shall be served personally at the member's usual place of residence at least twenty- four (24) hours before the special session is held. Unless otherwise concurred in by two-thirds (2/3) vote of the Sanggunian members present, there being a quorum, no other matters may be considered at a special session except those stated in the notice.
- (e) Each Sanggunian shall keep a journal and record of its proceedings which may be published upon resolution of the Sanggunian concerned.

**SECTION 53. Quorum.** - (a) A majority of all the members of the Sanggunian who have been elected and qualified shall constitute a quorum to transact

official business. Should a question of quorum be raised during a session, the presiding officer shall immediately proceed to call the roll of the members and thereafter announce the results.

- (b) Where there is no quorum, the presiding officer may declare a recess until such time as a quorum is constituted, or a majority of the members present may adjourn from day to day and may compel the immediate attendance of any member absent without justifiable cause by designating a member of the Sanggunian, to be assisted by a member or members of the police force assigned in the territorial jurisdiction of the local government unit concerned, to arrest the absent member and present him at the session.
- (c) If there is still no quorum despite the enforcement of the immediately preceding subsection, no business shall be transacted. The presiding officer, upon proper motion duly approved by the members present, shall then declare the session adjourned for lack of quorum.

**SECTION 54. Approval of Ordinances.** - (a) Every ordinance enacted by the Sangguniang Panlalawigan, Sangguniang Panlungsod, or Sangguniang bayan shall be presented to the provincial governor or city or municipal mayor, as the case may be. If the local chief executive concerned approves the same, he shall affix his signature on each and every page thereof; otherwise, he shall veto it and return the same with his objections to the Sanggunian, which may proceed to reconsider the same. The Sanggunian concerned may override the veto of the local chief executive by two-thirds (2/3) vote of all its members, thereby making the ordinance or resolution effective for all legal intents and purposes.

- (b) The veto shall be communicated by the local chief executive concerned to the Sanggunian within fifteen (15) days in the case of a province, and ten (10) days in the case of a city or a municipality; otherwise, the ordinance shall be deemed approved as if he had signed it.
- (c) ordinances enacted by the Sangguniang Barangay shall, upon approval by the majority of all its members, be signed by the Punong Barangay.

**SECTION 55. Veto Power of the Local Chief Executive.** - (a) The local chief executive may veto any ordinance of the Sangguniang Panlalawigan, Sangguniang Panlungsod, or Sangguniang bayan on the ground that it is ultra vires or prejudicial to the public welfare, stating his reasons therefor in writing.

- (b) The local chief executive, except the Punong Barangay, shall have the power to veto any particular item or items of an appropriations ordinance, an ordinance or resolution adopting a local development plan and public investment program, or an ordinance directing the payment of money or creating liability. In such a case, the veto shall not affect the item or items which are not objected to. The vetoed item or items shall not take effect unless the Sanggunian overrides the veto in the manner herein provided; otherwise, the item or items in the appropriations ordinance of the previous year corresponding to those vetoed, if any, shall be deemed reenacted.
- (c) The local chief executive may veto an ordinance or resolution only once. The Sanggunian may override the veto of the local chief executive concerned by two-thirds (2/3) vote of all its members, thereby making the ordinance effective even without the approval of the local chief executive concerned.

**SECTION 56. Review of Component City and Municipal Ordinances or Resolutions by the Sangguniang Panlalawigan.** - (a) Within three (3) days after approval, the secretary to the Sanggunian Panlungsod or Sangguniang bayan shall forward to the Sangguniang Panlalawigan for review, copies of approved ordinances and the resolutions approving the local development plans and public investment programs formulated by the local development councils.

- (b) Within thirty (30) days after receipt of copies of such ordinances and resolutions, the Sangguniang Panlalawigan shall examine the documents or transmit them to the provincial attorney, or if there be none, to the provincial prosecutor for prompt examination. The provincial attorney or provincial prosecutor shall, within a period of ten (10) days from receipt of the documents, inform the Sangguniang Panlalawigan in writing of his comments or recommendations, which may be considered by the Sangguniang Panlalawigan in making its decision.
- (c) If the Sangguniang Panlalawigan finds that such an ordinance or resolution is beyond the power conferred upon the Sangguniang Panlungsod or Sangguniang bayan concerned, it shall declare such ordinance or resolution invalid in whole or in part. The Sangguniang Panlalawigan shall enter its action in the minutes and shall advise the corresponding city or municipal authorities of the action it has taken.
- (d) If no action has been taken by the Sangguniang Panlalawigan within thirty (30) days after submission of such an ordinance or

resolution, the same shall be presumed consistent with law and therefore valid.

**SECTION 57. Review of Barangay Ordinances by the Sangguniang Panlungsod or Sangguniang Bayan.** - (a) Within ten (10) days after its enactment, the Sangguniang Barangay shall furnish copies of all Barangay ordinances to the Sangguniang Panlungsod or Sangguniang bayan concerned for review as to whether the ordinance is consistent with law and city or municipal ordinances.

- (b) If the Sangguniang Panlungsod or Sangguniang bayan, as the case may be, fails to take action on Barangay ordinances within thirty (30) days from receipt thereof, the same shall be deemed approved.
- (c) If the Sangguniang Panlungsod or Sangguniang bayan, as the case may be, finds the Barangay ordinances inconsistent with law or city or municipal ordinances, the Sanggunian concerned shall, within thirty (30) days from receipt thereof, return the same with its comments and recommendations to the Sangguniang Barangay concerned for adjustment, amendment, or modification; in which case, the effectivity of the Barangay ordinance is suspended until such time as the revision called for is effected.

**SECTION 58. Enforcement of Disapproved ordinances or Resolutions.** - Any attempt to enforce any ordinance or any resolution approving the local development plan and public investment program, after the disapproval thereof, shall be sufficient ground for the suspension or dismissal of the official or employee concerned.

**SECTION 59. Effectivity of Ordinances or Resolutions.** (a) Unless otherwise stated in the ordinance or the resolution approving the local development plan and public investment program, the same shall take effect after ten (10) days from the date a copy thereof is posted in a bulletin board at the entrance of the provincial capitol or city, municipal, or Barangay hall, as the case may be, and in at least two (2) other conspicuous places in the local government unit concerned.

- (b) The secretary to the Sanggunian concerned shall cause the posting of an ordinance or resolution in the bulletin board at the entrance of the provincial capitol and the city, municipal, or Barangay hall in at least two (2) conspicuous places in the local government unit concerned not later than five (5) days after approval thereof.

The text of the ordinance or resolution shall be disseminated and posted in Filipino or English and in the language or dialect



understood by the majority of the people in the local government unit concerned, and the secretary to the Sanggunian shall record such fact in a book kept for the purpose, stating the dates of approval and posting.

- (c) The gist of all ordinances with penal sanctions shall be published in a newspaper of general circulation within the province where the local legislative body concerned belongs. In the absence of any newspaper of general circulation within the province, posting of such ordinances shall be made in all municipalities and cities of the province where the Sanggunian of origin is situated.
- (d) In the case of highly urbanized cities, the main features of the ordinance or resolution duly enacted or adopted shall, in addition to being posted, be published once in a local newspaper of general circulation within the city: Provided, That in the absence thereof the ordinance or resolution shall be published in any newspaper of general circulation.

#### **CHAPTER 4. - DISCIPLINARY ACTIONS**

**SECTION 60. Grounds for Disciplinary Actions.** - An elective local official may be disciplined, suspended, or removed from office on any of the following grounds:

- (a) Disloyalty to the Republic of the Philippines;
- (b) Culpable violation of the Constitution;
- (c) Dishonesty, oppression, misconduct in office, gross negligence, or dereliction of duty;
- (d) Commission of any offense involving moral turpitude or an offense punishable by at least prison mayor;
- (e) Abuse of authority;
- (f) Unauthorized absence for fifteen (15) consecutive working days, except in the case of members of the Sangguniang Panlalawigan, Sangguniang Panlungsod, Sangguniang bayan, and Sangguniang Barangay;
- (g) Application for, or acquisition of, foreign citizenship or residence or the status of an immigrant of another country; and

- (h) Such other grounds as may be provided in this Code and other laws. An elective local official may be removed from office on the grounds enumerated above by order of the proper court.

**SECTION 61. Form and Filing of Administrative Complaints.** - A verified complaint against any erring local elective official shall be prepared as follows:

- (a) A complaint against any elective official of a province, a highly urbanized city, an independent component city or component city shall be filed before the Office of the President;
- (b) A complaint against any elective official of a municipality shall be filed before the Sangguniang Panlalawigan whose decision may be appealed to the Office of the President; and
- (c) A complaint against any elective Barangay official shall be filed before the Sangguniang Panlungsod or Sangguniang bayan concerned whose decision shall be final and executory.

**SECTION 62. Notice of Hearing.** - (a) Within seven (7) days after the administrative complaint is filed, the Office of the President or the Sanggunian concerned, as the case may be, shall require the respondent to submit his verified answer within fifteen (15) days from receipt thereof, and commence the investigation of the case within ten (10) days after receipt of such answer of the respondent.

- (b) When the respondent is an elective official of a province or highly urbanized city, such hearing and investigation shall be conducted in the place where he renders or holds office. For all other local elective officials, the venue shall be the place where the Sanggunian concerned is located.
- (c) However, no investigation shall be held within ninety (90) days immediately prior to any local election, and no preventive suspension shall be imposed within the said period. If preventive suspension has been imposed prior to the 90-day period immediately preceding local election, it shall be deemed automatically lifted upon the start of aforesaid period.

**SECTION 63. Preventive Suspension.**

- (a) Preventive suspension may be imposed:

- (1) By the President, if the respondent is an elective official of a province, a highly urbanized or an independent component city;
  - (2) By the governor, if the respondent is an elective official of a component city or municipality; or
  - (3) By the mayor, if the respondent is an elective official of the Barangay.
- (b) Preventive suspension may be imposed at any time after the issues are joined, when the evidence of guilt is strong, and given the gravity of the offense, there is great probability that the continuance in office of the respondent could influence the witnesses or pose a threat to the safety and integrity of the records and other evidence: Provided, That, any single preventive suspension of local elective officials shall not extend beyond sixty (60) days: Provided, further, That in the event that several administrative cases are filed against an elective official, he cannot be preventively suspended for more than ninety (90) days within a single year on the same ground or grounds existing and known at the time of the first suspension.
- (c) Upon expiration of the preventive suspension, the suspended elective official shall be deemed reinstated in office without prejudice to the continuation of the proceedings against him, which shall be terminated within one hundred twenty (120) days from the time he was formally notified of the case against him. However, if the delay in the proceedings of the case is due to his fault, neglect, or request, other than the appeal duly filed, the duration of such delay shall not be counted in computing the time of termination of the case.
- (d) Any abuse of the exercise of the power of preventive suspension shall be penalized as abuse of authority.

**SECTION 64. Salary of Respondent Pending Suspension.** - The respondent official preventively suspended from office shall receive no salary or compensation during such suspension; but, upon subsequent exoneration and reinstatement, he shall be paid full salary or compensation including such emoluments accruing during such suspension.

**SECTION 65. Rights of Respondent** - The respondent shall be accorded full opportunity to appear and defend himself in person or by counsel, to confront and cross-examine the witnesses against him, and to require the attendance of witnesses and the production of documentary evidence in

his favor through the compulsory process of subpoena or subpoena duces tecum.

**SECTION 66. Form and Notice of Decision.** - (a) The investigation of the case shall be terminated within ninety (90) days from the start thereof. Within thirty (30) days after the end of the investigation, the Office of the President or the Sanggunian concerned shall render a decision in writing stating clearly and distinctly the facts and the reasons for such decision. Copies of said decision shall immediately be furnished the respondent and all interested parties.

(b) The penalty of suspension shall not exceed the unexpired term of the respondent or a period of six (6) months for every administrative offense, nor shall said penalty be a bar to the candidacy of the respondent so suspended as long as he meets the qualifications required for the office.

(c) The penalty of removal from office as a result of an administrative investigation shall be considered a bar to the candidacy of the respondent for any elective position.

**SECTION 67. Administrative Appeals.** - Decisions in administrative cases may, within thirty (30) days from receipt thereof, be appealed to the following:

(a) The Sangguniang Panlalawigan, in the case of decisions of the Sangguniang Panlungsod of component cities and the Sangguniang bayan; and

(b) The Office of the President, in the case of decisions of the Sangguniang Panlalawigan and the Sangguniang Panlungsod of highly urbanized cities and independent component cities. Decisions of the Office of the President shall be final and executory.

**SECTION 68. Execution Pending Appeal.** - An appeal shall not prevent a decision from becoming final or executory. The respondent shall be considered as having been placed under preventive suspension during the pendency of an appeal in the event he wins such appeal. In the event the appeal results in an exoneration, he shall be paid his salary and such other emoluments during the pendency of the appeal.

## **CHAPTER 5. - RECALL**

**SECTION 69. By Whom Exercised.** - The power of recall for loss of confidence shall be exercised by the registered voters of a local government unit to which the local elective official subject to such recall belongs.

**SECTION 70. Initiation of the Recall Process.** - (a) Recall may be initiated by a preparatory recall assembly or by the registered voters of the local government unit to which the local elective official subject to such recall belongs.

- (b) There shall be a preparatory recall assembly in every province, city, district, and municipality which shall be composed of the following:
  - (1) Provincial level. - All mayors, vice-mayors, and Sanggunian members of the municipalities and component cities;
  - (2) City level. - All Punong Barangay and Sangguniang Barangay members in the city;
  - (3) Legislative District level. - In cases where Sangguniang Panlalawigan members are elected by district, all elective municipal officials in the district; and in cases where Sangguniang Panlungsod members are elected by district, all elective Barangay officials in the district; and
  - (4) Municipal level. - All Punong Barangay and Sangguniang Barangay members in the municipality.
- (c) A majority of all the preparatory recall assembly members may convene in session in a public place and initiate a recall proceeding against any elective official in the local government unit concerned. Recall of provincial, city, or municipal officials shall be validly initiated through a resolution adopted by a majority of all the members of the preparatory recall assembly concerned during its session called for the purpose.
- (d) Recall of any elective provincial, city, municipal, or Barangay official may also be validly initiated upon petition of at least twenty-five percent (25%) of the total number of registered voters in the local government unit concerned during the election in which the local official sought to be recalled was elected.
  - (1) A written petition for recall duly signed before the election registrar or his representative, and in the presence of a representative of the petitioner and a representative of the official sought to be recalled, and in a public place in the province, city, municipality, or Barangay, as the case may be, shall be filed with the Comelec through its office in the local government unit concerned. The Comelec or its duly authorized representative shall cause the publication of the petition in a public and conspicuous place for a period of not

less than ten (10) days nor more than twenty (20) days, for the purpose of verifying the authenticity and genuineness of the petition and the required percentage of voters.

- (2) Upon the lapse of the aforesaid period, the Comelec or its duly authorized representative shall announce the acceptance of candidates to the position and thereafter prepare the list of candidates which shall include the name of the official sought to be recalled.

**SECTION 71. Election on Recall.** - Upon the filing of a valid resolution or petition for recall with the appropriate local office of the Comelec, the Commission or its duly authorized representative shall set the date of the election on recall, which shall not be later than thirty (30) days after the filing of the resolution or petition for recall in the case of the Barangay, city, or municipal officials, and forty-five (45) days in the case of provincial officials. The official or officials sought to be recalled shall automatically be considered as duly registered candidate or candidates to the pertinent positions and, like other candidates, shall be entitled to be voted upon.

**SECTION 72. Effectivity of Recall.** - The recall of an elective local official shall be effective only upon the election and proclamation of a successor in the person of the candidate receiving the highest number of votes cast during the election on recall. Should the official sought to be recalled receive the highest number of votes, confidence in him is thereby affirmed, and he shall continue in office.

**SECTION 73. Prohibition from Resignation.** - The elective local official sought to be recalled shall not be allowed to resign while the recall process is in progress.

**SECTION 74. Limitations on Recall.** - (a) Any elective local official may be the subject of a recall election only once during his term of office for loss of confidence.

- (b) No recall shall take place within one (1) year from the date of the official's assumption to office or one (1) year immediately preceding a regular local election.

**SECTION 75. Expenses Incident to Recall Elections.** - All expenses incident to recall elections shall be borne by the Comelec. For this purpose, there shall be included in the annual General Appropriations Act a contingency fund at the disposal of the Comelec for the conduct of recall elections.

### **TITLE THREE. - HUMAN RESOURCES AND DEVELOPMENT**

**SECTION 76. Organizational Structure and Staffing Pattern.** - Every local government unit shall design and implement its own organizational structure and staffing pattern taking into consideration its service requirements and financial capability, subject to the minimum standards and guidelines prescribed by the Civil Service Commission.

**SECTION 77. Responsibility for Human Resources and Development.** - The chief executive of every local government unit shall be responsible for human resources and development in his unit and shall take all personnel actions in accordance with the Constitutional provisions on civil service, pertinent laws, and rules and regulations thereon, including such policies, guidelines and standards as the Civil Service Commission may establish: Provided, That the local chief executive may employ emergency or casual employees or laborers paid on a daily wage or piecework basis and hired through job orders for local projects authorized by the Sanggunian concerned, without need of approval or attestation by the Civil Service Commission: Provided, further, That the period of employment of emergency or casual laborers as provided in this Section shall not exceed six (6) months.

The Joint Commission on Local Government Personnel Administration organized pursuant to Presidential Decree Numbered Eleven Hundred thirty-six (P.D. No. 1136) is hereby abolished and its personnel, records, equipment and other assets transferred to the appropriate office in the Civil Service Commission.

**SECTION 78. Civil Service Law, Rules and Regulations, and Other Related Issuances.** - All matters pertinent to human resources and development in local government units shall be governed by the civil service law and such rules and regulations and other issuances promulgated pursuant thereto, unless otherwise specified in this Code.

**SECTION 79. Limitation on Appointments.** - No person shall be appointed in the career service of the local government if he is related within the fourth civil degree of consanguinity or affinity to the appointing or recommending authority.

**SECTION 80. Public Notice of Vacancy; Personnel Selection Board.** - (a) Whenever a local chief executive decides to fill a vacant career position, there shall be posted notices of the vacancy in at least three (3) conspicuous public places in the local government unit concerned for a period of not less than fifteen (15) days.

- (b) There shall be established in every province, city or municipality a personnel selection board to assist the local chief executive in the judicious and objective selection of personnel for employment as well as for promotion, and in the formulation of such policies as would contribute to employee welfare.
- (c) The personnel selection board shall be headed by the local chief executive, and its members shall be determined by resolution of the Sanggunian concerned. A representative of the Civil Service Commission, if any, and the personnel officer of the local government unit concerned shall be ex officio members of the board.

**SECTION 81. Compensation of Local Officials and Employees.** - The compensation of local officials and personnel shall be determined by the Sanggunian concerned: Provided, That the increase in compensation of elective local officials shall take effect only after the terms of office of those approving such increase shall have expired: Provided, further, That the increase in compensation of the appointive officials and employees shall take effect as provided in the ordinance authorizing such increase: Provided, however, That said increases shall not exceed the limitations on budgetary allocations for personal services provided under Title Five, Book II of this Code: Provided, finally, That such compensation may be based upon the pertinent provisions of Republic Act Numbered Sixty-seven fifty-eight (R.A. No. 6758), otherwise known as the "Compensation and Position Classification Act of 1989".

The Punong Barangay, the Sangguniang Barangay members, the Sangguniang kabataan chairman, the Barangay treasurer, and the Barangay secretary shall be entitled to such compensation, allowances, emoluments, and such other privileges as provided under Title One, Book III of this Code.

Elective local officials shall be entitled to the same leave privileges as those enjoyed by appointive local officials, including the cumulation and commutation thereof.

**SECTION 82. Resignation of Elective Local Officials.** - (a) Resignations by elective local officials shall be deemed effective only upon acceptance by the following authorities:

- (1) The President, in the case of governors, vice- governors, and mayors and vice-mayors of highly urbanized cities and independent component cities;



- (2) The governor, in the case of municipal mayors, municipal vice-mayors, city mayors and city vice-mayors of component cities;
  - (3) The Sanggunian concerned, in the case of Sanggunian members; and
  - (4) The city or municipal mayor, in the case of Barangay officials.
- (b) Copies of the resignation letters of elective local officials, together with the action taken by the aforesaid authorities, shall be furnished the Department of Interior and Local Government.
  - (c) The resignation shall be deemed accepted if not acted upon by the authority concerned within fifteen (15) working days from receipt thereof.
  - (d) Irrevocable resignations by Sangguniang members shall be deemed accepted upon presentation before an open session of the Sanggunian concerned and duly entered in its records: Provided, however, That this subsection does not apply to Sanggunian members who are subject to recall elections or to cases where existing laws prescribe the manner of acting upon such resignations.

**SECTION 83. Grievance Procedure.** - In every local government unit, the local chief executive shall establish a procedure to inquire into, act upon, resolve or settle complaints and grievances presented by local government employees.

**SECTION 84. Administrative Discipline.** - Investigation and adjudication of administrative complaints against appointive local officials and employees as well as their suspension and removal shall be in accordance with the civil service law and rules and other pertinent laws. The results of such administrative investigations shall be reported to the Civil Service Commission.

**SECTION 85. Preventive Suspension of Appointive Local Officials and Employees.** - (a) The local chief executives may preventively suspend for a period not exceeding sixty (60) days any subordinate official or employee under his authority pending investigation if the charge against such official or employee involves dishonesty, oppression or grave misconduct or neglect in the performance of duty, or if there is reason to believe that the respondent is guilty of the charges which would warrant his removal from the service.

- (b) Upon expiration of the preventive suspension, the suspended official or employee shall be automatically reinstated in office without prejudice to the continuation of the administrative proceedings against him until its termination. If the delay in the proceedings of the case is due to the fault, neglect or request of the respondent, the time of the delay shall not be counted in computing the period of suspension herein provided.

**SECTION 86. Administrative Investigation.** - In any local government unit, administrative investigation may be conducted by a person or a committee duly authorized by the local chief executive. Said person or committee shall conduct hearings on the cases brought against appointive local officials and employees and submit their findings and recommendations to the local chief executive concerned within fifteen (15) days from the conclusion of the hearings. The administrative cases herein mentioned shall be decided within ninety (90) days from the time the respondent is formally notified of the charges.

**SECTION 87. Disciplinary Jurisdiction.** - Except as otherwise provided by law, the local chief executive may impose the penalty of removal from service, demotion in rank, suspension for not more than one (1) year without pay, fine in an amount not exceeding six (6) months' salary, or reprimand and otherwise discipline subordinate officials and employees under his jurisdiction. If the penalty imposed is suspension without pay for not more than thirty (30) days, his decision shall be final. If the penalty imposed is heavier than suspension of thirty (30) days, the decision shall be appealable to the Civil Service Commission, which shall decide the appeal within thirty (30) days from receipt thereof.

**SECTION 88. Execution Pending Appeal.** - An appeal shall not prevent the execution of a decision of removal or suspension of a respondent-appellant. In case the respondent-appellant is exonerated, he shall be reinstated to his position with all the rights and privileges appurtenant thereto from the time he had been deprived thereof.

**SECTION 89. Prohibited Business and Pecuniary Interest.** - (a) It shall be unlawful for any local government official or employee, directly or indirectly, to:

- (1) Engage in any business transaction with the local government unit in which he is an official or employee or over which he has the power of supervision, or with any of its authorized boards, officials, agents, or attorneys, whereby money is to be paid, or property or any other thing of value is

to be transferred, directly or indirectly, out of the resources of the local government unit to such person or firm;

- (2) Hold such interests in any cockpit or other games licensed by a local government unit.
  - (3) Purchase any real estate or other property forfeited in favor of such local government unit for unpaid taxes or assessment, or by virtue of a legal process at the instance of the said local government unit.
  - (4) Be a surety for any person contracting or doing business with the local government unit for which a surety is required; and
  - (5) Possess or use any public property of the local government unit for private purposes.
- (b) All other prohibitions governing the conduct of national public officers relating to prohibited business and pecuniary interest so provided for under Republic Act Numbered Sixty-seven thirteen (R. A. No. 6713) otherwise known as the "Code of Conduct and Ethical Standards for Public Officials and Employees" and other laws shall also be applicable to local government officials and employees.

**SECTION 90. Practice of Profession.** - (a) All governors, city and municipal mayors are prohibited from practicing their profession or engaging in any occupation other than the exercise of their functions as local chief executives.

- (b) Sanggunian members may practice their professions, engage in any occupation, or teach in schools except during session hours: Provided, That Sanggunian members who are also members of the Bar shall not:
- (1) Appear as counsel before any court in any civil case wherein a local government unit or any office, agency, or instrumentality of the government is the adverse party;
  - (2) Appear as counsel in any criminal case wherein an officer or employee of the national or local government is accused of an offense committed in relation to his office.
  - (3) Collect any fee for their appearance in administrative proceedings involving the local government unit of which he is an official; and

- (4) Use property and personnel of the government except when the Sanggunian member concerned is defending the interest of the government.
- (c) Doctors of medicine may practice their profession even during official hours of work only on occasions of emergency: Provided, That the officials concerned do not derive monetary compensation therefrom.

**SECTION 91. Statement of Assets and Liabilities.**- (a) Officials and employees of local government units shall file sworn statements of assets, liabilities and networth, lists of relatives within the fourth civil degree of consanguinity or affinity in government service, financial and business interests, and personnel data sheets as required by law.

**SECTION 92. Oath of Office.** - (a) All elective and appointive local officials and employees shall, upon assumption to office, subscribe to an oath or affirmation of office in the prescribed form. The oath or affirmation of office shall be filed with the office of the local chief executive concerned. A copy of the oath or affirmation of office of all elective and appointive local officials and employees shall be preserved in the individual personal records file under the custody of the personnel office, division, or section of the local government unit concerned.

**SECTION 93. Partisan Political Activity.** - No local official or employee in the career civil service shall engage directly or indirectly in any partisan political activity or take part in any election, initiative, referendum, plebiscite, or recall, except to vote, nor shall he use his official authority or influence to cause the performance of any political activity by any person or body. He may, however, express his views on current issues, or mention the names of certain candidates for public office whom he supports. Elective local officials may take part in partisan political and electoral activities, but it shall be unlawful for them to solicit contributions from their subordinates or subject these subordinates to any of the prohibited acts under the Omnibus Election Code.

**SECTION 94. Appointment of Elective and Appointive Local Officials; Candidates Who Lost in Election.** - (a) No elective or appointive local official shall be eligible for appointment or designation in any capacity to any public office or position during his tenure.

Unless otherwise allowed by law or by the primary functions of his position, no elective or appointive local official shall hold any other office or employment in the government or any subdivision, agency

or instrumentality thereof, including government-owned or -controlled corporations or their subsidiaries.

- (b) Except for losing candidates in Barangay elections, no candidate who lost in any election shall, within one (1) year after such election, be appointed to any office in the government or any government-owned or -controlled corporations or in any of their subsidiaries.

**SECTION 95. Additional or Double Compensation.** - No elective or appointive local official or employee shall receive additional, double, or indirect compensation, unless specifically authorized by law, nor accept without the consent of Congress, any present, emoluments, office, or title of any kind from any foreign government. Pensions or gratuities shall not be considered as additional, double, or indirect compensation.

**SECTION 96. Permission to Leave Station.** - (a) Provincial, city, municipal, and Barangay appointive officials going on official travel shall apply and secure written permission from their respective local chief executives before departure. The application shall specify the reasons for such travel, and the permission shall be given or withheld based on considerations of public interest, financial capability of the local government unit concerned and urgency of the travel.

Should the local chief executive concerned fail to act upon such application within four (4) working days from receipt thereof, it shall be deemed approved.

- (b) Mayors of component cities and municipalities shall secure the permission of the governor concerned for any travel outside the province.
- (c) Local government officials traveling abroad shall notify their respective Sanggunian: Provided, That when the period of travel extends to more than three (3) months, during periods of emergency or crisis or when the travel involves the use of public funds, permission from the Office of the President shall be secured.
- (d) Field officers of national agencies or offices assigned in provinces, cities, and municipalities shall not leave their official stations without giving prior written notice to the local chief executive concerned. Such notice shall state the duration of travel and the name of the officer whom he shall designate to act for and in his behalf during his absence.

**SECTION 97. Annual Report.** - On or before March 31 of each year, every local chief executive shall submit an annual report to the Sanggunian concerned on the socioeconomic, political and peace and order conditions, and other matters concerning the local government unit, which shall cover the immediately preceding calendar year. A copy of the report shall be forwarded to the Department of Interior and Local Government. Component cities and municipalities shall likewise provide the Sangguniang Panlalawigan copies of their respective annual reports.

#### **TITLE FOUR. - LOCAL SCHOOL BOARDS**

**SECTION 98. Creation, Composition and Compensation.** - (a) There shall be established in every province, city, or municipality a provincial, city or municipal school board, respectively.

(b) The composition of local school boards shall be as follows:

- (1) The provincial school board shall be composed of the governor and the division superintendent of schools as co-chairmen; the chairman of the education committee of the Sangguniang Panlalawigan, the provincial treasurer, the representative of the pederasyon ng mga Sangguniang kabataan in the Sangguniang Panlalawigan, the duly elected president of the provincial federation of parents-teachers association, the duly elected representative of the teachers' organization in the province, and the duly elected representative of the non-academic personnel of public schools in the province, as members;
- (2) The city school board shall be composed of the city mayor and the city superintendent of schools as co-chairmen; the chairman of the education committee of the Sangguniang Panlungsod, the city treasurer, the representative of the pederasyon ng mga Sangguniang kabataan in the Sangguniang Panlungsod, the duly elected president of the city federation of parents-teachers associations, the duly elected representative of the teachers' organizations in the city, and the duly elected representative of the non-academic personnel of public schools in the city, as members; and
- (3) The municipal school board shall be composed of the municipal mayor and the district supervisor of schools as co-chairmen; the chairman of the education committee of the Sangguniang bayan, the municipal treasurer, the representative of the pederasyon ng mga Sangguniang kabataan in the Sangguniang bayan, the duly elected

president of the municipal federation of parents-teachers associations, the duly elected representative of the teachers' organizations in the municipality, and the duly elected representative of the non-academic personnel of public schools in the city, as members;

- (c) In the event that a province or city has two (2) or more school superintendents, and in the event that a municipality has two (2) or more district supervisors, the co-chairman of the local school board shall be determined as follows:
  - (1) The Department of Education, Culture and Sports shall designate the co-chairman for the provincial and city school boards; and
  - (2) The division superintendent of schools shall designate the district supervisor who shall serve as co-chairman of the municipal school board.
- (d) The performance of the duties and responsibilities of the abovementioned officials in their respective local school boards shall not be delegated.

**SECTION 99. Functions of Local School Boards.** - The provincial, city or municipal school board shall:

- (a) Determine, in accordance with the criteria set by the Department of Education, Culture and Sports, the annual supplementary budgetary needs for the operation and maintenance of public schools within the province, city or municipality, as the case may be, and the supplementary local cost of meeting such needs, which shall be reflected in the form of an annual school board budget corresponding to its share in the proceeds of the special levy on real property constituting the Special Education fund and such other sources of revenue as this Code and other laws or ordinances may provide;
- (b) Authorize the provincial, city or municipal treasurer, as the case may be, to disburse funds from the Special Education fund pursuant to the budget prepared and in accordance with existing rules and regulations;
- (c) Serve as an advisory committee to the Sanggunian concerned on educational matters such as, but not limited to, the necessity for and the uses of local appropriations for educational purposes; and

- (d) Recommend changes in the names of public schools within the territorial jurisdiction of the local government unit for enactment by the Sanggunian concerned.

The Department of Education, Culture and Sports shall consult the local school board on the appointment of division superintendents, district supervisors, school principals, and other school officials.

**SECTION 100. Meetings and Quorum; Budget.** - (a) The local school board shall meet at least once a month or as often as may be necessary.

- (b) Any of the co-chairmen may call a meeting. A majority of all its members shall constitute a quorum. However, when both co-chairmen are present in a meeting, the local chief executive concerned, as a matter of protocol, shall be given preference to preside over the meeting. The division superintendent, city superintendent or district supervisor, as the case may be, shall prepare the budget of the school board concerned. Such budget shall be supported by programs, projects, and activities of the school board for the ensuing fiscal year. The affirmative vote of the majority of all its members shall be necessary to approve the budget.
- (c) The annual school board budget shall give priority to the following:
  - (1) Construction, repair, and maintenance of school buildings and other facilities of public elementary and secondary schools;
  - (2) Establishment and maintenance of extension classes where necessary; and
  - (3) Sports activities at the division, district, municipal, and Barangay levels.

**SECTION 101. Compensation and Remuneration.** - The co-chairmen and members of the provincial, city or municipal school board shall perform their duties as such without compensation or remuneration. Members thereof who are not government officials or employees shall be entitled to necessary traveling expenses and allowances chargeable against funds of the local school board concerned, subject to existing accounting and auditing rules and regulations.



## **TITLE FIVE. - LOCAL HEALTH BOARDS**

**SECTION 102. Creation and Composition.** - (a) There shall be established a local health board in every province, city or municipality. The composition of the local health boards shall be as follows:

- (1) The provincial health board shall be headed by the governor as chairman, the provincial health officer as vice-chairman, and the chairman of the committee on health of the Sangguniang Panlalawigan, a representative from the private sector or non-governmental organizations involved in health services, and a representative of the Department of Health in the province, as members;
  - (2) The city health board shall be headed by the city mayor as chairman, the city health officer as vice-chairman, and the chairman of the committee on health of the Sangguniang Panlungsod, a representative from the private sector or non-governmental organizations involved in health services, and a representative of the Department of Health in the city, as members; and
  - (3) The municipal health board shall be headed by the municipal mayor as chairman, the municipal health officer as vice-chairman, and the chairman of the committee on health of the Sangguniang bayan, a representative from the private sector or non-governmental organizations involved in health services, and a representative of the Department of Health in the municipality, as members;
- (b) The functions of the local health board shall be:
- (1) To propose to the Sanggunian concerned, in accordance with standards and criteria set by the Department of Health, annual budgetary allocations for the operation and maintenance of health facilities and services within the municipality, city or province, as the case may be.
  - (2) To serve as an advisory committee to the Sanggunian concerned on health matters such as, but not limited to, the necessity for, and application of, local appropriations for public health purposes; and
  - (3) Consistent with the technical and administrative standards of the Department of Health, create committees which shall

advise local health agencies on matters such as, but not limited to, personnel selection and promotion, bids and awards, grievances and complaints, personnel discipline, budget review, operations review and similar functions.

**SECTION 103. Meetings and Quorum.** - (a) The board shall meet at least once a month or as often as may be necessary.

(b) A majority of the members of the board shall constitute a quorum, but the chairman or the vice-chairman must be present during meetings where budgetary proposals are being prepared or considered. The affirmative vote of all the majority of the members shall be necessary to approve such proposals.

**SECTION 104. Compensation and Remuneration.** - The chairman, vice-chairman, and members of the provincial, city or municipal health board shall perform their duties as such without compensation or remuneration. Members thereof who are not government officials or employees shall be entitled to necessary traveling expenses and allowances chargeable against the funds of the local health board concerned, subject to existing accounting and auditing rules and regulations.

**SECTION 105. Direct National Supervision and Control by the Secretary of Health.** - In cases of epidemics, pestilence, and other widespread public health dangers, the Secretary of Health may, upon the direction of the President and in consultation with the local government unit concerned, temporarily assume direct supervision and control over health operations in any local government unit for the duration of the emergency, but in no case exceeding a cumulative period of six (6) months. With the concurrence of the local government unit concerned, the period for such direct national control and supervision may be further extended.

## **TITLE SIX. - LOCAL DEVELOPMENT COUNCILS**

**SECTION 106. Local Development Councils.** - (a) Each local government unit shall have a comprehensive multi-sectoral development plan to be initiated by its development council and approved by its Sanggunian. For this purpose, the development council at the provincial city, municipal, or Barangay level, shall assist the corresponding Sanggunian in setting the direction of economic and social development, and coordinating development efforts within its territorial jurisdiction.

**SECTION 107. Composition of Local Development Councils.** - The composition of the local development council shall be as follows:

- (a) The Barangay development council shall be headed by the Punong Barangay and shall be composed of the following members:
  - (1) Members of the Sangguniang Barangay;
  - (2) Representatives of non-governmental organizations operating in the Barangay, who shall constitute not less than one fourth (1/4) of the members of the fully organized council;
  - (3) A representative of the congressman.
- (b) The city or municipal development council shall be headed by the mayor and shall be composed of the following members:
  - (1) All Punong Barangays in the city or municipality;
  - (2) The chairman of the committee on appropriations of the Sangguniang Panlungsod or Sangguniang bayan concerned;
  - (3) The congressman or his representative; and
  - (4) Representatives of nongovernmental organizations operating in the city or municipality, as the case may be, who shall constitute not less than one-fourth (1/4) of the members of the fully organized council.
- (c) The provincial development council shall be headed by the governor and shall be composed of the following members:
  - (1) All mayors of component cities and municipalities;
  - (2) The chairman of the committee on appropriations of the Sangguniang Panlalawigan;
  - (3) The congressman or his representative; and
  - (4) Representatives of nongovernmental organizations operating in the province, who shall constitute not less than one-fourth (1/4) of the members of the fully organized council.
- (d) The local development councils may call upon any local official concerned or any official of national agencies or offices in the local

government unit to assist in the formulation of their respective development plans and public investment programs.

**SECTION 108. Representation of Non-Governmental Organizations.** - Within a period of sixty (60) days from the start of organization of local development councils, the nongovernmental organizations shall choose from among themselves their representatives to said councils. The local Sanggunian concerned shall accredit nongovernmental organizations subject to such criteria as may be provided by law.

**SECTION 109. Functions of Local Development Councils.** - (a) The provincial, city, and municipal development councils shall exercise the following functions:

- (1) Formulate long-term, medium-term, and annual socioeconomic development plans and policies;
- (2) Formulate the medium-term and annual public investment programs;
- (3) Appraise and prioritize socioeconomic development programs and projects;
- (4) Formulate local investment incentives to promote the inflow and direction of private investment capital;
- (5) Coordinate, monitor, and evaluate the implementation of development programs and projects; and
- (6) Perform such other functions as may be provided by law or competent authority.

(b) The Barangay development council shall exercise the following functions:

- (1) Mobilize people's participation in local development efforts;
- (2) Prepare Barangay development plans based on local requirements;
- (3) Monitor and evaluate the implementation of national or local programs and projects; and
- (4) Perform such other functions as may be provided by law or competent authority.

**SECTION 110. Meetings and Quorum.** - The local development council shall meet at least once every six (6) months or as often as may be necessary.

**SECTION 111. Executive Committee.** - (a) Each local development council shall create an executive committee to represent it and act in its behalf when it is not in session. The composition of the executive committee shall be as follows:

- (1) The executive committee of the provincial development council shall be composed of the governor as chairman, the representative of component city and municipal mayors to be chosen from among themselves, the chairman of the committee on appropriations of the Sangguniang Panlalawigan, the president of the provincial league of Barangays, and a representative of nongovernmental organizations that are represented in the council, as members;
  - (2) The executive committee of the city or municipal development council shall be composed of the mayor as chairman, the chairman of the committee on appropriations of the Sangguniang Panlalawigan, the president of the city or municipal league of Barangays, and a representative of nongovernmental organizations that are represented in the council, as members; and
  - (3) The executive committee of the Barangay development council shall be composed of the Punong Barangay as chairman, a representative of the Sangguniang Barangay to be chosen from among its members, and a representative of nongovernmental organizations that are represented in the council, as members.
- (b) The executive committee shall exercise the following powers and functions:
- (1) Ensure that the decision of the council are faithfully carried out and implemented;
  - (2) Act on matters requiring immediate attention or action by the council;
  - (3) Formulate policies, plans, and programs based on the general principles laid down by the council; and
  - (4) Act on other matters that may be authorized by the council.

**SECTION 112. Sectoral or Functional Committees.** - The local development councils may form sectoral or functional committees to assist them in the performance of their functions.

**SECTION 113. Secretariat.** - There is hereby constituted for each local development council a secretariat which shall be responsible for providing technical support, documentation of proceedings, preparation of reports and such other assistance as may be required in the discharge of its functions. The local development council may avail of the services of any nongovernmental organization or educational or research institution for this purpose.

The secretariats of the provincial, city, and municipal development councils shall be headed by their respective planning and development coordinators. The secretariat of the Barangay development council shall be headed by the Barangay secretary who shall be assisted by the city or municipal planning and development coordinator concerned.

**SECTION 114. Relation of Local Development Councils to the Sanggunian and the Regional Development Council.** - (a) The policies, programs, and projects proposed by local development councils shall be submitted to the Sanggunian concerned for appropriate action. The local development plans approved by their respective Sanggunian may be integrated with the development plans of the next higher level of local development council.

(b) The approved development plans of provinces, highly-urbanized cities, and independent component cities shall be submitted to the regional development council, which shall be integrated into the regional development plan for submission to the National Economic and Development Authority, in accordance with existing laws.

**SECTION 115. Budget Information.** - The Department of Budget and Management shall furnish the various local development councils information on financial resources and budgetary allocations applicable to their respective jurisdictions to guide them in their planning functions.

## **TITLE SEVEN. -LOCAL PEACE AND ORDER COUNCIL**

**SECTION 116. Organization.** - There is hereby established in every province, city and municipality a local peace and order council, pursuant to Executive Order Numbered Three hundred nine (E.O. No. 309), Series of 1988. The local peace and order councils shall have the same composition and functions as those prescribed by the said executive order.

## **TITLE EIGHT. - AUTONOMOUS SPECIAL ECONOMIC ZONE**

### **SECTION 117. Establishment of Autonomous Special Economic Zones. -**

The establishment by law of autonomous special economic zones in selected areas of the country shall be subject to concurrence by the local government units included therein.

## **TITLE NINE. - OTHER PROVISIONS APPLICABLE TO LOCAL GOVERNMENT UNITS**

### **CHAPTER 1. - Settlement of Boundary Disputes**

#### **SECTION 118. Jurisdictional Responsibility for Settlement of Boundary Dispute. -** Boundary disputes between and among local government units shall, as much as possible, be settled amicably. To this end:

- (a) Boundary disputes involving two (2) or more Barangays in the same city or municipality shall be referred for settlement to the Sangguniang Panlungsod or Sangguniang bayan concerned.
- (b) Boundary disputes involving two (2) or more municipalities within the same province shall be referred for settlement to the Sangguniang Panlalawigan concerned.
- (c) Boundary disputes involving municipalities or component cities of different provinces shall be jointly referred for settlement to the Sanggunians of the provinces concerned.
- (d) Boundary disputes involving a component city or municipality on the one hand and a highly urbanized city on the other, or two (2) or more highly urbanized cities, shall be jointly referred for settlement to the respective Sanggunians of the parties.
- (e) In the event the Sanggunian fails to effect an amicable settlement within sixty (60) days from the date the dispute was referred thereto, it shall issue a certification to that effect. Thereafter, the dispute shall be formally tried by the Sanggunian concerned which shall decide the issue within sixty (60) days from the date of the certification referred to above.

#### **SECTION 119. Appeal. -** Within the time and manner prescribed by the Rules of Court, any party may elevate the decision of the Sanggunian concerned to the proper Regional Trial Court having jurisdiction over the area in dispute. The Regional Trial Court shall decide the appeal within one (1) year from the filing thereof. Pending final resolution of the disputed area prior to the dispute shall be maintained and continued for all legal purposes.

## **CHAPTER 2. - LOCAL INITIATIVE AND REFERENDUM**

**SECTION 120. Local Initiative Defined.** - Local initiative is the legal process whereby the registered voters of a local government unit may directly propose, enact, or amend any ordinance.

**SECTION 121. Who May Exercise.** - The power of local initiative and referendum may be exercised by all registered voters of the provinces, cities, municipalities, and Barangays.

**SECTION 122. Procedure in Local Initiative.** - (a) Not less than one thousand (1,000) registered voters in case of provinces and cities, one hundred (100) in case of municipalities, and fifty (50) in case of Barangays, may file a petition with the Sanggunian concerned proposing the adoption, enactment, repeal, or amendment of an ordinance.

- (b) If no favorable action thereon is taken by the Sanggunian concerned within thirty (30) days from its presentation, the proponents, through their duly authorized and registered representatives, may invoke their power of initiative, giving notice thereof to the Sanggunian concerned.
- (c) The proposition shall be numbered serially starting from Roman numeral I. The Comelec or its designated representative shall extend assistance in the formulation of the proposition.
- (d) Two (2) or more propositions may be submitted in an initiative.
- (e) Proponents shall have ninety (90) days in case of provinces and cities, sixty (60) days in case of municipalities, and thirty (30) days in case of Barangays, from notice mentioned in subsection (b) hereof to collect the required number of signatures.
- (f) The petition shall be signed before the election registrar, or his designated representatives, in the presence of a representative of the proponent, and a representative of the Sanggunian concerned in a public place in the local government unit, as the case may be. Stations for collecting signatures may be established in as many places as may be warranted.
- (g) Upon the lapse of the period herein provided, the Comelec, through its office in the local government unit concerned, shall certify as to whether or not the required number of signatures has been obtained. Failure to obtain the required number defeats the proposition.



- (h) If the required number of signatures is obtained, the Comelec shall then set a date for the initiative during which the proposition shall be submitted to the registered voters in the local government unit concerned for their approval within sixty (60) days from the date of certification by the Comelec, as provided in subsection (g) hereof, in case of provinces and cities, forty-five (45) days in case of municipalities, and thirty (30) days in case of Barangays. The initiative shall then be held on the date set, after which the results thereof shall be certified and proclaimed by the Comelec.

**SECTION 123. Effectivity of Local Propositions.** - If the proposition is approved by a majority of the votes cast, it shall take effect fifteen (15) days after certification by the Comelec as if affirmative action thereon had been made by the Sanggunian and local chief executive concerned. If it fails to obtain said number of votes, the proposition is considered defeated.

**SECTION 124. Limitations on Local Initiatives.** - (a) The power of local initiative shall not be exercised more than once a year.

- (b) Initiative shall extend only to subjects or matters which are within the legal powers of the Sanggunians to enact.
- (c) If at any time before the initiative is held, the Sanggunian concerned adopts in to the proposition presented and the local chief executive approves the same, the initiative shall be canceled. However, those against such action may, if they so desire, apply for initiative in the manner herein provided.

**SECTION 125. Limitations upon Sanggunians.** - Any proposition or ordinance approved through the system of initiative and referendum as herein provided shall not be repealed, modified or amended by the Sanggunian concerned within six (6) months from the date of the approval thereof, and may be amended, modified or repealed by the Sanggunian within three (3) years thereafter by a vote of three-fourths (3/4) of all its members: Provided, That in case of Barangays, the period shall be eighteen (18) months after the approval thereof.

**SECTION 126. Local Referendum Defined.** - Local referendum is the legal process whereby the registered voters of the local government units may approve, amend or reject any ordinance enacted by the Sanggunian. The local referendum shall be held under the control and direction of the Comelec within sixty (60) days in case of provinces and cities, forty-five (45) days in case of municipalities and thirty (30) days in case of

Barangays. The Comelec shall certify and proclaim the results of the said referendum.

**SECTION 127. Authority of Courts.** - Nothing in this Chapter shall prevent or preclude the proper courts from declaring null and void any proposition approved pursuant to this Chapter for violation of the Constitution or want of capacity of the Sanggunian concerned to enact the said measure.

# **BOOK II**

## **LOCAL TAXATION AND FISCAL MATTERS**

### **TITLE ONE. – LOCAL GOVERNMENT TAXATION**

#### **CHAPTER 1. – GENERAL PROVISIONS**

**SECTION 128. Scope** - The provision herein shall govern the exercise by provinces, cities, municipalities, and Barangays of their taxing and other revenue-raising powers.

**SECTION 129. Power to Create Source of Revenue** - Each local government unit shall exercise its power to create its own sources of revenue and to levy taxes, fees, and charges subject to the provisions herein, consistent with the basic policy of local autonomy. Such taxes, fees, and charges shall accrue exclusively to the local government units.

**SECTION 130. Fundamental Principles.** - The following fundamental principles shall govern the exercise of the taxing and other revenue-raising powers of local government units:

- (1) Taxation shall be uniform in each local government unit;
- (2) Taxes, fees, charges and other impositions shall:
  - (a) be equitable and based as far as practicable on the taxpayer's ability to pay;
  - (b) be levied and collected only for public purposes;
  - (c) not be adjust, excessive, oppressive, or confiscatory;
  - (d) not be contrary to law, public policy, national economic policy, or in restraint of trade;
- (3) The collection of local taxes, fees, charges and other impositions shall in no case be let to any private person;
- (4) The revenue collected pursuant to the provisions of this Code shall inure solely to the benefit of, and be subject to disposition by, the local government unit levying the tax, fee, charge or other imposition unless otherwise specifically provided herein; and,

- (5) Each local government unit shall, as far as practicable, evolve a progressive system of taxation.

**SECTION 131. Definition of Terms.** - When used in this Title, the term:

- (6) "Agricultural Product" includes the yield of the soil, such as corn, rice wheat, rye, hay, coconuts, sugarcane, tobacco, root crops, vegetables, fruits, flowers, and their by-products; ordinary salt; all kinds of fish; poultry; and livestock and animal products, whether in their original form or not.

The phrase "whether in their original form or not" refers to the transfers to the transformation of said products by the farmer, fisherman, producer or owner through the application of processes to preserve or otherwise to prepare said products for the market such as freezing, drying salting, smoking, or stripping for purposes of preserving or otherwise preparing said products for market;

- (7) "Amusement" is a pleasurable diversion and entertainment. It is synonymous to relaxation, avocation, pastime, or fun;
- (8) "Amusement Places" include theaters, cinemas, concert halls, circuses and other places of amusement where one seeks admission to entertain oneself by seeing or viewing the show or performances;
- (9) "Business" means trade or commercial activity regularly engaged in as a means of livelihood or with a view to profit;
- (10) "Banks and other financial institutions" include non-bank financial intermediaries, lending investors, finance and investment companies, pawnshops, money shops, insurance companies, stock markets, stockbrokers and dealers in securities and foreign exchange, as defined under applicable laws, or rules and regulations thereunder;
- (11) "Capital Investment" is the capital which a person employees in any undertaking, or which he contributes to the capital of a partnership, corporation, or any other juridical entity or association in a particular taxing jurisdiction
- (12) "Charges" refer to pecuniary liability, as rents or fees against persons or property;
- (13) "Contractor" includes persons, natural or juridical, not subject to professional tax under Section 139 of this Code, whose activity

consists essentially of the sale of kinds of services for a fee, regardless of whether or not the performance of the service calls for the exercise or use of the physical or mental faculties of such contractor or his employees.

As used in this Section, the term "contractor" shall include general engineering, general building and specialty contractors as defined under applicable laws; filling, demolition and salvage works contractors; proprietors or operators of mine drilling apparatus; proprietors or operators of dockyards; persons engaged in the installation of water system, and gas or electric light, heat, or power, proprietors or operators of smelting plants; engraving, plating, and plastic lamination establishments; proprietors or operators of establishments for repairing, repainting, upholstering, washing or greasing of vehicles, heavy equipment, vulcanizing, recapping and battery charging; proprietors or operators of furniture shops and establishment for planning or surfacing and recutting of lumber, and sawmills under contract and recutting of lumber, and sawmill under contract to saw or cut logs belonging to others proprietors or operators of dry-cleaning or dyeing establishments, steam laundries using washing machines; proprietors or owners of shops for the repair of any kind of mechanical and electrical devices, instruments, apparatus, or furniture and shoe repairing by machine or any mechanical contrivance; proprietors or operators of establishments or lots for parking purposes; proprietors or operators of tailor shops, dress shops, millineres and hatters, beauty parlors, barbershops, massage clinics, sauna, Turkish and Swedish baths, slenderizing and building saloons and similar establishments; photographic studios; funeral parlors; proprietors or operators of hotels, motels, and lodging houses; proprietors or operators of arrastre and stevedoring, warehousing, or forwarding establishments; master plumbers, smiths, and house or sign painters; printers, bookbinders, lithographers; publishers except those engaged in the publication or printing of any newspaper, magazine, review or bulletin which appears at regular intervals with fixed prices for subscription and sale and which is not devoted principally to the publication of advertisements, business agents, private detective or watchman agencies, commercial and immigration brokers, and cinematographic film owners, lessors and distributors.

- (14) "Corporation" includes partnerships, no matter how created or organized, joint- stock companies, joint accounts (cuentas en participation), associations or insurance companies but does not include general professional partnership but does not include general professional partnership and a joint venture or consortium

formed for the purpose of undertaking construction projects or engaging in petroleum, coal, geothermal, and other energy operations pursuant to an operating or consortium agreement under a service contract with the government. General professional partnership are partnership formed by persons for the sole purpose of exercising their common profession, no part of the income of which is derived from engaging in any trade or business.

The term "resident foreign" when applied to a corporation means a foreign corporation not otherwise organized under the laws of the Philippines but engaged in trade or business within the Philippines;

- (15) "Countryside and Barangay Business Enterprise" refers to any business entity, association, or cooperative registered under the provisions of Republic Act Numbered Sixty-eight hundred ten (R.A. No. 6810), otherwise known as "Magna Carta For Countryside and Barangay Business Enterprises (Kalakalan 20)".
- (16) "Dealer" means one whose business is to buy and sell merchandise, goods, and chattels as a merchant. He stands immediately between the producer or manufacturer and the consumer and depend for his profit not upon the labor he bestows upon his commodities but upon the skill and foresight with which he watches the market;
- (17) "Fee" means a charge fixed by law or ordinance for the regulation or inspection of a business or activity;
- (18) "Franchise" is a right or privilege, affected with public interest which is conferred upon private persons or corporations, under such terms and conditions as the government and its political subdivisions may impose in the interest of public welfare, security, and safety;
- (19) "Gross Sales or Receipt" include the total amount of money or its equivalent representing the contract price, compensation or service fee, including the amount charged or materials supplies with the services and deposits or advance payments actually or constructively received during the taxable quarter for the services performed or to be performed for another person excluding discounts if determinable at the time of sales, sales return, excise tax, and value-added tax (VAT);
- (20) "Manufacturer" includes every person who, by physical or chemical process, alters the exterior textures or form or inner substance of any raw material or manufactured product in such manner as to

prepare it for special use or uses to which it could not have been put in its original condition, or who by any such process alters the quality of any such raw materials or manufactured or partially manufactured products so as to reduce it to marketable shape or prepare it for any of the use of industry, or who by any such process combines any such raw material or manufactured products with other materials or products of the same or of different kinds and in such manner that the finished products of such process or manufacture can be put to a special use or uses to which such raw material or manufactured or partially manufactured products in their original condition could not have been put, and who in addition alters such raw material or manufactured products, or combines the same to produce such finished products for the purpose of their sale or distribution to others and not for his own use or consumption;

- (21) "Marginal Farmer or Fisherman" refers to an individual engaged in subsistence farming or fishing which shall be limited to the sale, barter or exchange of agricultural or marine products produced by himself and his immediate family;
- (22) "Motor Vehicle" means any vehicle propelled by any power other than muscular power using the public roads, but excluding road rollers, trolley cars, street-sweepers, sprinklers, lawn mowers, bulldozers, graders, fork-lifts, amphibian trucks, and cranes if not used on public roads, vehicles which run only on rails or tracks, and tractors, trailers, and traction engines of all kinds used exclusively for agricultural purposes;
- (23) "Municipal Waters" includes not only streams, lakes, and tidal waters within the municipality, not being the subject of private ownership and not comprised within the national parks, public forest, timber lands, forest reserves or fishery reserves, but also marine waters included between two lines drawn perpendicularly to the general coastline from points where the boundary lines of the municipality or city touch the sea at low tide and a third line parallel with the general coastline and fifteen (15) kilometers from it. Where two (2) municipalities are so situated on the opposite shores that there is less than fifteen (15) kilometers of marine waters between them, the third line shall be equally distant from opposite shores of the perspective municipalities;
- (24) "Operator" includes the owner, manager, administrator, or any other person who operates or is responsible for the operation of a business establishment or undertaking;

- (25) "Peddler" means any person who, either for himself or on commission, travels from place to place and sells his goods or offers to sell and deliver the same. Whether a peddler is a wholesale peddler or a retail peddler of a particular commodity shall be determined from the definition of wholesale dealer or retail dealer as provided in this Title;
- (26) "Persons" means every natural or juridical being, susceptible of rights and obligations or of being the subject of legal relations;
- (27) "Residents" refer to natural persons who have their habitual residence in the province, city, or municipality where they exercise their civil rights and fulfill their civil obligations, and to juridical persons for whom the law or any other provision creating or recognizing them fixes their residence in a particular province, city, or municipality. In the absence of such law, juridical persons are residents of the province, city, or municipality where they have their legal residence or principal place of business or where they conduct their principal business or occupation;
- (28) "Retail means a sale where the purchaser buys the commodity for his own consumption, irrespective of the quantity of the commodity sold;
- (29) "Vessel" includes every type of boat, craft, or other artificial contrivance used, or capable of being used, as a means of transportation on water;
- (30) "Wharfage" means a fee assessed against the cargo of a vessel engaged in foreign or domestic trade based on quantity, weight, or measure received and/or discharged by vessel; and
- (31) "Wholesale" means a sale where the purchaser buys or imports the commodities for resale to persons other than the end user regardless of the quantity of the transaction.

**SECTION 132. Local Taxing Authority** - The power to impose a tax, fee, or charge or to generate revenue under this Code shall be exercised by the Sanggunian of the local government unit concerned through an appropriate ordinance.

**SECTION 133. Common Limitations on the Taxing Powers of Local Government Units.** - Unless otherwise provided herein, the exercise of the taxing powers of provinces, cities, municipalities, and Barangays shall not extend to the levy of the following:



- (32) Income tax, except when levied on banks and other financial institutions;
- (33) Documentary stamp tax;
- (34) Taxes on estates, inheritance, gifts, legacies and other acquisitions mortis causa, except as otherwise provided herein;
- (35) Customs duties, registration fees vessels and wharfage on wharves, tonnage dues, and all other kinds of customs fees, charges and dues except wharfage on wharves constructed and maintained by the local government unit concerned;
- (36) Taxes, fee and charges and other impositions upon goods carried into or out of, or passing through, the territorial jurisdictions of local government units in the guise of charges for wharfage, tolls for bridges or otherwise, or other taxes, fees or charges in any form whatsoever upon such goods or merchandise;
- (37) Taxes, fees, or charges on agricultural and aquatic products when sold by marginal farmers or fishermen;
- (38) Taxes on business enterprises certified to by the Board of Investments as pioneer or non-pioneer for a period of six (6) and (4) four years, respectively from the date of registration;
- (39) Excise taxes on articles enumerated under the National Internal Revenue Code, as amended, and taxes, fees or charges on petroleum products;
- (40) Percentage or value added tax (VAT) on sales, barter or exchanges or similar transactions on goods or services except as otherwise provided herein;
- (41) Taxes on the gross receipts of transaction contractors and persons engaged in the transportation of passengers or freight by hire and common carriers by air, land or water, except as provided in this Code;
- (42) Taxes on premium paid by way of reinsurance or retrocession;
- (43) Taxes, fees or charges for the registration of motor vehicle and for the issuance of all kinds of licenses or permits for the driving thereof, except tricycles;

- (44) Taxes, fees or charges on Philippine products actually exported, except as otherwise provided herein;
- (45) Taxes, fees, or charges, on Countryside and Barangay Business Enterprises and cooperatives duly registered under R.A. No. 6810 and Republic Act Numbered Sixty-nine hundred thirty-eight (R.A. No. 6938) otherwise known as the "Cooperatives Code of the Philippines" respectively; and
- (46) Taxes, fees or charges, of any kind on the National Government, its agencies and instrumentalities, and local government units.

**CHAPTER 2. - Specific Provisions on the Taxing and Other Revenue  
Raising Powers  
of Local Government Units**

**Article One - Provinces**

**SECTION 134. Scope of Taxing Powers.** - Except as otherwise provided in this Code, the province may levy only the taxes, fees, and charges as provided in this Article.

**SECTION 135. Tax on Transfer of Real Property Ownership.** - (a) The province may impose a tax on the sale, donation, barter, or on any other mode of transferring ownership or title of real property at the rate of not more than fifty percent (50%) of one percent (1%) of the total consideration involved in the acquisition of the property or of the fair market value in case the monetary consideration involved in the transfer is not substantial, whichever is higher. The sale, transfer or other disposition of real property pursuant to R.A. No. 6657 shall be exempt from this tax.

- (b) For this purpose, the Register of Deeds of the province concerned shall, before registering any deed, require the presentation of the evidence of payment of this tax. The provincial assessor shall likewise make the same requirement before canceling an old tax declaration and issuing a new one in place thereof. Notaries public shall furnish the provincial treasurers with a copy of any deed transferring ownership or title to any real property within thirty (30) days from the date of notarization.

It shall be the duty of the seller, donor, transferor, executor or administrator to pay the tax herein imposed within sixty (60) days

from the date of the execution of the deed or from the date of the decedent's death.

**SECTION 136. Tax on Business of Printing and Publication.** - The Province may impose a tax on the business of persons engaged in the printing and/or publication of books, cards, posters, leaflets, handbills, certificates, receipts, pamphlets, and other of similar nature, at a rate not exceeding fifty percent (50%) of one percent (1%) of the gross annual receipts for the preceding calendar year.

In the case of a newly started business, the tax shall not exceed one-twentieth (1/20) of one percent (1%) of the capital investment. In the succeeding calendar year, regardless of when the business started to operate, the tax shall be based on the gross receipts for the preceding calendar year, or any fraction thereof, as provided herein.

The receipts from the printing and/or publishing of books or other reading materials prescribed by the Department of Education, Culture and Sports as school texts or reference shall be exempt from the tax herein imposed.

**SECTION 137. Franchise Tax** - Notwithstanding any exemption granted by any law or other special laws, the province may impose a tax on business enjoying a franchise, at a rate exceeding fifty percent (50%) of one percent (1%) of the gross annual receipts for the preceding calendar year based on the incoming receipt, or realized, within its territorial jurisdiction.

In the case of a newly started business, the tax shall not exceed one-twentieth (1/20) of one percent (1%) of the capital investment. In the succeeding calendar year, regardless of when the business started to operate, the tax shall be based on the gross receipts for the preceding calendar year, or any fraction thereof, as provided herein.

**SECTION 138. Tax on Sand, Gravel and Other Quarry Resources** - The province may levy and collect not more than ten percent (10%) of fair market value in the locality per cubic meter of ordinary stones, sand, gravel, earth, and other quarry resources, as defined under the National Internal Revenue Code, as amended, extracted from public lands or from the beds of seas, lakes, rivers, streams, creeks, and other public waters within its territorial jurisdiction.

The permit to extract sand, gravel and other quarry resources shall be issued exclusively by the provincial governor, pursuant to the ordinance of the Sangguniang Panlalawigan.

The proceeds of the tax on sand, gravel and other quarry resources shall be distributed as follows:

- (4) Province - Thirty percent (30%);
- (5) Component City or Municipality where the sand, gravel, and other quarry resources are extracted - Thirty percent (30%);  
and
- (6) Barangay where the sand, gravel, and other quarry resources are extracted - Forty percent (40%).

**SECTION 139. Professional Tax** - (a) The province may levy an annual professional tax on each person engaged in the exercise or practice of his profession requiring government examination as such amount and reasonable classification as the Sangguniang Panlalawigan may determine but shall in no case exceed Three hundred pesos (P300.00)

(b) Every person legally authorized to practice his profession shall pay the professional tax to the province where he practices his profession or where he maintains his principal office in case he practices his profession in several places: Provided, however, That such person who has paid the corresponding professional tax shall be entitled to practice his profession in any part of the Philippines without being subjected to any other national or local tax, license, or free for the practice of such profession.

- (1) Any individual or corporation employing a person subject to professional tax shall require payment by that person of the tax on his profession before employment and annually thereafter.
- (2) The professional tax shall be payable annually on or before the thirty first (31st) day of January must, however, pay the full tax before engaging therein. A line of profession does not become exempt even if conducted with some other profession for which the tax has been paid. Professionals exclusively employed in the government shall be exempt from the payment of this tax.
- (3) Any person subject to the professional tax shall write in deeds, receipts, prescriptions, reports, books of account, plans and designs, surveys and maps, as the case may be, the number of the official receipt issued to him.

**SECTION 140. Amusement Tax** - (a) The province may levy an amusement tax to be collected from the proprietors, lessees, or operators of theaters,

cinemas, concert halls, circuses, boxing stadia, and other places of amusement at a rate of not more than thirty percent (30%) of the gross receipts from admission fees.

- (4) In the case of theaters of cinemas, the tax shall first be deducted and withheld by their proprietors, lessees, or operators and paid to the provincial treasurer before the gross receipts are divided between said proprietors, lessees, or operators and the distributors of the cinematographic films.
- (5) The holding of operas, concerts, dramas, recitals, painting and art exhibitions, flower shows, musical programs, literary and oratorical presentations, except pop, rock, or similar concerts shall be exempt from the payment of the tax herein imposed.
- (6) The Sangguniang Panlalawigan may prescribe the time, manner, terms and conditions for the payment of tax. In case of fraud or failure to pay the tax, the Sangguniang Panlalawigan may impose such surcharges, interests and penalties.
- (7) The proceeds from the amusement tax shall be shared equally by the province and the municipality where such amusement places are located.

**SECTION 141. Annual Fixed Tax For Every Delivery Truck or Van of Manufacturers or Producers, Wholesalers of, Dealers, or Retailers in, Certain Products.** - (a) The province may levy an annual fixed tax for every truck, van or any vehicle used by manufacturers, producers, wholesalers, dealers or retailers in the delivery or distribution of distilled spirits, fermented liquors, soft drinks, cigars and cigarettes, and other products as may be determined by the Sangguniang Panlalawigan, to sales outlets, consumers, whether directly or indirectly, within the province in an amount not exceeding Five hundred pesos (P500.00).

- (8) The manufacturers, producers, wholesalers, dealers, and retailers referred to in the immediately foregoing paragraph shall be exempt from the tax on peddlers prescribed elsewhere in this Code.

## Article Two. - Municipalities

**SECTION 142. Scope of Taxing Powers.** \_ Except as otherwise provided in this Code, municipalities may levy taxes, fees, and charges not otherwise levied by provinces.

**SECTION 143. Tax and Business** - The municipality may impose taxes on the following business:

(9) (9) On manufacturers, assemblers, repackers, processors, brewers, distillers, rectifiers, and compounders of liquors, distilled spirits, and wines or manufacturers of any article of commerce of whatever kind of nature, in accordance with the following schedule:

| With gross sales or receipts for the Preceding<br>calendar year in the amount of | Amount of Tax<br>Per Annum   |
|--|--|
| Less than 10,000.00  | 165.00   |
| P 10,000.00 or more but less than 15,000.00                                      | 220.00   |
| 15,000.00 or more but less than 20,000.00  | 302.00   |
| 20,000.00 or more but less than 30,000.00  | 440.00   |
| 30,000.00 or more but less than 40,000.00  | 660.00   |
| 40,000.00 or more but less than 50,000.00  | 825.00   |
| 50,000.00 or more but less than 75,000.00  | 1,320.00   |
| 75,000.00 or more but less than 100,000.00                                       | 1,650.00   |
| 100,000.00 or more but less than 150,000.00                                      | 2,200.00   |
| 150,000.00 or more but less than 200,000.00                                      | 2,750.00   |
| 200,000.00 or more but less than 300,000.00                                      | 3,850.00   |
| 300,000.00 or more but less than 500,000.00                                      | 5,500.00   |
| 500,000.00 or more but less than 750,000.00                                      | 8,000.00   |
| 750,000.00 or more but less than 1,000,000.00                                    | 10,000.00  |
| 1,000,000.00 or more but less than 2,000,000.00                                  | 13,750.00  |
| 2,000,000.00 or more but less than 3,000,000.00                                  | 16,500.00  |
| 3,000,000.00 or more but less than 4,000,000.00                                  | 19,800.00  |
| 4,000,000.00 or more but less than 5,000,000.00                                  | 23,100.00  |
| 5,000,000.00 or more but less than 6,500,000.00                                  | 24,375.00  |
| 6,500,000.00 or more   | at a rate not exceeding thirty-seven and a<br>half percent (37 1/2%) of one percent (1%) |

- (10) On wholesalers, distributors, or dealers in any article of commerce of whatever kind or nature in accordance with the following schedule:

| With gross sales or receipts for the Preceding calendar year in the amount of: | Amount of Tax Per Annum  |
|--|--|
| Less than P1,000.00  | 18.00  |
| P 1,000.00 or more but less than 2,000.00                                      | 33.00  |
| 2,000.00 or more but less than 3,000.00  | 50.00  |
| 3,000.00 or more but less than 4,000.00  | 72.00  |
| 4,000.00 or more but less than 5,000.00  | 100.00   |
| 5,000.00 or more but less than 6,000.00  | 121.00   |
| 6,000.00 or more but less than 7,000.00  | 143.00   |
| 7,000.00 or more but less than 8,000.00  | 165.00   |
| 8,000.00 or more but less than 10,000.00                                       | 187.00   |
| 10,000.00 or more but less than 15,000.00                                      | 220.00   |
| 15,000.00 or more but less than 20,000.00                                      | 275.00   |
| 20,000.00 or more but less than 30,000.00                                      | 330.00   |
| 30,000.00 or more but less than 40,000.00                                      | 440.00   |
| 40,000.00 or more but less than 50,000.00                                      | 660.00   |
| 50,000.00 or more but less than 75,000.00                                      | 990.00   |
| 75,000.00 or more but less than 100,000.00                                     | 1320.00  |
| 100,000.00 or more but less than 150,000.00                                    | 1870.00  |
| 150,000.00 or more but less than 200,000.00                                    | 2420.00  |
| 200,000.00 or more but less than 300,000.00                                    | 3300.00  |
| 300,000.00 or more but less than 500,000.00                                    | 4400.00  |
| 500,000.00 or more but less than 750,000.00                                    | 6600.00  |
| 750,000.00 or more but less than 1,000,000.00                                  | 8800.00  |
| 1,000,000.00 or more but less than 2,000,000.00                                | 10000.00   |
| 2,000,000.00 or more   | or at a rate not exceeding fifty percent (50%) of one percent (1%) |

- (c) On exporters, and on manufacturers, millers, producers, wholesalers, distributors, dealers or retailers of essential commodities enumerated hereunder at a rate not exceeding one-half (1/2) of the rates prescribed under subsections (a), (b) and (d) of this Section:

(4) Rice and corn;

(5) Wheat or cassava flour, meat, dairy products, locally manufactured, processed or preserved food, sugar, salt and other agricultural, marine, and fresh water products, whether in their original state or not;

- (6) Cooking oil and cooking gas;
  - (7) Laundry soap, detergents, and medicine;
  - (8) Agricultural implements, equipment and post harvest facilities, fertilizers, pesticides, insecticides, herbicides and other farm inputs;
  - (9) Poultry feeds and other animal feeds;
  - (10) School supplies; and
  - (11) Cement
- (d) On retailers,

| With gross sales or receipts for the<br>Preceding calendar year of: | Rate of Tax<br>Per Annum |
|---|--------------------------|
| P 400,000.00 or less  | 2%                       |
| More than P 400,000.00  | 1%                       |

Provided, however, That Barangays shall have the exclusive power to levy taxes, as provided under Section 152 hereof, on gross sales or receipts of the preceding calendar year of Fifty thousand pesos (P50,000.00) or less in the case of municipalities.

- (e) On contractors and other independent contractors, in accordance with the following schedule:

| With gross receipts for the preceding Calendar<br>year in the amount of: | Amount of Tax<br>Per Annum |
|--|----------------------------|
| Less than P 5,000.00   | 27.50                      |
| P 5,000.00 or more but less than 10,000.00                               | 61.60                      |
| 10,000.00 or more but less than 15,000.00                                | 104.50                     |
| 15,000.00 or more but less than 20,000.00                                | 165.00                     |
| 20,000.00 or more but less than 30,000.00                                | 275.00                     |
| 30,000.00 or more but less than 40,000.00                                | 385.00                     |
| 40,000.00 or more but less than 50,000.00                                | 550.00                     |
| 50,000.00 or more but less than 75,000.00                                | 880.00                     |
| 75,000.00 or more but less than 100,000.00                               | 1320.00                    |
| 100,000.00 or more but less than 150,000.00                              | 1980.00                    |



|   |  |
|---|--|
| 150,000.00 or more but less than 200,000.00     | 2640.00  |
| 200,000.00 or more but less than 250,000.00     | 3630.00  |
| 250,000.00 or more but less than 300,000.00     | 4620.00  |
| 300,000.00 or more but less than 400,000.00     | 6160.00  |
| 400,000.00 or more but less than 500,000.00     | 8250.00  |
| 500,000.00 or more but less than 750,000.00     | 9250.00  |
| 750,000.00 or more but less than 1,000,000.00   | 10250.00   |
| 1,000,000.00 or more but less than 2,000,000.00 | 11500.00   |
| 2,000,000.00 or more                            | or at a rate not exceeding fifty percent (50%) of one percent (1%) |

- (f) On banks and other financial institutions, at a rate not exceeding fifty percent (50% of one percent (1) on the gross receipts of the preceding calendar year derived from interest, commissions and discounts from lending activities, income from financial leasing, dividends, rentals on property and profit from ex change or sale of property, insurance premium.
- (g) On peddlers engaged in the sale of any merchandise or article or commerce, at a rate not exceeding Fifty pesos (P50.00) per peddler annually.
- (11) On any business, not otherwise specified in the preceding paragraphs, which the Sanggunian concerned may deem proper to tax: Provided, That on any business subject to the excise, value-added or percentage tax under the National Internal Revenue Code, as amended, the rate of tax shall not exceed two percent (2%) of gross sales or receipts of the preceding calendar year.

The Sanggunian concerned may prescribe a schedule of graduated tax rates but in no case to exceed the rates prescribed herein.

**SECTION 144. Rates of Tax within the Metropolitan Manila Area.** - The municipalities within the Metropolitan Manila Area may levy taxes at rates which shall not exceed by fifty percent (50%) the maximum rates prescribed in the preceding Section.

**SECTION 145. Retirement of Business.** - A business subject to tax pursuant to the preceding sections shall, upon termination thereof, submit a sworn statement of its gross sales or receipts for the current year. If the tax paid during the year, the difference shall be paid before the business is concerned officially retired.

**SECTION 146. Payment of Business Taxes.** - (a) The taxes imposed under Section 143 shall be payable for every separate or distinct establishment or place where business subject to the tax is conducted and one line of business does not become exempt by being conducted with some other business for which such tax has been paid. The tax on a business must be paid by the person conducting the same.

(b) In cases where a person conducts or operates two (2) or more of the businesses mentioned in Section 143 of this Code which are subject to the same rate of tax, the tax shall be computed on the combined total gross sales or receipts of the said two (2) or more related businesses.

(c) In cases where a person conducts or operates two (2) or more businesses mentioned in Section 143 of this Code which are subject to different rates of tax, the gross sales or receipts of each business shall be separately reported for the purpose of computing the tax due from each business.

**SECTION 147. Fees and Charges.** - The municipality may impose and collect such reasonable fees and charges on business and occupation and, except as reserved to the province in Section 139 of this Code, on the practice of any profession or calling, commensurate with the cost of regulation, inspection and licensing before any person may engage in such business or occupation, or practice such profession or calling.

**SECTION 148. Fees for Sealing and Licensing of Weights and Measures.** -

(a) The municipality may levy fees for the sealing and licensing of weights and measures at such reasonable rates as shall be prescribed by the Sangguniang Bayan.

(b) The Sangguniang bayan shall prescribe the necessary regulations for the use of such weights and measures, subject to such guidelines as shall be prescribed by the Department of Science and Technology. The Sanggunian concerned shall, by appropriate ordinance, penalize fraudulent practices and unlawful possession or use of instruments of weights and measures and prescribe the criminal penalty therefore in accordance with the provisions of this Code. Provided, however, That the Sanggunian concerned may authorize the municipal treasurer to settle an offense not involving the commission of fraud before a case therefore is filed in court, upon payment of a compromise penalty of not less than Two hundred pesos (P200.00).

**SECTION 149. Fishery Rentals, Fees and Charges.** - (a) Municipalities shall have the exclusive authority to grant fishery privileges in the municipal

waters and impose rentals, fees or charges therefore in accordance with the provisions of this Section.

(b) The Sangguniang Bayan may:

- (1) Grant fishery privileges to erect fish corrals, oyster, mussels or other aquatic beds or bangus fry areas, within a definite zone of the municipal waters, as determined by it: Provided, however, That duly registered organizations and cooperatives of marginal fishermen shall have the preferential right to such fishery privileges: Provided, further, That the Sangguniang bayan may require a public bidding in conformity with and pursuant to an ordinance for the grant of such privileges: Provided, finally, That in the absence of such organizations and cooperatives or their failure to exercise their preferential right, other parties may participate in the public bidding in conformity with the above cited procedure.
- (2) Grant the privilege to gather, take or catch bangus fry, prawn fry or kawag-kawag or fry of other species and fish from the municipal waters by nets, traps or other fishing gears to marginal fishermen free of any rental, fee, charge or any other imposition whatsoever.
- (3) Issue for the operation of fishing vessels of three (3) tons or less for which purpose the Sangguniang bayan shall promulgate rules and regulations regarding the issuances of such licenses to qualified applicants under existing laws.

Provided, however, That the Sanggunian concerned shall, by appropriate ordinance, penalize the use of explosives, noxious or puissance substances, electricity, muro-ami, and other deleterious methods of fishing and prescribe a criminal penalty therefore in accordance with the provisions of this Code: Provided, finally, That the Sanggunian concerned shall have the authority to prosecute any violation of the provisions of applicable fishery laws.

**SECTION 150. Situs of the Tax.** - (a) For purposes of collection of the taxes under Section 143 of this Code, manufacturers, assemblers, repackers, brewers, distillers, rectifiers and compounders of liquor, distilled spirits and wines, millers, producers, exporters, wholesalers, distributors, dealers, contractors, banks and other financial institutions, and other businesses, maintaining or operating branch or sales outlet elsewhere shall record the sale in the branch or sales outlet making the sale or transaction, and the

tax thereon shall accrue and shall be paid to the municipality where such branch or sales outlet is located. In cases where there is no such branch or sales outlet in the city or municipality where the sale or transaction is made, the sale shall be duly recorded in the principal office and the taxes due shall accrue and shall be paid to such city or municipality.

- (b) The following sales allocation shall apply to manufacturers, assemblers, contractors, producers, and exporters with factories, project offices, plants, and plantations in the pursuit of their business:
  - (4) Thirty percent (30%) of all sales recorded in the principal office shall be taxable by the city or municipality where the principal office is located; and
  - (5) Seventy percent (70%) of all sales recorded in the principal office shall be taxable by the city or municipality where the factory, project office, plant, or plantation is located.
  
- (c) In case of a plantation located at a place other than the place where the factory is located, said seventy percent (70%) mentioned in subparagraph (b) of subsection (2) above shall be divided as follows:
  - (1) Sixty percent (60%) to the city or municipality where the factory is located; and
  - (2) Forty percent (40%) to the city or municipality where the plantation is located.
  
- (d) In case where a manufacturer, assembler, producer, exporter or contractor has two (2) or more factories, project offices, plants, or plantations located in different localities, the seventy percent (70%) mentioned in subparagraph (b) of subsection (2) above shall be prorated among the localities where the factories, project offices, plants, and plantations are located in proportion to their respective volume or production during the period for which the tax is due.
  
- (e) The foregoing sales allocation shall be applied irrespective of whether or not sales are made in the locality where the factory, project office, plant or plan is located.

### **Article Three. - Cities**

**SECTION 151. Scope of Taxing Powers.** - Except as otherwise provided in this Code, the city, may levy the taxes, fees, and charges which the province or municipality may impose: Provided, however, That the taxes, fees and charges levied and collected by highly urbanized and independent component cities shall accrue to them and distributed in accordance with the provisions of this code.

The rates of taxes that the city may levy may exceed the maximum rates allowed for the province or municipality by not more than fifty percent (50%) except the rates of professional and amusement taxes.

### **Article Four. - Barangays**

**SECTION 152. Scope of Taxing Powers.** - The Barangays may levy taxes, fees, and charges, as provided in this Article, which shall exclusively accrue to them:

- (a) Taxes - On stores or retailers with fixed business establishments with gross sales or receipts of the preceding calendar year of Fifty Thousand pesos (P50,000.00) or less, in the case of cities and Thirty thousand pesos (P30,000.00) or less, in the case of municipalities, at a rate not exceeding one percent (1%) on such gross sales or receipts.
- (b) Service Fees or Charges - Barangays may collect reasonable fees or charges for services rendered in connection with the regulation or the use of Barangay-owned properties or service facilities such as palay, copra, or tobacco dryers.
- (c) Barangay Clearance - No city or municipality may issue any license or permit for any business or activity unless a clearance is first obtained from the Barangay where such business or activity is located or conducted. For such clearance, the Sangguniang Barangay may impose a reasonable fee. The application for clearance shall be acted upon within seven (7) working days from the filing thereof. In the event that the clearance is not issued within the said period, the city or municipality may issue the said license or permit.
- (d) Other Fees and Charges - The Barangay may levy reasonable fees and charges:

- (1) On commercial breeding of fighting cocks, cockfighting and cockpits;
- (2) On places of recreation which charge admission fees; and
- (3) On billboards, signboards, neon signs, and outdoor advertisements.

## **Article Five. - Common Revenue-Raising Powers**

**SECTION 153. Service Fees and Charges.** - Local government units may impose and collect such reasonable fees and charges for services rendered.

**SECTION 154. Public Utility Charges.** - The Sanggunian concerned may prescribe the terms and conditions and fix the rates for the imposition of toll fees or charges for the use of any public road, pier or wharf, waterway, bridge, ferry or telecommunication system funded and constructed by the local government unit concerned: Provided, That no such toll fees or charges shall be collected from officers and enlisted men of the Armed Forces of the Philippines and members of the Philippine National Police on mission, post office personnel delivering mail, physically-handicapped, and disabled citizens who are sixty-five (65) years or older.

When public safety and welfare so requires, the Sanggunian concerned may discontinue the collection of the tolls, and thereafter the said facility shall be free and open for public use.

## **Article Six. - Community Tax**

**SECTION 156. Community Tax.** - Cities or municipalities may levy a community tax in accordance with the provisions of this Article.

**SECTION 157. Individuals Liable to Community Tax.** - Every inhabitant of the Philippines eighteen (18) years of age or over who has been regularly employed on a wage or salary basis for at least thirty (30) consecutive working days during any calendar year, or who is engaged in business or occupation, or who owns real property with an aggregate assessed value of One thousand pesos (P1,000.00) or more, or who is required by law to file an income tax return shall pay an annual community tax of Five pesos (P5.00) and an annual additional tax of One peso (P1.00\_ for every One thousand pesos (P1,000.00) of income regardless of whether from

business, exercise of profession or from property which in no case shall exceed Five thousand pesos (P5,000.00).

In the case of husband and wife, the additional tax herein imposed shall be based upon the total property owned by them and the total gross receipts or earnings derived by them.

**SECTION 158. Juridical Persons Liable to Community Tax.** - Every corporation no matter how created or organized, whether domestic or resident foreign, engaged in or doing business in the Philippines shall pay an annual community tax of Five hundred pesos (P500.00) and an annual additional tax, which, on no case, shall exceed Ten thousand pesos (P10,000.00) in accordance with the following schedule:

- (1) For every Five thousand pesos (P5,000.00) worth of real property in the Philippines owned by it during the preceding year based on the valuation used for the payment of the real property tax under existing laws, found in the assessment rolls of the city or municipality where the real property is situated - Two pesos (P2.00); and
- (2) For every Five thousand pesos (P5,000.00) of gross receipts or earnings derived by it from its business in the Philippines during the preceding year - Two pesos (P2.00).

The dividends received by a corporation from another corporation however shall, for the purpose of the additional tax, be considered as part of the gross receipts or earnings of said corporation.

**SECTION 159. Exemption.** - The following are exempt from the community tax:

- (1) Diplomatic and consular representatives; and
- (2) Transient visitors when their stay in the Philippines does not exceed three (3) months.

**SECTION 160. Place of Payment.** - The community tax shall be paid in the place of residence of the individual, or in the place where the principal office of the juridical entity is located.

**SECTION 161. Time for Payment; Penalties for Delinquency.** - (a) The community tax shall accrue on the first (1st) day of January of each year which shall be paid not later than the last day of February of each year. If a person reaches the age of eighteen (18) years or otherwise loses the benefit of exemption on or before the last day of June, he shall be liable

for the community tax on the day he reaches such age or upon the day the exemption ends. However, if a person reaches the age of eighteen (18) years or loses the benefit of exemption on or before the last day of June, he shall be liable for the community tax on the day he reaches such age or upon the day the exemption ends. However, if a person reaches the age of eighteen (18) years or loses the benefit of exemption on or before the last day of March, he shall have twenty (20) days to pay the community tax without becoming delinquent.

Persons who come to reside in the Philippine or reach the age of eighteen (18) years on or after the first (1st) day of July of any year, or who cease to belong to an exempt class on or after the same date, shall not be subject to the community tax for that year.

- (b) Corporation established and organized on or before the last day of June shall be liable for the community tax for that year. But corporations established and organized on or before the last day of March shall have twenty (20) days within which to pay the community tax without becoming delinquent. Corporations established and organized on or after the first day of July shall not be subject to the community tax for that year.

If the tax is not paid within the time prescribed above, there shall be added to the unpaid amount an interest of twenty-four percent (24%) per annum from the due date until it is paid.

**SECTION 162. Community Tax Certificate.** - A community tax certificate shall be issued to every person or corporation upon payment of the community tax. A community tax certificate may also be issued to any person or corporation not subject to the community tax upon payment of One peso (P1.00).

**SECTION 163. Presentation of Community Tax Certificate On Certain Occasions.** - (a) When an individual subject to the community tax acknowledges any document before a notary public, takes the oath of office upon election or appointment to any position in the government service; receives any license, certificate, or permit from any public authority; pays any tax or fee; receives any money from any public fund; transacts other official business; or receives any salary or wage from any person or corporation, it shall be the duty of any person, officer, or corporation with whom such transaction is made or business done or from whom any salary or wage is received to require such individual to exhibit the community tax certificate.

The presentation of community tax certificate shall not be required in connection with the registration of a voter.



- (b) When, through its authorized officers, any corporation subject to the community tax receives any license, certificate, or permit from any public authority, pays and tax or fee, receives money from public funds, or transacts other official business, it shall be the duty of the public official with whom such transaction is made or business done, to require such corporation to exhibit the community tax certificate.
- (c) The community tax certificate required in the two preceding paragraphs shall be the one issued for the current year, except for the period from January until the fifteenth (15th) of April each year, in which case, the certificate issued for the preceding year shall suffice.

**SECTION 164. Printing of Community Tax Certificates and Distribution of Proceeds.** - (a) The Bureau of Internal Revenue shall cause the printing of community tax certificates and distribute the same to the cities and municipalities through the city and municipal treasurers in accordance with prescribed regulations.

The proceeds of the tax shall accrue to the general funds of the cities, municipalities and Barangays except a portion thereof which shall accrue to the general fund of the national government to cover the actual cost of printing and distribution of the forms and other related expenses. The city or municipal treasurer concerned shall remit to the national treasurer the said share of the national government in the proceeds of the tax within ten (10) days after the end o each quarter.

- (b) The city or municipal treasurer shall deputize the Barangay treasurer to collect the community tax in their respective jurisdictions: Provided, however, That said Barangay treasurer shall be bonded in accordance with existing laws.
- (c) The proceeds of the community tax actually and directly collected by the city or municipal treasurer shall accrue entirely to the general fund of the city or municipality concerned. However, proceeds of the community tax collected through the Barangay treasurers shall be apportioned as follows:
  - (1) Fifty percent (50%) shall accrue to the general fund of the city or municipality concerned; and
  - (2) Fifty percent (50%) shall accrue to the Barangay where the tax is collected.

### **CHAPTER 3. - Collection of Taxes**

**SECTION 165. Tax Period and Manner of Payment.** - Unless otherwise provided in this Code, the tax period of all local taxes, fees and charges shall be the calendar year. Such taxes, fees and charges may be paid in quarterly installments.

**SECTION 166. Accrual of Tax.** - Unless otherwise provided in this Code, all local taxes, fees, and charges shall accrue on the first (1st) day of January of each year. However, new taxes, fees or charges, or changes in the rates thereof, shall accrue on the first (1st) day of the quarter next following the effectivity of the ordinance imposing such new levies or rates.

**SECTION 167. Time of Payment.** - Unless otherwise provided in this Code, all local taxes, fees, and charges shall be paid within the first twenty (20) days of January or of each subsequent quarter, as the case may be. The Sanggunian concerned may, for a justifiable reason or cause, extend the time of payment of such taxes, fees, or charges without surcharges or penalties, but only for a period not exceeding six (6) months.

**SECTION 168. Surcharges and Penalties on unpaid Taxes, fees, or Charges.** - The Sanggunian may impose a surcharge not exceeding twenty-five percent (25%) of the amount of taxes, fees or charges not paid on time and an interest at the rate not exceeding two percent (2%) per month of the unpaid taxes, fees or charges including surcharges, until such amount is fully paid but in no case shall the total interest on the unpaid amount or portion thereof exceed thirty-six (36) months.

**SECTION 169. Interests on Other Unpaid Revenues.** Where the amount of any other revenue due a local government unit, except voluntary contributions or donations, is not paid on the date fixed in the ordinance, or in the contract, expressed or implied, or upon the occurrence of the event which has given rise to its collection, there shall be collected as part of that amount an interest thereon at the rate not exceeding two percent (2%) per month from the date it is due until it is paid, but in no case shall the total interest on the unpaid amount or a portion thereof exceed thirty-six (36) months.

**SECTION 170. Collection of Local Revenues by Treasurer.** - All local taxes, fees, and charges shall be collected by the provincial, city, municipal, or Barangay treasurer, or their duly authorized deputies.

The provincial, city or municipal treasurer may designate the Barangay treasurer as his deputy to collect local taxes, fees, or charges. In case a bond is required for the purpose, the provincial, city or municipal government shall pay the premiums thereon in addition to the premiums of bond that may be required under this Code.

**SECTION 171. Examination of Books of Accounts and Pertinent Records of Businessmen by Local Treasurer.** - The provincial, city, municipal or Barangay treasurer may, by himself or through any of his municipal or Barangay treasurer may, by himself or through any of his deputies duly authorized in writing, examine the books, accounts, and other pertinent records of any person, partnership, corporation, or association subject to local taxes, fees and charges in order to ascertain, assess, and collect the correct amount of the tax, fee, or charge. Such examination shall be made during regular business hours, only once for every tax period, and shall be certified to by the examining official. Such certificate shall be made of record in the books of accounts of the taxpayer examined.

In case the examination herein authorized is made by a duly authorized deputy of the local treasurer, the written authority of the deputy concerned shall specifically state the name, address, and business of the taxpayers whose books, accounts, and pertinent records are to be examined, the date and place of such examination, and the procedure to be followed in conducting the same.

For this purpose, the records of the revenue district office of the Bureau of Internal Revenue shall be made available to the local treasurer, his deputy or duly authorized representative.

#### **CHAPTER 4. - Civil Remedies for Collection of Revenues**

**SECTION 172. Application of Chapter.** - The provisions of this Chapter and the remedies provided herein may be availed of for the collection of any delinquent local tax, fee, charge, or other revenue.

**SECTION 173. Local Government's Lien.** - Local taxes, fees, charges and other revenue constitute a lien, superior to all liens, charges or encumbrances in favor of any person, enforceable by appropriate administrative or judicial action, not only upon any property or rights therein which may be subject to the lien but also upon property used in business, occupation, practice of profession or calling, or exercise of privilege with respect to which the lien is imposed. The lien may only be extinguished upon full payment of the delinquent local taxes fees and charges including related surcharges and interest.

**SECTION 174. Civil Remedies.** - The civil remedies for the collection of local taxes, fees, or , and surcharges and interest resulting from delinquency shall be:

- (a) By administrative action thru distraint of goods, chattels, or effects, and other personal of whatever character, including stocks and other securities, debts, credits, bank accounts, and interest in and rights to personal property, and by levy upon real property and interest in or rights to real property; and
- (b) By judicial action. Either of these remedies or all may be pursued concurrently or at the discretion of the local government unit concerned.

**SECTION 175. Distraint of Personal Property.** - The remedy by distraint shall proceed as follows:

- (a) Seizure - Upon failure of the person owing any local tax, fee, or charge to pay the same at the time required, the local treasurer or his deputy may, upon written notice, seize or confiscate any personal property belonging to that person or any personal property subject to the lien in sufficient quantity to satisfy the tax, fee, or charge in question, together with any increment thereto incident to delinquency and the expenses of seizure. In such case, the local treasurer or his deputy shall issue a duly authenticated certificate based upon the records of his office showing the fact of delinquency and the amounts of the tax, fee, or charge and penalty due. Such certificate shall serve as sufficient warrant for the distraint of personal property aforementioned, subject to the taxpayer's right to claim exemption under the provisions of existing laws. Distrainted personal property shall be sold at public auction in the manner herein provided for.
- (b) Accounting of distrainted goods - The officer executing the distraint shall make or cause to be made an account of the goods, chattels or effects distrainted, a copy of which signed by himself shall be either with the owner or person from whose possession the goods, chattels or effects are taken, or at the dwelling or place of business of that person and with someone of suitable age and discretion, to which list shall be added a statement of the sum demanded and a note of the time and place of sale.
- (c) Publication - The officer shall forthwith cause a notification to be exhibited in not less than (3) public and conspicuous places in the territory of the local government unit where the distraint is made,

specifying the time and place of sale, and the articles distrained. The time of sale shall not be less than twenty (20) days after notice to the owner or possessor of the property as above specified and the publication or posting of the notice. One place for the posting of the notice shall be at the office of the chief executive of the local government unit in which the property is distrained.

- (d) Release of distrained property upon payment prior to sale - If at any time prior to the sale, all the proper charges are paid to the officer conducting the sale, the goods or effects distrained shall be restored to the owner.
- (e) Procedure of sale - At the time and place fixed in the notice, the officer conducting the sale sell the goods or effects so distrained at public auction to the highest bidder for cash. Within five (5) days after the sale, the local treasurer shall make a report of the proceedings in writing to the local chief executive concerned.

Should the property distrained be not disposed of within one hundred and twenty (120) days from the date of distraint, the same shall be considered as sold to the local government unit concerned for the amount of the assessment made thereon by the Committee on Appraisal and to the extent of the same amount, the tax delinquencies shall be cancelled.

Said Committee on Appraisal shall be composed of the city or municipal treasurer as chairman, with a representative of the Commission on Audit and the city or municipal assessor as members.

- (f) Disposition of proceeds - The proceeds of the sale shall be applied to satisfy the tax, including the surcharges, interest, and other penalties incident to delinquency, and the expenses of the distraint and sale. The balance over and above what is required to pay the entire claim shall be returned to the owner of the property sold. The expenses chargeable upon the seizure and sale shall embrace only the actual expenses of seizure and preservation of the property pending the sale, and no charge shall be imposed for the services of the local officer or his deputy. Where the proceeds of the sale are insufficient to satisfy the claim, other property may, in like manner, be distrained until the full amount due, including all expenses, collected.

**SECTION 176. Levy on Real Property** . - After the expiration of the time required to pay the tax, fee, or charge, real property may be levied on before, simultaneously, or after the distraint of personal property belonging

to the delinquent taxpayer. To this end, the provincial, city or municipal treasurer, as the case may be, shall prepare a duly authenticated certificate showing the name of the taxpayer and the amount of the tax, fee, or charge, and penalty due from him. Said certificate shall operate with the force of a legal execution throughout the Philippines. Levy shall be effected by writing upon said certificate the description of the property upon which levy is made. At the same time, written notice of the levy shall be mailed to or served upon the assessor and the Registrar of Deeds of the province or city where the property is located who shall annotate the levy on the tax declaration and certificate of title of the property, respectively, and the delinquent taxpayer or, if he be absent from the Philippines, to his agent or the manager of the business in respect to which the liability arose, or if there be none, to the occupant of the property in question. In case the levy on real property is not issued before or simultaneously with the warrant of distraint on personal property, and the personal property of the taxpayer is not sufficient to satisfy his delinquency, the provincial, city or municipal treasurer, as the case may be, shall within thirty (30) days after execution of the distraint, proceed with the levy on the taxpayer's real property. A report on any levy shall, within ten (10) days after receipt of the warrant, be submitted by the levying officer to the Sanggunian concerned.

**SECTION 177. Penalty for Failure to Issue and Execute Warrant.** - Without prejudice to criminal under the Revised Penal Code and other applicable laws, any local treasurer who fails to issue or execute the warrant of distraint or levy after the expiration of the time prescribed, or who is found guilty of abusing the exercise thereof by competent authority shall be automatically dismissed from the service after due notice and hearing.

**SECTION 178. Advertisement and Sale.** - Within thirty (30) days after levy, the local treasurer proceed to publicly advertise for sale or auction the property or a usable portion thereof as may be necessary to satisfy the claim and cost of sale; and such advertisement shall cover a period of at least thirty (30) days. It shall be effected by posting a notice at the main entrance of the municipal building or city hall, and in a public and conspicuous place in the Barangay where the real property is located, and by publication once a week for three (3) weeks in a newspaper of general circulation in the province, city or municipality where the property is located. The advertisement shall contain the amount of taxes, fees or charges, and penalties due thereon, and the time and place of sale, the name of the taxpayer against whom the taxes, fees, or charges are levied, and a short description of the property to be sold. At any time before the date fixed for the sale, the taxpayer may stay the proceedings by paying the taxes, fees, charges, penalties and interests. If he fails to do so, the sale shall proceed and shall be held either at the main entrance of the provincial, city or municipal building, or on the property to be sold, or at

any other place as determined by the local treasurer conducting the sale and specified in the notice of sale.

Within thirty (30) days after the sale, the local treasurer or his deputy shall make a report of the sale to the Sanggunian concerned, and which shall form part of his records. After consultation with the Sanggunian, the local treasurer shall make and deliver to the purchaser a certificate of sale, showing the proceedings of the sale, describing the property sold, stating the name of the purchaser and setting out the exact amount of all taxes, fees, charges, and related surcharges, interests, or penalties: Provided, however, That any excess in the proceeds of the sale over the claim and cost of sales shall be turned over to the owner of the property.

The local treasurer may, by ordinance duly approved, advance an amount sufficient to defray the costs of collection by means of the remedies provided for in this Title, including the preservation or transportation in case of personal property, and the advertisement and subsequent sale, in cases of personal and real property including improvements thereon.

**SECTION 179. Redemption of Property Sold.** - Within one (1) year from the date of sale, the delinquent taxpayer or his representative shall have the right to redeem the property upon payment to the local treasurer of the total amount of taxes, fees, or charges, and related surcharges, interests or penalties from the date of delinquency to the date of sale, plus interest of not more than two percent (2%) per month on the purchase price from the date of purchase to the date of redemption. Such payment shall invalidate the certificate of sale issued to the purchaser and the owner shall be entitled to a certificate of redemption from the provincial, city or municipal treasurer or his deputy.

The provincial, city or municipal treasurer or his deputy, upon surrender by the purchaser of the certificate of sale previously issued to him, shall forthwith return to the latter the entire purchase price paid by him plus the interest of not more than two percent (2%) per month herein provided for, the portion of the cost of sale and other legitimate expenses incurred by him, and said property thereafter shall be free from the lien of such taxes, fees, or charges, related surcharges, interests, and penalties.

The owner shall not, however, be deprived of the possession of said property and shall be entitled to the rentals and other income thereof until the expiration of the time allowed for its redemption.

**SECTION 180. Final Deed to Purchaser.** - In case the taxpayer fails to redeem the property as provided herein, the local treasurer shall execute a deed conveying to the purchaser so much of the property as has been sold, free from liens of any taxes, fees, charges, related surcharges, interests,

and penalties. The deed shall succinctly recite all the proceedings upon which the validity of the sale depends.

**SECTION 181. Purchase of Property By the Local Government Units for Want of Bidder.** - In case there is no bidder for the real property advertised for sale as provided herein, or if the highest bid is for an amount insufficient to pay the taxes, fees, or charges, related surcharges, interests, penalties and costs, the local treasurer conducting the sale shall purchase the property in behalf of the local government unit concerned to satisfy the claim and within two (2) days thereafter shall make a report of his proceedings which shall be reflected upon the records of his office. It shall be the duty of the Registrar of Deeds concerned upon registration with his office of any such declaration of forfeiture to transfer the title of the forfeited property to the local government unit concerned without the necessity of an order from a competent court.

Within one (1) year from the date of such forfeiture, the taxpayer or any of his representative, may redeem the property by paying to the local treasurer the full amount of the taxes, fees, charges, and related surcharges, interests, or penalties, and the costs of sale. If the property is not redeemed as provided herein, the ownership thereof shall be fully vested of the local government unit concerned.

**SECTION 182. Resale of Real Estate Taken for Taxes, Fees, or Charges.** - The Sanggunian may, by ordinance duly approved, and upon notice of not less than twenty (20) days, sell and dispose of the real property acquired under the preceding section at public auction. The proceeds of the sale shall accrue to the general fund

**SECTION 183. Collection of Delinquent Taxes, Fees, Charges or other Revenues through Judicial Action.** - The local government unit concerned may enforce the collection of delinquent taxes, fees, charges or other revenues by civil action in any court of competent jurisdiction. The civil action shall be filed by the local treasurer within the period prescribed in Section 194 of this Code.

**SECTION 184. Further Distrain or Levy.** - The remedies by distraint and levy may be repeated if necessary until the full amount due, including all expenses, is collected.

**SECTION 185. Personal Property Exempt from Distrain or Levy.** - The following property shall be exempt from distraint and the levy, attachment or execution thereof for delinquency in the payment of any local tax, fee or charge, including the related surcharge and interest:



- (a) Tools and the implements necessarily used by the delinquent taxpayer in his trade or employment;
- (b) One (1) horse, cow, carabao, or other beast of burden, such as the delinquent taxpayer may select, and necessarily used by him in his ordinary occupation;
- (c) His necessary clothing, and that of all his family;
- (d) Household furniture and utensils necessary for housekeeping and used for that purpose by the delinquent taxpayer, such as he may select, of a value not exceeding Ten thousand pesos (Php10,000.00);
- (e) Provisions, including crops, actually provided for individual or family use sufficient for four (4) months;
- (f) The professional libraries of doctors, engineers, lawyers and judges;
- (g) One fishing boat and net, not exceeding the total value of Ten thousand pesos (Php10,000.00), by the lawful use of which a fisherman earns his livelihood; and
- (h) Any material or article forming part of a house or improvement of any real property.

## **CHAPTER 5 - MISCELLANEOUS PROVISIONS**

**SECTION 186. Power To Levy Other Taxes, Fees or Charges.** - Local government units may exercise the power to levy taxes, fees or charges on any base or subject not otherwise specifically enumerated herein or taxed under the provisions of the National Internal Revenue Code, as amended, or other applicable laws: Provided, That the taxes, fees, or charges shall not be unjust, excessive, oppressive, confiscatory or contrary to declared national policy: Provided, further, That the ordinance levying such taxes, fees or charges shall not be enacted without any prior public hearing conducted for the purpose.

**SECTION 187. Procedure for Approval and Effectivity of Tax ordinances and Revenue Measures; Mandatory Public Hearings.** - The procedure for approval of local tax ordinances and revenue measures shall be in accordance with the provisions of this Code: Provided, That public hearings shall be conducted for the purpose prior to the enactment

thereof: Provided, further, That any question on the constitutionality or legality of tax ordinances or revenue measures may be raised on appeal within thirty (30) days from the effectivity thereof to the Secretary of Justice who shall render a decision within sixty (60) days from the date of receipt of the appeal: Provided, however, That such appeal shall not have the effect of suspending the effectivity of the ordinance and the accrual and payment of the tax, fee, or charge levied therein: Provided, finally, That within thirty (30) days after receipt of the decision or the lapse of the sixty-day period without the Secretary of Justice acting upon the appeal, the aggrieved party may file appropriate proceedings with a court of competent jurisdiction.

**SECTION 188. Publication of Tax ordinances and Revenue Measures.** - Within ten (10) days after their approval, certified true copies of all provincial, city, and municipal tax ordinances or revenue shall be published in full for three (3) consecutive days in a newspaper of local circulation: Provided, however, That in provinces, cities and municipalities where there are no newspapers of local circulation, the same may be posted in at least two (2) conspicuous and publicly accessible places.

**SECTION 189. Furnishing of Copies of Tax ordinances and Revenue Measures.** - Copies of all provincial, city, and municipal and Barangay tax ordinances and revenue measures shall be furnished the respective local treasurers for public dissemination.

**SECTION 190. Attempt to Enforce Void or Suspended Tax ordinances and revenue measures.** - The enforcement of any tax ordinance or revenue measure after due notice of the disapproval or suspension thereof shall be sufficient ground for administrative disciplinary action against the local officials and employees responsible therefor.

**SECTION 191. Authority of Local Government Units to Adjust Rates of Tax ordinances.** - Local units shall have the authority to adjust the tax rates as prescribed herein not oftener than once every five (5) years, but in no case shall such adjustment exceed ten percent (10%) of the rates fixed under this Code.

**SECTION 192. Authority to Grant Tax Exemption Privileges.** - Local government units may, through ordinances duly approved, grant tax exemptions, incentives or reliefs under such terms and conditions, as they may deem necessary.

**SECTION 193. Withdrawal of Tax Exemption Privileges.** - Unless otherwise provided in this Code, tax exemptions or incentives granted to, or presently enjoyed by all persons, whether natural or juridical, including government-owned or -controlled corporations, except local water districts,

cooperatives duly registered under R.A. No. 6938, non-stock and non-profit hospitals and educational institutions, are hereby withdrawn upon the effectivity of this Code.

## **CHAPTER 6 - TAXPAYER'S REMEDIES**

**SECTION 194. Periods of Assessment and Collection.** - (a) Local taxes, fees, or charges shall be assessed within five (5) years from the date they became due. No action for the collection of such taxes, fees, or charges, whether administrative or judicial, shall be instituted after the expiration of such period: Provided, That, taxes, fees or charges which have accrued before the effectivity of this Code may be assessed within a period of three (3) years from the date they became due.

- (b) In case of fraud or intent to evade the payment of taxes, fees, or charges, the same may be assessed within ten (10) years from discovery of the fraud or intent to evade payment.
- (c) Local taxes, fees, or charges may be collected within five (5) years from the date of by or judicial action. No such action shall be instituted after the expiration of said period: Provided, however, That, taxes, fees or charges assessed before the effectivity of this Code may be collected within a period of three (3) years from the date of assessment.
- (d) The running of the periods of prescription provided in the preceding paragraphs shall be for the time during which:
  - (1) The treasurer is legally prevented from making the assessment of collection;
  - (2) The taxpayer requests for a reinvestigation and executes a waiver in writing before expiration of the period within which to assess or collect; and
  - (3) The taxpayer is out of the country or otherwise cannot be located.

**SECTION 195. Protest of Assessment.** - When the local treasurer or his duly authorized representative finds that correct taxes, fees, or charges have not been paid, he shall issue a notice of assessment stating the nature of the tax, fee or charge, the amount of deficiency, the surcharges, interests and penalties. Within sixty (60) days from the receipt of the notice of assessment, the taxpayer may file a written protest with the local treasurer contesting the assessment; otherwise, the assessment shall

become final and executory. The local treasurer shall decide the protest within sixty (60) days from the time of its filing. If the local treasurer finds the protest to be wholly or partly meritorious, he shall issue a notice canceling wholly or partially the assessment. However, if the local treasurer finds the assessment to be wholly or partly correct, he shall deny the protest wholly or partly with notice to the taxpayer. The taxpayer shall have thirty (30) days from the receipt of the denial of the protest or from the lapse of the sixty (60) day period prescribed herein within which to appeal with the court of competent jurisdiction otherwise the assessment becomes conclusive and unappealable.

**SECTION 196. Claim for Refund of Tax Credit.** - No case or proceeding shall be maintained in any court for the recovery of any tax, fee, or charge erroneously or illegally collected until a written claim for refund or credit has been filed with the local treasurer. No case or proceeding shall be entertained in any court after the expiration of two (2) years from the date of the payment of such tax, fee, or charge, or from the date the taxpayer is entitled to a refund or credit.

## **TITLE II. REAL PROPERTY TAXATION**

### **CHAPTER 1 - GENERAL PROVISIONS**

**SECTION 197. Scope.** - This Title shall govern the administration, appraisal, assessment, levy and collection of real property tax.

**SECTION 198. Fundamental Principles.** - The appraisal, assessment, levy and collection of real property tax shall be guided by the following fundamental principles:

- (a) Real property shall be appraised at its current and fair market value;
- (b) Real property shall be classified for assessment purposes on the basis of its actual use;
- (c) Real property shall be assessed on the basis of a uniform classification within each local government unit;
- (d) The appraisal, assessment, levy and collection of real property tax shall not be let to any private person; and
- (e) The appraisal and assessment of real property shall be equitable.

**SECTION 199. Definitions.** - When used in this Title: (a) " Acquisition Cost" for newly-acquired machinery not yet depreciated and appraised within the

year of its purchase, refers to the actual cost of the machinery to its present owner, plus the cost of transportation, handling, and installation at the present site;

- (b) "Actual Use" refers to the purpose for which the property is principally or predominantly by the person in possession thereof;
- (c) "Ad Valorem Tax" is a levy on real property determined on the basis of a fixed proportion of the value of the property;
- (d) "Agricultural Land" is land devoted principally to the planting of trees, raising of crops, livestock and poultry, dairying, salt making, inland fishing and similar aquacultural activities, and other agricultural activities, and is not classified as mineral, timber, residential, commercial or industrial land;
- (e) "Appraisal" is the act or process of determining the value of property as of a specific date for a specific purpose;
- (f) "Assessment" is the act or process of determining the value of a property, or proportion thereof subject to tax, including the discovery, listing, classification, and appraisal of properties;
- (g) "Assessment Level" is the percentage applied to the fair market value to determine the taxable value the property;
- (h) "Assessed Value" is the fair market value of the real property multiplied by the assessment level. It is synonymous to taxable value;
- (i) "Commercial Land" is land devoted principally for the object of profit and is not classified as agricultural, industrial, mineral, timber, or residential land;
- (j) "Depreciated Value" is the value remaining after deducting depreciation from the acquisition cost;
- (k) "Economic Life" is the estimated period over which it is anticipated that a machinery or equipment may be profitably utilized;
- (l) "Fair Market Value" is the price at which a property may be sold by a seller who is not compelled to sell and bought by a buyer who is not compelled to buy;
- (m) "Improvement" is a valuable addition made to a property or an amelioration in its condition, amounting to more than a mere repair

or replacement of parts involving capital expenditures and labor, which is intended to enhance its value, beauty or utility or to adapt it for new or further purposes;

- (n) "Industrial Land" is land devoted principally to industrial activity as capital investment and is not classified as agricultural, commercial, timber, mineral or residential land;
- (o) "Machinery" embraces machines, equipment, mechanical contrivances, instruments, or apparatus which may or may not be attached, permanently or temporarily, to the real property. It includes the physical facilities for production, installations and appurtenant service facilities, those which are mobile, self-powered or self-propelled, and those not permanently attached to the real property which are actually, directly, and exclusively used to meet the needs of the particular industry, business or activity and which by their very nature and purpose are designed for, or necessary to its manufacturing, mining, logging, commercial, industrial or agricultural purposes;
- (p) "Mineral Lands" are lands in which minerals, metallic or non-metallic, exist in sufficient quantity or grade to justify the necessary expenditures to extract and utilize such materials;
- (q) "Reassessment" is the assigning of new assessed values to property, particularly real estate, as the result of a general, partial, or individual reappraisal of the property;
- (r) "Remaining Economic Life" is the period of time expressed in years from the date of appraisal to the date when the machinery becomes valueless;
- (s) "Remaining Value" is the value corresponding to the remaining useful life of the machinery;
- (t) "Replacement or Reproduction Cost" is the cost that would be incurred on the basis of current prices, in acquiring an equally desirable substitute property, or the cost of reproducing a new replica of the property on the basis of current prices with the same or closely similar material; and
- (u) "Residential Land" is land principally devoted to habitation.

**SECTION 200. Administration of the Real Property Tax.** - The provinces and cities, including the municipalities within the Metropolitan Manila Area,

shall be primarily responsible for the proper, efficient and effective administration of the real property tax.

## **CHAPTER 2 - APPRAISAL AND ASSESSMENT OF REAL PROPERTY**

**SECTION 201. Appraisal of Real Property.** - All real property, whether taxable or exempt, shall be appraised at the current and fair market value prevailing in the locality where the property is situated. The Department of Finance shall promulgate the necessary rules and regulations for the classification, appraisal, and assessment of real property pursuant to the provisions of this Code.

**SECTION 202. Declaration of Real Property by the Owner or Administrator.**  
- It shall be the duty of all persons, natural or juridical, owning or administering real property, including the improvements therein, within a city or municipality, or their duly authorized representative, to prepare, or cause to be prepared, and file with the provincial, city or municipal assessor, a sworn statement declaring the true value of their property, whether previously declared or undeclared, taxable or exempt, which shall be the current and fair market value of the property, as determined by the declarant. Such declaration shall contain a description of the property sufficient in detail to enable the assessor or his deputy to identify the same for assessment purposes. The sworn declaration of real property herein referred to shall be filed with the assessor concerned once every three (3) years during the period from January first (1st) to June thirtieth (30th) commencing with the calendar year 1992.

**SECTION 203. Duty of Person Acquiring Real Property or Making Improvement Thereon.** - It shall also be the duty of any person, or his authorized representative, acquiring at any time real property in any municipality or city or making any improvement on real property, to prepare, or cause to be prepared, and file with the provincial, city or municipal assessor, a sworn statement declaring the true value of subject property, within sixty (60) days after the acquisition of such property or upon completion or occupancy of the improvement, whichever comes earlier.

**SECTION 204. Declaration of Real Property by the Assessor.** - When any person, natural or juridical, by whom real property is required to be declared under Section 202 hereof, refuses or fails for any reason to make such declaration within the time prescribed, the provincial, city or municipal assessor shall himself declare the property in the name of the defaulting owner, if known, or against an unknown owner, as the case may be, and shall assess the property for taxation in accordance with the

provision of this Title. No oath shall be required of a declaration thus made by the provincial, city or municipal assessor.

**SECTION 205. Listing of Real Property in the Assessment Rolls.** - (a) In every province and city, including the municipalities within the Metropolitan Manila Area, there shall be prepared and maintained by the provincial, city or municipal assessor an assessment roll wherein shall be listed all real property, whether taxable or exempt, located within the territorial jurisdiction of the local government unit concerned. Real property shall be listed, valued and assessed in the name of the owner or administrator, or anyone having legal interest in the property.

(b) The undivided real property of a deceased person may be listed, valued and assessed in the name of the estate or of the heirs and devisees without designating them individually; and undivided real property other than that owned by a deceased may be listed, valued and assessed in the name of one or more co-owners: Provided, however, That such heir, devisee, or co-owner shall be liable severally and proportionately for all obligations imposed by this Title and the payment of the real property tax with respect to the undivided property.

(c) The real property of a corporation, partnership, or association shall be listed, valued and in the same manner as that of an individual.

(d) Real property owned by the Republic of the Philippines, instrumentalities and political subdivisions, the beneficial use of which has been granted, for consideration or otherwise, to a taxable person, shall be listed, valued and assessed in the name of the possessor, grantee or of the public entity if such property has been acquired or held for resale or lease.

**SECTION 206. Proof of Exemption of Real Property from Taxation.** - Every person by or for whom real property is declared, who shall claim tax exemption for such property under this Title shall file with the provincial, city or municipal assessor within thirty (30) days from the date of the declaration of real property sufficient documentary evidence in support of such claim including corporate charters, title of ownership, of incorporation, bylaws, contracts, affidavits, certifications and mortgage deeds, and similar documents. If the required evidence is not submitted within the period herein prescribed, the property shall be listed as taxable in the assessment roll. However, if the property shall be proven to be tax exempt, the same shall be dropped from the assessment roll.

**SECTION 207. Real Property Identification System.** - All declarations of real property made under the provisions of this Title shall be kept and filed



under a uniform classification system to be established by the provincial, city or municipal assessor.

**SECTION 208. Notification of Transfer of Real Property Ownership.** - Any person who shall transfer real property ownership to another shall notify the provincial, city or municipal assessor concerned within sixty (60) days from the date of such transfer. The notification shall include the mode of transfer, the description of the property alienated, the name and address of the transferee.

**SECTION 209. Duty of Registrar of Deeds to Apprise Assessor of Real Property Listed in Registry.** - (a) To ascertain whether or not any real property entered in the Registry of Property has escaped discovery and listing for the purpose of taxation, the Registrar of Deeds shall prepare and submit to the provincial, city or municipal assessor, within six (6) months from the date of effectivity of this Code and every year thereafter, an abstract of his registry, which shall include brief but sufficient description of the real properties entered therein, present owners, and the dates of their most recent transfer or alienation accompanied by copies of corresponding deeds of sale, donation, or partition or other forms of alienation.

(b) It shall also be the duty of the Registrar of Deeds to require every person who shall present for registration a document of transfer, alienation, or encumbrance of real property to accompany the same with a certificate to the effect that the real property subject of the transfer, alienation, or encumbrance, as the case may be, has been fully paid of all real property taxes due thereon. Failure to provide such certificate shall be a valid cause for the Registrar of Deeds to refuse the registration of the document.

**SECTION 210. Duty of Official Issuing Building Permit or Certificate of Registration of Machinery to Transmit Copy to Assessor.** - Any public official or employee who may now or hereafter be required by law or regulation to issue to any person a permit for the construction, addition, repair, or renovation of a building, or permanent improvement on land, or a certificate of registration for any machinery, including machines, mechanical contrivances, and apparatus attached or affixed on land or to another real property, shall transmit a copy of such permit or certificate within thirty (30) days of its issuance, to the assessor of the province, city or municipality where the property is situated.

**SECTION 211. Duty of Geodetic Engineers to Furnish Copy of Plans to Assessor.** - It shall be the duty of all geodetic engineers, public or private, to furnish free of charge to the assessor of the province, city or municipality where the land is located with a white or blue print copy of

each of all approved original or subdivision plans or maps of surveys executed by them within thirty (30) days from receipt of such plans from the Lands Management Bureau, the Land Registration Authority, the Housing and Land Use Regulatory Board, as the case may be.

**SECTION 212. Preparation of Schedule of Fair Market Values.** - Before any general revision of property assessment is made pursuant to the provisions of this Title, there shall be prepared a schedule of fair market values by the provincial, city and the municipal assessors of the municipalities within the Metropolitan Manila Area for the different classes of real property situated in their respective local government units for enactment by ordinance of the Sanggunian concerned. The schedule of fair market values shall be published in a newspaper of general circulation in the province, city or municipality concerned, or in the absence thereof, shall be posted in the provincial capitol, city or municipal hall and in two other conspicuous public places therein.

**SECTION 213. Authority of Assessor to Take Evidence.** - For the purpose of obtaining information on which to base the market value of any real property, the assessor of the province, city or municipality or his deputy may summon the owners of the properties to be affected or persons having legal interest therein and witnesses, administer oaths, and take deposition concerning the property, its ownership, amount, nature, and value.

**SECTION 214. Amendment of Schedule of Fair Market Values.** - The provincial, city or municipal assessor may recommend to the Sanggunian concerned amendments to correct errors in valuation in the schedule of fair market values. The Sanggunian concerned shall, by ordinance, act upon the within ninety (90) days from receipt thereof.

**SECTION 215. Classes of Real Property for Assessment Purposes.** - For purposes of assessment, real property shall be classified as residential, agricultural, commercial, industrial, mineral, or special. The city or municipality within the Metropolitan Manila Area, through their respective Sanggunian, have the power to classify lands as residential, agricultural, commercial, industrial, mineral, timberland, or special in accordance with their zoning ordinances.

**SECTION 216. Special Classes of Real Property.** - All lands, buildings, and other improvements actually, directly and exclusively used for hospitals, cultural, or scientific purposes, and those owned and used by local water districts, and government-owned or -controlled corporations rendering essential public services in the supply and distribution of water and/or generation and transmission of electric power shall be classified as special.

**SECTION 217. Actual Use of Real Property as Basis for Assessment.** - Real property shall be classified, valued and assessed on the basis of its actual use regardless of where located, whoever owns it, and whoever uses it.

**SECTION 218. Assessment Levels.** - The assessment levels to be applied to the fair market value of real property to determine its assessed value shall be fixed by ordinances of the Sangguniang Panlalawigan, Sangguniang panlungsod or Sangguniang bayan of a municipality within the Metropolitan Manila Area, at the rates not exceeding the following:

(a) (a) On Lands:

| CLASS        | ASSESSMENT LEVELS |
|--------------|-------------------|
| Residential  | 20%               |
| Agricultural | 40%               |
| Commercial   | 50%               |
| Industrial   | 50%               |
| Mineral      | 50%               |
| Timberland   | 20%               |

(b) On Buildings and Other Structures:

(1) Residential

| Fair Market Value<br>Over | Not Over      | Assessment<br>Levels |
|---------------------------|---------------|----------------------|
|                           | P 175,000.00  | 0%                   |
| P 175,000.00              | 300,000.00    | 10%                  |
| 300,000.00                | 500,000.00    | 20%                  |
| 500,000.00                | 750,000.00    | 25%                  |
| 750,000.00                | 1,000,000.00  | 30%                  |
| 1,000,000.00              | 2,000,000.00  | 35%                  |
| 2,000,000.00              | 5,000,000.00  | 40%                  |
| 5,000,000.00              | 10,000,000.00 | 50%                  |
| 10,000,000.00             |               | 60%                  |

(2) Agricultural

| Fair Market Value |          |            |
|-------------------|----------|------------|
| Over              | Not Over | Assessment |

Levels

|   |              |              |     |
|---|--------------|--------------|-----|
|   |              | 300,000.00   | 25% |
| P | 300,000.00   | 500,000.00   | 30% |
|   | 500,000.00   | 750,000.00   | 35% |
|   | 750,000.00   | 1,000,000.00 | 40% |
|   | 1,000,000.00 | 2,000,000.00 | 45% |
|   | 2,000,000.00 |              | 50% |

(3) Commercial / Industrial

Fair Market Value

|   | Over          | Not Over      | Assessment Levels |
|---|---------------|---------------|-------------------|
|   |               | 300,000.00    | 30%               |
| P | 300,000.00    | 500,000.00    | 35%               |
|   | 500,000.00    | 750,000.00    | 40%               |
|   | 750,000.00    | 1,000,000.00  | 50%               |
|   | 1,000,000.00  | 2,000,000.00  | 60%               |
|   | 2,000,000.00  | 5,000,000.00  | 70%               |
|   | 5,000,000.00  | 10,000,000.00 | 75%               |
|   | 10,000,000.00 |               | 80%               |

(4) Timber land

Fair Market Value

|   | Over          | Not Over      | Assessment Levels |
|---|---------------|---------------|-------------------|
|   |               | 300,000.00    | 45%               |
| P | 300,000.00    | 500,000.00    | 50%               |
|   | 500,000.00    | 750,000.00    | 55%               |
|   | 750,000.00    | 1,000,000.00  | 60%               |
|   | 1,000,000.00  | 2,000,000.00  | 65%               |
|   | 2,000,000.00  | 5,000,000.00  | 70%               |
|   | 5,000,000.00  | 10,000,000.00 | 50%               |
|   | 10,000,000.00 |               | 60%               |

(b) (b) On Machineries

CLASS

ASSESSMENT LEVELS

|              |     |
|--------------|-----|
| Agricultural | 40% |
| Residential  | 50% |
| Commercial   | 80% |
| Industrial   | 80% |

(d) On Special Classes: The assessment levels for all lands, buildings, machineries and other improvements;

| ACTUAL USE   | ASSESSMENT LEVELS |
|--|-------------------|
| Cultural   | 15%               |
| Scientific   | 15%               |
| Hospital   | 15%               |
| Local water districts  | 10%               |
| Government-owned or controlled corporations engaged in the supply and distribution of water and/or generation and transmission of electric power | 10%               |

**SECTION 219. General Revision of assessments and Property Classification.** - The provincial, city or municipal assessor shall undertake a general revision of real property assessments within two (2) years after the effectivity of this Code and every three (3) years thereafter.

**SECTION 220. Valuation of Real Property.** - In cases where (a) real property is declared and listed for taxation purposes for the first time; (b) there is an ongoing general revision of property classification and assessment; or (c) a request is made by the person in whose name the property is declared, the provincial, city or municipal assessor or his duly authorized deputy shall, in accordance with the provisions of this Chapter, make a classification, appraisal and assessment of the real property listed and described in the declaration irrespective of any previous assessment or taxpayer's valuation thereon: Provided, however, That the assessment of real property shall not be increased oftener than once every three (3) years except in case of new improvements substantially increasing the value of said property or of any change in its actual use.

**SECTION 221. Date of Effectivity of Assessment or Reassessment.** - All assessments or reassessments made after the first (1st) day of January of any year shall take effect on the first (1st) day of January of the succeeding year: Provided, however, That the reassessment of real property due to its partial or total destruction, or to a major change in its actual use, or to any great and sudden inflation or deflation of real property values, or to the gross illegality of the assessment when made or

to any other abnormal cause, shall be made within ninety (90) days from the date any such cause or causes occurred, and shall take effect at the beginning of the quarter next following the reassessment.

**SECTION 222. Assessment of Property Subject to Back Taxes.** - Real property declared for the first time shall be assessed for taxes for the period during which it would have been liable but in no case for more than ten (10) years prior to the date of initial assessment: Provided, however, That such taxes shall be computed on the basis of the applicable schedule of values in force during the corresponding period. If such taxes are paid on or before the end of the quarter following the date the notice of assessment was received by the owner or his representative, no interest for delinquency shall be imposed thereon; otherwise, such taxes shall be subject to an interest at the rate of two percent (2%) per month or a fraction thereof from the date of the receipt of the assessment until such taxes are fully paid.

**SECTION 223. Notification of New or Revised Assessment.** - When real property is assessed for the first time or when an existing assessment is increased or decreased, the provincial, city or municipal assessor shall within thirty (30) days give written notice of such new or revised assessment to the person in whose name the property is declared. The notice may be delivered personally or by registered mail or through the assistance of the punong Barangay to the last known address of the person to be served.

**SECTION 224. Appraisal and Assessment of Machinery.** - (a) The fair market value of a brand-new machinery shall be the acquisition cost. In all other cases, the fair market value shall be determined by dividing the remaining economic life of the machinery by its estimated economic life and multiplied by the replacement or reproduction cost.

(b) If the machinery is imported, the acquisition cost includes freight, insurance, bank and other charges, brokerage, arrastre and handling, duties and taxes, plus cost of inland transportation, handling, and installation charges at the present site. The cost in foreign currency of imported machinery shall be converted to peso cost on the basis of foreign currency exchange rates as fixed by the Central Bank.

**SECTION 225. Depreciation Allowance for Machinery.** - For purposes of assessment, a allowance shall be made for machinery at a rate not exceeding five percent (5%) of its original cost or its replacement or reproduction cost, as the case may be, for each year of use: Provided, however, That the remaining value for all kinds of machinery shall be fixed at not less than twenty percent (20%) of such original, replacement,

or reproduction cost for so long as the machinery is useful and in operation.

### **CHAPTER 3 - ASSESSMENT APPEALS**

**SECTION 226. Local Board of Assessment Appeals.** - Any owner or person having legal interest in the property who is not satisfied with the action of the provincial, city or municipal assessor in the assessment of his property may, within sixty (60) days from the date of receipt of the written notice of assessment, appeal to the Board of Assessment appeals of the province or city by filing a petition under oath in the form prescribed for the purpose, together with copies of the tax declarations and such affidavits or documents submitted in support of the appeal.

**SECTION 227. Organization, Powers, Duties, and Functions of the Local Board of Assessment Appeals.** - (a) The Board of Assessment appeals of the province or city shall be composed of the Registrar of Deeds, as Chairman, the provincial or city prosecutor and the provincial, or city engineer as members, who shall serve as such in an ex officio capacity without additional compensation.

- (b) The chairman of the Board shall have the power to designate any employee of the province or city to serve as secretary to the Board also without additional compensation.
- (c) The chairman and members of the Board of Assessment appeals of the province or city shall assume their respective positions without need of further appointment or special designation immediately upon effectivity of this Code. They shall take an oath or affirmation of office in the prescribed form.
- (d) In provinces and cities without a provincial or city engineer, the district engineer shall serve as member of the Board. In the absence of the Registrar of Deeds, or the provincial or city prosecutor, or the provincial or city engineer, or the district engineer, the persons performing their duties, whether in an acting capacity or as a duly designated officer-in-charge, shall automatically become the chairman or member, respectively, of the said Board, as the case may be.

**SECTION 228. Meetings and Expenses of the Local Board of Assessment Appeals.** - (a) The Board of Assessment appeals of the province or city shall meet once a month and as often as may be necessary for the prompt disposition of appealed cases. No member of the Board shall be entitled to per diems or traveling expenses for his attendance in Board meetings,

except when conducting an ocular inspection in connection with a case under appeal.

- (b) All expenses of the Board shall be charged against the general fund of the province or city, as the case may be. The Sanggunian concerned shall appropriate the necessary funds to enable the Board in their respective localities to operate effectively.

**SECTION 229. Action by the Local Board of Assessment Appeals.** - (a) The Board shall decide the appeal within one hundred twenty (120) days from the date of receipt of such appeal. The Board, after hearing, shall render its decision based on substantial evidence or such relevant evidence on record as a reasonable mind might accept as adequate to support the conclusion.

- (b) In the exercise of its appellate jurisdiction, the Board shall have the power to summon witnesses, administer oaths, conduct ocular inspection, take depositions, and issue subpoena and subpoena duces tecum. The proceedings of the Board shall be conducted solely for the purpose of ascertaining the facts without necessarily adhering to technical rules applicable in judicial proceedings.
- (c) The secretary of the Board shall furnish the owner of the property or the person having legal interest therein and the provincial or city assessor with a copy of the decision of the Board. In case the provincial or city assessor concurs in the revision or the assessment, it shall be his duty to notify the owner of the property or the person having legal interest therein of such fact using the form prescribed for the purpose. The owner of the property or the person having legal interest therein or the assessor who is not satisfied with the decision of the Board, may, within thirty (30) days after receipt of the decision of said Board, appeal to the Central Board of Assessment appeals, as herein provided. The decision of the Central Board shall be final and executory.

**SECTION 230. Central Board of Assessment Appeals.**- The Central Board of Assessment appeals shall be composed of a chairman and two (2) members to be appointed by the President, who shall serve for a term of seven (7) years, without reappointment. Of those first appointed, the chairman shall hold office for seven (7) years, one member for five (5) years, and the other member for three (3) years. Appointment to any vacancy shall be only for the unexpired portion of the term of the predecessor. In no case shall any member be appointed or designated in a temporary or acting capacity. The chairman and the members of the Board shall be Filipino citizens, at least forty (40) years old at the time of their appointment, and members of the Bar or Certified Public Accountants



for at least ten (10) years immediately preceding their appointment. The chairman of the Board of Assessment appeals shall have the salary grade equivalent to the rank of Director III under the Salary Standardization Law exclusive of allowances and other emoluments. The members of the Board shall have the salary grade equivalent to the rank of Director II under the Salary Standardization Law exclusive of allowances and other emoluments. The Board shall have appellate jurisdiction over all assessment cases decided by the Local Board of Assessment appeals.

There shall be Hearing Officers to be appointed by the Central Board of Assessment appeals to civil service laws, rules and regulations, one each for Luzon, Visayas and Mindanao, who shall hold office in Manila, Cebu City and Cagayan de Oro City, respectively, and who shall serve for a term of six (6) years, without reappointment until their successors have been appointed and qualified. The Hearing Officers shall have the same qualifications as that of the Judges of the Municipal Trial Courts.

The Hearing Officers shall each have the salary grade equivalent to the rank of Director I under the Salary Standardization Law exclusive of allowances and other emoluments. The Hearing Officers shall try and receive evidences on the appealed assessment cases as may be directed by the Board.

The Central Board Assessment appeals, in the performance of its powers and duties, may and organize staffs, offices, units, prescribe the titles, functions and duties of their members and adopt its own rules and regulations. Unless otherwise provided by law, the annual appropriations for the Central Board of Assessment appeals shall be included in the annual budget of the Department of Finance in the corresponding General Appropriations Act.

**SECTION 231. Effect of appeal on the Payment of Real Property Tax.** - appeal on of real property made under the provisions of this Code shall, in no case, suspend the collection of the corresponding realty taxes on the property involved as assessed by the provincial or city assessor, without prejudice to subsequent adjustment depending upon the final outcome of the appeal.

#### **CHAPTER 4 - Imposition of Real Property Tax**

**SECTION 232. Power to Levy Real Property Tax.** - A province or city or a municipality within the Metropolitan Manila Area may levy an annual ad valorem tax on real property such as land, building, machinery, and other improvement not hereinafter specifically exempted.

**SECTION 233. Rates of Levy.** - A province or city or a municipality within the Metropolitan Manila Area shall fix a uniform rate of basic real property tax applicable to their respective localities as follows:

- (a) In the case of a province, at the rate not exceeding one percent (1%) of the assessed value of real property; and
- (b) In the case of a city or a municipality within the Metropolitan Manila Area, at the rate not exceeding two percent (2%) of the assessed value of real property.

**SECTION 234. Exemptions from Real Property Tax.** - The following are exempted from payment of the real property tax:

- (a) Real property owned by the Republic of the Philippines or any of its political subdivisions except when the beneficial use thereof has been granted, for consideration or otherwise, to a taxable person;
- (b) Charitable institutions, churches, parsonages or convents appurtenant thereto, mosques, nonprofit or religious cemeteries and all lands, buildings, and improvements actually, directly, and exclusively used for religious, charitable or educational purposes;
- (c) All machineries and equipment that are actually, directly and exclusively used by local water districts and government-owned or -controlled corporations engaged in the supply and distribution of water and/or generation and transmission of electric power;
- (d) All real property owned by duly registered cooperatives as provided for under R. A. No. 6938; and
- (e) Machinery and equipment used for pollution control and environmental protection. Except as provided herein, any exemption from payment of real property tax previously granted to, or presently enjoyed by, all persons, whether natural or juridical, including all government-owned or -controlled corporations are hereby withdrawn upon the effectivity of this Code.

## **CHAPTER 5 - SPECIAL LEVIES ON REAL PROPERTY**

**SECTION 235. Additional Levy on Real Property for the Special Education Fund.** - A province or city, or a municipality within the Metropolitan Manila Area, may levy and collect an annual tax of one percent (1%) on the assessed value of real property which shall be in addition to the basic real

property tax. The proceeds thereof shall exclusively accrue to the Special Education Fund (SEF).

**SECTION 236. Additional Ad Valorem Tax on Idle Lands.** - A province or city, or a municipality the Metropolitan Manila Area, may levy an annual tax on idle lands at the rate not exceeding five percent (5%) of the assessed value of the property which shall be in addition to the basic real property tax.

**SECTION 237. Idle Lands, Coverage.** - For purposes of real property taxation, idle lands shall be the following: a) "Agricultural lands, more than one (1) hectare in area, suitable for cultivation, dairying, inland fishery, and other agricultural uses, one-half (1/2) of which remain uncultivated or unimproved by the owner of the property or person having legal interest therein." Agricultural lands planted to permanent or perennial crops with at least fifty (50) trees to a hectare shall not be considered idle lands. Lands actually used for grazing purposes shall likewise not be considered idle lands.

- (b) Lands, other than agricultural, located in a city or municipality, more than one thousand (1,000) square meters in area one-half (1/2) of which remain unutilized or unimproved by the owner of the property or person having legal interest therein. Regardless of land area, this Section shall likewise apply to residential lots in subdivisions duly approved by proper authorities, the ownership of which has been transferred to individual owners, who shall be liable for the additional tax: Provided, however, That individual lots of such subdivisions, the ownership of which has not been transferred to the buyer shall be considered as part of the subdivision, and shall be subject to the additional tax payable by subdivision owner or operator.

**SECTION 238. Idle Lands Exempt from Tax.** - A province or city or a municipality within the Metropolitan Manila Area may exempt idle lands from the additional levy by reason of force majeure, civil disturbance, natural calamity or any cause or circumstance which physically or legally prevents the owner of the property or person having legal interest therein from improving, utilizing or cultivating the same.

**SECTION 239. Listing of Idle Lands by the Assessor.** - The provincial, city or municipal assessor shall make and keep an updated record of all idle lands located within his area of jurisdiction. For purposes of collection, the provincial, city or municipal assessor shall furnish a copy thereof to the provincial or city treasurer who shall notify, on the basis of such record, the owner of the property or person having legal interest therein of the imposition of the additional tax.

**SECTION 240. Special Levy by Local Government Units.** - A province, city or municipality may a special levy on the lands comprised within its territorial jurisdiction specially benefited by public works projects or improvements funded by the local government unit concerned: Provided, however, That the special levy shall not exceed sixty percent (60%) of the actual cost of such projects and improvements, including the costs of acquiring land and such other real property in connection therewith: Provided, further, That the special levy shall not apply to lands exempt from basic real property tax and the remainder of the land portions of which have been donated to the local government unit concerned for the construction of such projects or improvements.

**SECTION 241. Ordinance Imposing a Special Levy.** - A tax ordinance imposing a special levy shall describe with reasonable accuracy the nature, extent, and location of the public works projects or improvements to be undertaken, state the estimated cost thereof, specify the metes and bounds by monuments and lines and the number of annual installments for the payment of the special levy which in no case shall be less than five (5) nor more than ten (10) years. The Sanggunian concerned shall not be obliged, in the apportionment and computation of the special levy, to establish a uniform percentage of all lands subject to the payment of the tax for the entire district, but it may fix different rates for different parts or sections thereof, depending on whether such land is more or less benefited by the proposed work.

**SECTION 242. Publication of Proposed Ordinance Imposing a Special Levy.**  
- Before the of an imposing a special levy, the Sanggunian concerned shall conduct a public hearing thereon; notify in writing the owners of the real property to be affected or the persons having legal interest therein as to the date and place thereof and afford the latter the opportunity to express their positions or objections relative to the proposed ordinance.

**SECTION 243. Fixing the Amount of Special Levy.** - The special levy authorized herein shall be apportioned, computed, and assessed according to the assessed valuation of the lands affected as shown by the books of the assessor concerned, or its current assessed value as fixed by said assessor if the property does not appear of record in his books. Upon the effectivity of the ordinance imposing special levy, the assessor concerned shall forthwith proceed to determine the annual amount of special levy assessed against each parcel of land comprised within the area especially benefited and shall send to each landowner a written notice thereof by mail, personal service or publication in appropriate cases.

**SECTION 244. Taxpayers' Remedies Against Special Levy.** - Any owner of real property affected a special levy or any person having a legal interest therein may, upon receipt of the written notice of assessment of the special levy, avail of the remedies provided for in Chapter 3, Title Two, Book II of this Code.

**SECTION 245. Accrual of Special Levy.** -The special levy shall accrue on the first day of the next following the effectivity of the ordinance imposing such levy.

## **CHAPTER 6 - COLLECTION OF REAL PROPERTY TAX**

**SECTION 246. Date of Accrual of Tax.**- The real property tax for any year shall accrue on the first day of January and from that date it shall constitute a lien on the property which shall be superior to any other lien, mortgage, or encumbrance of any kind whatsoever, and shall be extinguished only upon the payment of the delinquent tax.

**SECTION 247. Collection of Tax.** - The collection of the real property tax with interest thereon and related expenses, and the enforcement of the remedies provided for in this Title or any applicable laws, shall be the responsibility of the city or municipal treasurer concerned. The city or municipal treasurer may deputize the Barangay treasurer to collect all taxes on real property located in the Barangay: Provided, That the Barangay treasurer is properly bonded for the purpose: Provided, further, That the premium on the bond shall be paid by the city or municipal government concerned.

**SECTION 248. Assessor to Furnish Local Treasurer with Assessment Roll.** - The provincial, city or municipal assessor shall prepare and submit to the treasurer of the local government unit, on or before the thirty-first (31st) day of December each year, an assessment roll containing a list of all persons whose real properties have been newly assessed or reassessed and the values of such properties.

**SECTION 249. Notice of Time for Collection of Tax.** - The city or municipal treasurer shall, on or before the thirty-first (31st) day of January each year, in the case of the basic real property tax and the additional tax for the Special Education Fund (SEF) or on any other date to be prescribed by the Sanggunian concerned in the case of any other tax levied under this Title, post the notice of the dates when the tax may be paid without interest at a conspicuous and publicly accessible place at the city or municipal hall. Said notice shall likewise be published in a newspaper of general circulation in the locality once a week for two (2) consecutive weeks.

**SECTION 250. Payment of Real Property Taxes in Installments.** - The owner of the real property or the person having legal interest therein may pay the basic real property tax and the additional tax for Special Education Fund (SEF) due thereon without interest in four (4) equal installments; the first installment to be due and payable on or before March Thirty-first (31st); the second installment, on or before June Thirty (30); the third installment, on or before September Thirty (30); and the last installment on or before December Thirty-first (31st), except the special levy the payment of which shall be governed by ordinance of the Sanggunian concerned. The date for the payment of any other tax imposed under this Title without interest shall be prescribed by the Sanggunian concerned. Payments of real property taxes shall first be applied to prior years delinquencies, interests, and penalties, if any, and only after said delinquencies are settled may tax payments be credited for the current period.

**SECTION 251. Tax Discount for Advanced Prompt Payment.** - If the basic real property tax and the additional tax accruing to the Special Education Fund (SEF) are paid in advance in accordance with the prescribed schedule of payment as provided under Section 250, the Sanggunian concerned may grant a discount not exceeding twenty percent (20%) of the annual tax due.

**SECTION 252. Payment Under Protest.** - (a) No protest shall be entertained unless the taxpayer first pays the tax. There shall be annotated on the tax receipts the words "paid under protest". The protest in writing must be filed within thirty (30) days from payment of the tax to the provincial, city treasurer or municipal treasurer, in the case of a municipality within Metropolitan Manila Area, who shall decide the protest within sixty (60) days from receipt.

- (b) The tax or a portion thereof paid under protest, shall be held in trust by the treasurer concerned.
- (c) In the event that the protest is finally decided in favor of the taxpayer, the amount or portion of the tax protested shall be refunded to the protestant, or applied as tax credit against his existing or future tax liability.
- (d) In the event that the protest is denied or upon the lapse of the sixty day period prescribed in subparagraph (a), the taxpayer may avail of the remedies as provided for in Chapter 3, Title II, Book II of this Code.

**SECTION 253. Repayment of Excessive Collections.** - When an assessment of basic real property tax, or any other tax levied under this Title, is found

to be illegal or erroneous and the tax is accordingly reduced or adjusted, the taxpayer may file a written claim for refund or credit for taxes and interests with the provincial or city treasurer within two (2) years from the date the taxpayer is entitled to such reduction or adjustment. The provincial or city treasurer shall decide the claim for tax refund or credit within sixty (60) days from receipt thereof. In case the claim for tax refund or credit is denied, the taxpayer may avail of the remedies as provided in Chapter 3, II, Book II of this Code.

**SECTION 254. Notice of Delinquency in the Payment of the Real Property**

**Tax.** - (a) When the real property tax or any other tax imposed under this Title becomes delinquent, the provincial, city or municipal treasurer shall immediately cause a notice of the delinquency to be posted at the main entrance of the provincial capitol, or city or municipal hall and in a publicly accessible and conspicuous place in each Barangay of the local government unit concerned. The notice of delinquency shall also be published once a week for two (2) consecutive weeks, in a newspaper of general circulation in the province, city, or municipality.

(b) Such notice shall specify the date upon which the tax became delinquent and shall state that personal property may be distrained to effect payment. It shall likewise state that at any time before the distraint of personal property, payment of the tax with surcharges, interests and penalties may be made in accordance with the next following Section, and unless the tax, surcharges and penalties are paid before the expiration of the year for which the tax is due except when the notice of assessment or special levy is contested administratively or judicially pursuant to the provisions of Chapter 3, Title II, Book II of this Code, the delinquent real property will be sold at public auction, and the title to the property will be vested in the purchaser, subject, however, to the right of the delinquent owner of the property or any person having legal interest therein to redeem the property within one (1) year from the date of sale.

**SECTION 255. Interests on Unpaid Real Property Tax.** - In case of failure to pay the basic real property tax or any other tax levied under this Title upon the expiration of the periods as provided in Section 250, or when due, as the case may be, shall subject the taxpayer to the payment of interest at the rate of two percent (2%) per month on the unpaid amount or a fraction thereof, until the delinquent tax shall have been fully paid: Provided, however, That in no case shall the total interest on the unpaid tax or portion thereof exceed thirty-six (36) months.

**SECTION 256. Remedies For The Collection Of Real Property Tax.** - For the collection of the basic real property tax and any other tax levied under this

Title, the local government unit concerned may avail of the remedies by administrative action thru levy on real property or by judicial action.

**SECTION 257. Local Governments Lien.** - The basic real property tax and any other tax levied under this Title constitutes a lien on the property subject to tax, superior to all liens, charges or encumbrances in favor of any person, irrespective of the owner or possessor thereof, enforceable by administrative or judicial action, and may only be extinguished upon payment of the tax and the related interests and expenses.

**SECTION 258. Levy on Real Property.** - After the expiration of the time required to pay the basic real property tax or any other tax levied under this Title, real property subject to such tax may be levied upon through the issuance of a warrant on or before, or simultaneously with, the institution of the civil action for the collection of the delinquent tax. The provincial or city treasurer, or a treasurer of a municipality within the Metropolitan Manila Area, as the case may be, when issuing a warrant of levy shall prepare a duly authenticated certificate showing the name of the delinquent owner of the property or person having legal interest therein, the description of the property, the amount of the tax due and the interest thereon. The warrant shall operate with the force of a legal execution throughout the province, city or a municipality within the Metropolitan Manila Area. The warrant shall be mailed to or served upon the delinquent owner of the real property or person having legal interest therein, or in case he is out of the country or cannot be located, to the administrator or occupant of the property. At the same time, written notice of the levy with the attached warrant shall be mailed to or served upon the assessor and the Registrar of Deeds of the province, city or a municipality within the Metropolitan Manila Area where the property is located, who shall annotate the levy on the tax declaration and certificate of title of the property, respectively. The levying officer shall submit a report on the levy to the Sanggunian concerned within ten (10) days after receipt of the warrant by the owner of the property or person having legal interest therein.

**SECTION 259. Penalty for Failure to Issue and Execute Warrant.** - Without prejudice to criminal prosecution under the Revised Penal Code and other applicable laws, any local treasurer or his deputy who fails to issue or execute the warrant of levy within one (1) year from the time the tax becomes delinquent or within thirty (30) days from the date of the issuance thereof, or who is found guilty of abusing the exercise thereof in an administrative or judicial proceeding shall be dismissed from the service.

**SECTION 260. Advertisement and Sale.** - Within thirty (30) days after service of the warrant of levy, the local treasurer shall proceed to publicly advertise for sale or auction the property or a usable portion thereof as may be



necessary to satisfy the tax delinquency and expenses of sale. The advertisement shall be effected by posting a notice at the main entrance of the provincial, city or municipal building, and in a publicly accessible and conspicuous place in the Barangay where the real property is located, and by publication once a week for two (2) weeks in a newspaper of general circulation in the province, city or municipality where the property is located. The advertisement shall specify the amount of the delinquent tax, the interest due thereon and expenses of sale, the date and place of sale, the name of the owner of the real property or person having legal interest therein, and a description of the property to be sold. At any time before the date fixed for the sale, the owner of the real property or person having legal interest therein may stay the proceedings by paying the delinquent tax, the interest due thereon and the expenses of sale. The sale shall be held either at the main entrance of the provincial, city or municipal building, or on the property to be sold, or at any other place as specified in the notice of the sale.

Within thirty (30) days after the sale, the local treasurer or his deputy shall make a report of the sale to the Sanggunian concerned, and which shall form part of his records. The local treasurer shall likewise prepare and deliver to the purchaser a certificate of sale which shall contain the name of the purchaser, a description of the property sold, the amount of the delinquent tax, the interest due thereon, the expenses of sale and a brief description of the proceedings: Provided, however, That proceeds of the sale in excess of the delinquent tax, the interest due thereon, and the expenses of sale shall be remitted to the owner of the real property or person having legal interest therein. The local treasurer may, by ordinance duly approved, advance an amount sufficient to defray the costs of collection thru the remedies provided for in this Title, including the expenses of advertisement and sale.

**SECTION 261. Redemption of Property Sold.** - Within one (1) year from the date of sale, the owner of the delinquent real property or person having legal interest therein, or his representative, shall have the right to redeem the property upon payment to the local treasurer of the amount of the delinquent tax, including the interest due thereon, and the expenses of sale from the date of delinquency to the date of sale, plus interest of not more than two percent (2%) per month on the purchase price from the date of sale to the date of redemption. Such payment shall invalidate the certificate of sale issued to the purchaser and the owner of the delinquent real property or person having legal interest therein shall be entitled to a certificate of redemption which shall be issued by the local treasurer or his deputy. From the date of sale until the expiration of the period of redemption, the delinquent real property shall remain in the possession of the owner or person having legal interest therein who shall be entitled to the income and other fruits thereof. The local treasurer or his deputy, upon

receipt from the purchaser of the certificate of sale, shall forthwith return to the latter the entire amount paid by him plus interest of not more than two percent (2%) per month. Thereafter, the property shall be free from the lien of such delinquent tax, interest due thereon and expenses of sale.

**SECTION 262. Final Deed to Purchaser.** - In case the owner or person having legal interest fails to redeem the delinquent property as provided herein, the local treasurer shall execute a deed conveying to the purchaser said property, free from lien of the delinquent tax, interest due thereon and expenses of sale. The deed shall briefly state the proceedings upon which the validity of the sale rests.

**SECTION 263. Purchase of Property By the Local Government Units for Want of Bidder.** - In case there is no bidder for the real property advertised for sale as provided herein, or if the highest bid is for an amount insufficient to pay the real property tax and the related interest and costs of sale the local treasurer conducting the sale shall purchase the property in behalf of the local government unit concerned to satisfy the claim and within two (2) days thereafter shall make a report of his proceedings which shall be reflected upon the records of his office. It shall be the duty of the Registrar of Deeds concerned upon registration with his office of any such declaration of forfeiture to transfer the title of the forfeited property to the local government unit concerned without the necessity of an order from a competent court.

Within one (1) year from the date of such forfeiture, the taxpayer or any of his representative, may redeem the property by paying to the local treasurer the full amount of the real property tax and the related interest and the costs of sale. If the property is not redeemed as provided herein, the ownership thereof shall be fully vested on the local government unit concerned.

**SECTION 264. Resale of Real Estate Taken for Taxes, Fees, or Charges.** - The Sanggunian concerned may, by ordinance duly approved, and upon notice of not less than twenty (20) days, sell and dispose of the real property acquired under the preceding section at public auction. The proceeds of the sale shall accrue to the general fund of the local government unit concerned.

**SECTION 265. Further Distraint or Levy.** - Levy may be repeated if necessary until the full due, including all expenses, is collected.

**SECTION 266. Collection of Real Property Tax Through the Courts.** - The local government unit concerned may enforce the collection of the basic real property tax or any other tax levied under this Title by civil action in

any court of competent jurisdiction. The civil action shall be filed by the local treasurer within the period prescribed in Section 270 of this Code.

**SECTION 267. Action Assailing Validity of Tax Sale.** - No court shall entertain any action assailing the validity of any sale at public auction of real property or rights therein under this Title until the taxpayer shall have deposited with the court the amount for which the real property was sold, together with interest of two percent (2%) per month from the date of sale to the time of the institution of the action. The amount so deposited shall be paid to the purchaser at the auction sale if the deed is declared invalid but it shall be returned to the depositor if the action fails. Neither shall any court declare a sale at public auction invalid by reason of irregularities or informalities in the proceedings unless the substantive rights of the delinquent owner of the real property or the person having legal interest therein have been impaired.

**SECTION 268. Payment of Delinquent Taxes on Property Subject of Controversy.** - In any action involving the ownership or possession of, or succession to, real property, the court may, motu proprio or upon representation of the provincial, city, or municipal treasurer or his deputy, award such ownership, possession, or succession to any party to the action upon payment to the court of the taxes with interest due on the property and all other costs that may have accrued, subject to the final outcome of the action.

**SECTION 269. Treasurer to Certify Delinquencies Remaining Uncollected.** - The provincial, city or municipal treasurer or their deputies shall prepare a certified list of all real property tax delinquencies which remained uncollected or unpaid for at least one (1) year in his jurisdiction, and a statement of the reason or reasons for such non-collection or non-payment, and shall submit the same to the Sanggunian concerned on or before December thirty-first (31st) of the year immediately succeeding the year in which the delinquencies were incurred, with a request for assistance in the enforcement of the remedies for collection provided herein.

**SECTION 270. Periods Within Which To Collect Real Property Taxes.** - The basic real property tax and any other tax levied under this Title shall be collected within five (5) years from the date they become due. No action for the collection of the tax, whether administrative or judicial, shall be instituted after the expiration of such period. In case of fraud or intent to evade payment of the tax, such action may be instituted for the collection of the same within ten (10) years from the discovery of such fraud or intent to evade payment. The period of prescription within which to collect shall be suspended for the time during which:

- (1) The local treasurer is legally prevented from collecting the tax;
- (2) The owner of the property or the person having legal interest therein requests for reinvestigation and executes a waiver in writing before the expiration of the period within which to collect; and
- (3) The owner of the property or the person having legal interest therein is out of the country or otherwise cannot be located.

## **CHAPTER 7 - DISPOSITION OF PROCEEDS**

**SECTION 271. Distribution of Proceeds.** - The proceeds of the basic real property tax, including interest thereon, and proceeds from the use, lease or disposition, sale or redemption of property acquired at a public auction in accordance with the provisions of this Title by the province or city or a municipality within the Metropolitan Manila Area shall be distributed as follows:

- (a) (a) In the case of provinces:
  - (1) province - Thirty-five percent (35%) shall accrue to the general fund;
  - (2) municipality - Forty percent (40%) to the general fund of the municipality where the property is located; and
  - (3) Barangay - Twenty-five percent (25%) shall accrue to the Barangay where the property is located.
- (b) In the case of cities:
  - (1) city - Seventy percent (70%) shall accrue to the general fund of the city; and
  - (2) Thirty percent (30%) shall be distributed among the component Barangays of the cities where the property is located in the following manner:
    - (i) Fifty percent (50%) shall accrue to the Barangay where the property is located;
    - (ii) Fifty percent (50%) shall accrue equally to all component Barangays of the city; and

- (c) In the case of a municipality within the Metropolitan Manila Area:
  - (1) Metropolitan Manila Authority - Thirty-five percent (35%) shall accrue to the general fund of the authority;
  - (2) municipality - Thirty-five percent (35%) shall accrue to the general fund of the municipality where the property is located;
  - (3) Barangays - Thirty percent (30%) shall be distributed among the component Barangays of the municipality where the property is located in the following manner:
    - (i) Fifty percent (50%) shall accrue to the Barangay where the property is located;
    - (ii) Fifty percent (50%) shall accrue equally to all component Barangays of the municipality.
- (d) The share of each Barangay shall be released, without need of any further action, directly to the Barangay treasurer on a quarterly basis within five (5) days after the end of each quarter and shall not be subject to any lien or holdback for whatever purpose.

**SECTION 272. Application of Proceeds of the Additional One Percent SEF Tax.** - The proceeds the additional one percent (1%) tax on real property accruing to the Special Education Fund (SEF) shall be automatically released to the local school boards: Provided, That, in case of provinces, the proceeds shall be divided equally between the provincial and municipal school boards: Provided, however, That the proceeds shall be allocated for the operation and maintenance of public schools, construction and repair of school buildings, facilities and equipment, educational research, purchase of books and periodicals, and sports development as determined and approved by the Local School Board.

**SECTION 273. Proceeds of the Tax on Idle Lands.** - The proceeds of the additional real property tax on idle lands shall accrue to the respective general fund of the province or city where the land is located. In the case of a municipality within the Metropolitan Manila Area, the proceeds shall accrue equally to the Metropolitan Manila Authority and the municipality where the land is located.

**SECTION 274. Proceeds of the Special Levy.** - The proceeds of the special levy on lands benefited by public works, projects and other improvements shall accrue to the general fund of the local government unit which financed such public works, projects or other improvements.

## **CHAPTER 8 - SPECIAL PROVISIONS**

### **SECTION 275. General Assessment Revision; Expenses Incident Thereto. -**

The Sanggunian of provinces, cities and municipalities within the Metropolitan Manila Area shall provide the necessary appropriations to defray the expenses incident to the general revision of real property assessment. All expenses incident to a general revision of real property assessments shall, by ordinance of the Sangguniang Panlalawigan, be apportioned between the province and the municipality on the basis of the taxable area of the municipality concerned.

### **SECTION 276. Condonation or Reduction of Real Property Tax and Interest.**

- In case of a general failure of crops or substantial decrease in the price of agricultural or agribased products, or calamity in any province, city, or municipality, the Sanggunian concerned, by ordinance passed prior to the first (1st) day of January of any year and upon recommendation of the Local Disaster Coordinating Council, may condone or reduce, wholly or partially, the taxes and interest thereon for the succeeding year or years in the city or municipality affected by the calamity.

### **SECTION 277. Condonation or Reduction of Tax by the President of the Philippines.**

- The President of the Philippines may, when public interest so requires, condone or reduce the real property tax and interest for any year in any province or city or a municipality within the Metropolitan Manila Area.

### **SECTION 278. Duty of Registrar of Deeds and Notaries Public to Assist the Provincial, City or Municipal Assessor.**

- It shall be the duty of the Registrar of Deeds and notaries public to furnish the provincial, city or municipal assessor with copies of all contracts selling, transferring, or otherwise conveying, leasing, or mortgaging real property received by, or acknowledged before them.

### **SECTION 279. Insurance Companies to Furnish Information.**

- Insurance companies are hereby required to furnish the provincial, city or municipal assessor copies of any contract or policy insurance on buildings, structures, and improvements insured by them or such other documents which may be necessary for the proper assessment thereof.

### **SECTION 280. Fees in Court Actions.**

- All court actions, criminal or civil, instituted at the instance of the provincial, city or municipal treasurer or assessor under the provisions of this Code, shall be exempt from the payment of court and sheriff's fees.

**SECTION 281. Fees in Registration of Papers or Documents on Sale of Delinquent Real Property to province, City or municipality.** - All certificates, documents, and papers covering the sale of delinquent property to the province, city or municipality, if registered in the Registry of Property, shall be exempt from the documentary stamp tax and registration fees.

**SECTION 282. Real Property Assessment Notices or Owner's Copies of Tax Declarations to be Exempt from Postal Charges or Fees.** - All real property assessment notices or owner's copies of tax declaration sent through the mails by the assessor shall be exempt from the payment of postal charges or fees.

**SECTION 283. Sale and Forfeiture Before Effectivity of Code.** - Tax delinquencies incurred, and sales and forfeitures of delinquent real property effected, before the effectivity of this Code shall be governed by the provisions of applicable laws then in force.

### **TITLE III. - SHARES OF LOCAL GOVERNMENT UNITS IN THE PROCEEDS OF NATIONAL TAXES**

#### **CHAPTER 1 - ALLOTMENT OF INTERNAL REVENUE**

**SECTION 284. Allotment of Internal Revenue Taxes.** - Local government units shall have a share in the national internal revenue taxes based on the collection of the third fiscal year preceding the current fiscal year as follows:

- (a) On the first year of the effectivity of this Code, thirty percent (30%);
- (b) On the second year, thirty-five percent (35%); and
- (c) On the third year and thereafter, forty percent (40%). Provided, That in the event that the national government incurs an unmanageable public sector deficit, the President of the Philippines is hereby authorized, upon the recommendation of Secretary of Finance, Secretary of Interior and Local Government and Secretary of Budget and Management, and subject to consultation with the presiding officers of both Houses of Congress and the presidents of the liga, to make the necessary adjustments in the internal revenue allotment of local government units but in no case shall the allotment be less than thirty percent (30%) of the collection of national internal revenue taxes of the third fiscal year preceding the current fiscal year: Provided, further That in the first year of the

effectivity of this Code, the local government units shall, in addition to the thirty percent (30%) internal revenue allotment which shall include the cost of devolved functions for essential public services, be entitled to receive the amount equivalent to the cost of devolved personal services.

**SECTION 285. Allocation to Local Government Units.** - The share of local government units in the internal revenue allotment shall be allocated in the following manner:

- (a) Provinces - Twenty-three percent (23%);
- (b) Cities - Twenty-three percent (23%);
- (c) Municipalities - Thirty-four percent (34%); and
- (d) Barangays - Twenty percent (20%) Provided, however, That the share of each province, city, and municipality shall be determined on the basis of the following formula:
  - (a) Population - Fifty percent (50%);
  - (b) Land Area - Twenty-five percent (25%); and
  - (c) Equal sharing - Twenty-five percent (25%)

Provided, further, That the share of each Barangay with a population of not less than one hundred (100) inhabitants shall not be less than Eighty thousand pesos (P=80,000.00) per annum chargeable against the twenty percent (20%) share of the Barangay from the internal revenue allotment, and the balance to be allocated on the basis of the following formula:

- (a) On the first year of the effectivity of this Code:
  - (1) Population - Forty percent (40%); and
  - (2) Equal Sharing - Sixty percent (60%)
- (b) On the second year:
  - (1) Population - Fifty percent (50%); and
  - (2) Equal Sharing - Fifty percent (50%)
- (c) On the third year and thereafter:



- (1) Population - Sixty percent (60%); and
- (2) Equal Sharing - Forty percent (40%). Provided, finally, That the financial requirements of Barangays created by local government units after the effectivity of this Code shall be the responsibility of the local government unit concerned.

**SECTION 286. Automatic Release of Shares.** - (a) The share of each local government unit shall be released, without need of any further action, directly to the provincial, city, municipal or Barangay treasurer, as the case may be, on a quarterly basis within five (5) days after the end of each quarter, and which shall not be subject to any lien or holdback that may be imposed by the national government for whatever purpose.

- (b) Nothing in this Chapter shall be understood to diminish the share of local government units under existing laws.

**SECTION 287. Local Development Projects.** - Each local government unit shall appropriate in its annual budget no less than twenty percent (20%) of its annual internal revenue allotment for development projects. Copies of the development plans of local government units shall be furnished the Department of Interior and Local Government.

**SECTION 288. Rules and Regulations.** - The Secretary of Finance, in consultation with the of Budget and Management, shall promulgate the necessary rules and regulations for a simplified disbursement scheme designed for the speedy and effective enforcement of the provisions of this Chapter.

## **CHAPTER 2 - SHARE OF LOCAL GOVERNMENT UNITS IN THE NATIONAL WEALTH**

**SECTION 289. Share in the Proceeds from the Development and Utilization of the National Wealth.** - Local government units shall have an equitable share in the proceeds derived from the utilization and development of the national wealth within their respective areas, including sharing the same with the inhabitants by way of direct benefits.

**SECTION 290. Amount of Share of Local Government Units.** - Local government units shall, in addition to the internal revenue allotment, have a share of forty percent (40%) of the gross collection derived by the national government from the preceding fiscal year from mining taxes, royalties, forestry and fishery charges, and such other taxes, fees, or charges, including related surcharges, interests, or fines, and from its share in any co-production, joint venture or production sharing agreement

in the utilization and development of the national wealth within their territorial jurisdiction.

**SECTION 291 . Share of the Local Governments from any Government Agency or -Owned and -Controlled Corporation.** - Local government units shall have a share based on the preceding fiscal year from the proceeds derived by any government agency or government-owned or -controlled corporation engaged in the utilization and development of the national wealth based on the following formula whichever will produce a higher share for the local government unit:

- (a) One percent (1%) of the gross sales or receipts of the preceding calendar year; or
- (b) Forty percent (40%) of the mining taxes, royalties, forestry and fishery charges and such other taxes, fees or charges, including related surcharges, interests, or fines the government agency or government -owned or -controlled corporation would have paid if it were not otherwise exempt.

**SECTION 292. Allocation of Shares.** - The share in the preceding Section shall be distributed in the following manner:

(a) Where the natural resources are located in the province

- (1) province - Twenty percent (20%);
- (2) Component city/municipality - Forty-five percent (45%); and
- (3) Barangay - Thirty-five percent (35%)

Provided, however, That where the natural resources are located in two (2) or more provinces, or in two (2) or more component cities or municipalities or in two (2) or more Barangays, their respective shares shall be computed on the basis of:

- (1) Population - Seventy percent (70%); and
- (2) Land area - Thirty percent (30%).

(b) Where the natural resources are located in a highly urbanized or independent component city:

- (1) city - Sixty-five percent (65%); and

- (2) Barangay - Thirty-five percent (35%)

Provided, however, That where the natural resources are located in such two (2) or more cities, the allocation of shares shall be based on the formula on population and land area as specified in paragraph (a) of this Section.

**SECTION 293. Remittance of the Share of Local Government Units.** - The share of local government units from the utilization and development of national wealth shall be remitted in accordance with Section 286 of this Code: Provided, however, That in the case of any government agency or government-owned or -controlled corporation engaged in the utilization and development of the national wealth, such share shall be directly remitted to the provincial, city, municipal or Barangay treasurer concerned within five (5) days after the end of each quarter.

**SECTION 294. Development and Livelihood Projects.** - The proceeds from the share of local government units pursuant to this chapter shall be appropriated by their respective Sanggunian to finance local development and livelihood projects: Provided, however, That at least eighty percent (80%) of the proceeds derived from the development and utilization of hydrothermal, geothermal, and other sources of energy shall be applied solely to lower the cost of electricity in the local government unit where such a source of energy is located.

#### **TITLE IV. - CREDIT FINANCING**

**SECTION 295. Scope.** - This Title shall govern the power of local government units to create indebtedness and to enter into credit and other financial transactions.

**SECTION 296. General Policy.** - (a) It shall be the basic policy that any local government unit may create indebtedness, and avail of credit facilities to finance local infrastructure and other socio-economic development projects in accordance with the approved local development plan and public investment program.

- (b) A local government unit may avail of credit lines from government or private banks and lending institutions for the purpose of stabilizing local finances.

**SECTION 297. Loans, Credits, and Other Forms of Indebtedness of Local Government Units.** - (a) A local government unit may contract loans, credits, and other forms of indebtedness with any or domestic private bank and other lending institutions to finance the construction, installation,

improvement, expansion, operation, or maintenance of public facilities, infrastructure facilities, housing projects, the acquisition of real property, and the implementation of other capital investment projects, subject to such terms and conditions as may be agreed upon by the local government unit and the lender. The proceeds from such transactions shall accrue directly to the local government unit concerned.

- (b) A local government unit may likewise secure from any government bank and lending short, medium and long-term loans and advances against security of real estate or other acceptable assets for the establishment, development, or expansion of agricultural, industrial, commercial, house financing projects, livelihood projects, and other economic enterprises.
- (c) Government financial and other lending institutions are hereby authorized to grant loans, credits, and other forms of indebtedness out of their loanable funds to local government units for purposes specified above.

**SECTION 298. Deferred-Payment and other Financial Schemes.** - Provincial, city and municipal governments may likewise acquire property, plant, machinery, equipment, and such necessary accessories under a supplier's credit, deferred payment plan, or other financial scheme.

**SECTION 299. Bonds and Other Long-Term Securities.** - Subject to the rules and regulations of the Central Bank and the Securities and Exchange Commission, provinces, cities, and municipalities are hereby authorized to issue bonds, debentures, securities, collaterals, notes and other obligations to finance self-liquidating, income-producing development or livelihood projects pursuant to the priorities established in the approved local development plan or the public investment program. The Sanggunian concerned shall, through an ordinance approved by a majority of all its members, declare and state the terms and conditions of the bonds and the purpose for which the proposed indebtedness is to be incurred.

**SECTION 300. Inter-Local Government Loans, Grants, and Subsidies.** - Provinces, Cities and Municipalities may, upon approval of the majority of all members of the Sanggunian concerned and in amounts not exceeding their surplus funds, extend loans, grants, or subsidies to other local government units under such terms and conditions as may be agreed upon by the contracting parties. Local government units may, upon approval of their respective Sanggunian, jointly or severally contract loans, credits, and other forms of indebtedness for purposes mutually beneficial to them.

**SECTION 301. Loans from Funds Secured by the National Government from Foreign Sources.** - (a) The President, or his duly authorized representative, may, through any government financial or other lending institution, relend to any province, city, municipality, or Barangay, the proceeds of loans contracted with foreign financial institutions or other international funding agencies for the purpose of financing the construction, installation, improvement, expansion, operation, or maintenance of public utilities and facilities, infrastructure facilities, or housing projects, the acquisition of real property, and the implementation of other capital investment projects, subject to such terms and conditions as may be agreed upon by the President and the local government unit. The proceeds from such loans shall accrue directly to the local government concerned.

- (b) The President may likewise authorize the relending to local government units the proceeds of grants secured from foreign sources, subject to the provisions of existing laws and the applicable grant agreements.
- (c) Repayment or amortization of loans including accrued interest thereon, may be financed from the income of the projects or services and from the regular income of the local government unit, which must be provided for and appropriated regularly in its annual budget until the loan and the interest thereon shall have been fully paid.

**SECTION 302. Financing, Construction, Maintenance, Operation, and Management of Infrastructure Projects by the Private Sector.** - (a)

Local government units may enter into contracts with any duly prequalified individual contractor, for the financing, construction, operation, and maintenance of any financially viable infrastructure facilities, under the build-operate-and-transfer agreement, subject to the applicable provisions of Republic Act Numbered Sixty-nine hundred fifty-seven (R.A. No. 6957) authorizing the financing, construction, operation and maintenance of infrastructure projects by the private sector and the rules and regulations issued thereunder and such terms and conditions provided in this Section.

- (b) Local government units shall include in their respective local development plans and public investment programs priority projects that may be financed, constructed, operated and maintained by the private sector under this Section. It shall be the duty of the local government unit concerned to disclose to the public all projects eligible for financing under this Section, including official notification of duly registered contractors and publication in newspapers of general or local circulation and in conspicuous and accessible

public places. Local projects under the build-operate-and-transfer agreement shall be confirmed by the local development councils.

(c) Projects implemented under this Section shall be subject to the following terms and conditions:

(1) The provincial, city, or municipal engineer, as the case may be, upon formal request in writing by the local chief executive, shall prepare the plans and specifications for the proposed project, which shall be submitted to the Sanggunian for approval.

(2) Upon approval by the Sanggunian of the project plans and specifications, the provincial, city, or municipal engineer shall, as the case may be, cause to be published once every week for two (2) consecutive weeks in at least one (1) local newspaper which is circulated in the region, province, city or municipality in which the project is to be implemented, a notice inviting all duly qualified contractors to participate in a public bidding for the projects so approved. The conduct of public bidding and award of contracts for local government projects under this Section shall be in accordance with this Code and other applicable laws, rules and regulations.

In the case of a build-operate-and-transfer agreement, the contract shall be awarded to the lowest complying bidder whose offer is deemed most advantageous to the local government and based on the present value of its proposed tolls, fees, rentals, and charges over a fixed term for the facility to be constructed, operated, and maintained according to the prescribed minimum design and performance standards, plans, and specifications. For this purpose, the winning contractor shall be automatically granted by the local government unit concerned the franchise to operate and maintain the facility, including the collection of tolls, fees, rentals, and charges in accordance with subsection (c-4) hereof.

In the case of a build-operate-and-transfer agreement, the contract shall be awarded to the lowest complying bidder based on the present value of its proposed schedule of amortization payments for the facility to be constructed according to the prescribed minimum design and performance standards, plans, and specifications.

- (3) Any contractor who shall undertake the prosecution of any project under this Section shall post the required bonds to protect the interest of the province, city, or municipality, in such amounts as may be fixed by the Sanggunian concerned and the provincial, city, or municipal engineer shall not, as the case may be, allow any contractor to initiate the prosecution of projects under this Section unless such contractor presents proof or evidence that he has posted the required bond.
- (4) The contractor shall be entitled to a reasonable return of its investment in accordance with its bid proposal as accepted by the local government unit concerned.

In the case of a build-operate-and-transfer agreement, the repayment shall be made by authorizing the contractor to charge and collect reasonable tolls, fees, rentals, and charges for the use of the project facility not exceeding those proposed in the bid and incorporated in the contract: Provided, That the local government unit concerned shall, based on reasonableness and equity, approve the tolls, fees, rentals and charges: Provided, further, That the imposition and collection of tolls, fees, rentals and charges shall be for a fixed period as proposed in the bid and incorporated in the contract which shall in no case exceed fifty (50) years: Provided, finally, That during the lifetime of the contract, the contractor shall undertake the necessary maintenance and repair of the facility in accordance with standards prescribed in the bidding documents and in the contract.

In the case of a build-operate-and-transfer agreement, the repayment shall be made through amortization payments in accordance with the schedule proposed in the bid and incorporated in the contract. In case of land reclamation or construction of industrial estates, the repayment plan may consist of the grant of a portion or percentage of the reclaimed land or the industrial estate constructed.

- (5) Every infrastructure project undertaken under this Section shall be constructed, operated, and maintained by the contractor under the technical supervision of the local government unit and in accordance with the plans, specifications, standards, and costs approved by it.
- (d) The provincial, city or municipal legal officer shall, as the case may be, review the contracts executed pursuant to this Section to

determine their legality, validity, enforceability and correctness of form.

**SECTION 303. Remedies and Sanctions.** - Local government units shall appropriate in their respective annual budgets such amounts as are sufficient to pay the loans and other indebtedness incurred or redeem or retire bonds, debentures, securities, notes and other obligations issued under this Title: Provided, That failure to provide the appropriations herein required shall render their annual budgets inoperative.

## **TITLE FIVE. - LOCAL FISCAL ADMINISTRATION**

### **CHAPTER 1 - GENERAL PROVISIONS**

**SECTION 304. Scope.** - This Title shall govern the conduct and management of financial affairs, transactions, and operations of provinces, cities, municipalities, and Barangays.

**SECTION 305. Fundamental Principles.** - The financial affairs, transactions, and operations of local government units shall be governed by the following fundamental principles:

- (a) No money shall be paid out of the local treasury except in pursuance of an appropriations ordinance or law;
- (b) Local government funds and monies shall be spent solely for public purposes;
- (c) Local revenue is generated only from sources expressly authorized by law or ordinance, and collection thereof shall at all times be acknowledged properly;
- (d) All monies officially received by a local government officer in any capacity or on any occasion shall be accounted for as local funds, unless otherwise provided by law;



- (e) Trust funds in the local treasury shall not be paid out except in fulfillment of the purpose for which the trust was created or the funds received;
- (f) Every officer of the local government unit whose duties permit or require the possession or custody of local funds shall be properly bonded, and such officer shall be accountable and responsible for said funds and for the safekeeping thereof in conformity with the provisions of law;
- (g) Local governments shall formulate sound financial plans, and the local budgets shall be based on functions, activities, and projects, in terms of expected results;
- (h) Local budget plans and goals shall, as far as practicable, be harmonized with national development plans, goals, and strategies in order to optimize the utilization of resources and to avoid duplication in the use of fiscal and physical resources;
- (i) Local budgets shall operationalize approved local development plans;
- (j) Local government units shall ensure that their respective budgets incorporate the requirements of their component units and provide for equitable allocation of resources among these component units;
- (k) National planning shall be based on local planning to ensure that the needs and aspirations of the people as articulated by the local government units in their respective local development plans are considered in the formulation of budgets of national line agencies or offices;
- (l) Fiscal responsibility shall be shared by all those exercising authority over the financial affairs, transactions, and operations of the local government units; and
- (m) The local government unit shall endeavor to have a balanced budget in each fiscal year of operation.

**SECTION 306. Definitions.** - When used in this Title, the term - (a) "Annual Budget" refers to a financial plan embodying the estimates of income and expenditures for one (1) fiscal year;

- (b) "Appropriation" refers to an authorization made by ordinance, directing the payment of goods and services from local government funds under specified conditions or for specific purposes;

- (c) "Budget Document" refers to the instrument used by the local chief executive to present a comprehensive financial plan to the Sanggunian concerned;
- (d) "Capital Outlays" refers to appropriations for the purchase of goods and services, the benefits of which extend beyond the fiscal year and which add to the assets of the local government unit concerned, including investments in public utilities such as public markets and slaughterhouses;
- (e) "Continuing Appropriation" refers to an appropriation available to support obligations for a specified purpose or projects, such as those for the construction of physical structures or for the acquisition of real property or equipment, even when these obligations are incurred beyond the budget year;
- (f) "Current Operating Expenditures" refers to appropriations for the purchase of goods and services for the conduct of normal local government operations within the fiscal year, including goods and services that will be used or consumed during the budget year;
- (g) "Expected Results" refers to the services, products, or benefits that will accrue to the public, estimated in terms of performance measures or physical targets;
- (h) "Fund" refers to a sum of money, or other assets convertible to cash, set aside for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations, and constitutes an independent fiscal and accounting entity;
- (i) "Income" refers to all revenues and receipts collected or received forming the gross accretions of funds of the local government unit;
- (j) "Obligations" refers to an amount committed to be paid by the local government unit for any lawful act made by an accountable officer for and in behalf of the local unit concerned;
- (k) "Personal Services" refers to appropriations for the payment of salaries, wages and other compensation of permanent, temporary, contractual, and casual employees of the local government unit;
- (l) "Receipts" refers to income realized from operations and activities of the local government or are received by it in the exercise of its corporate functions, consisting of charges for services rendered,

conveniences furnished, or the price of a commodity sold, as well as loans, contributions or aids from other entities, except provisional advances for budgetary purposes; and

- (m) "Revenue" refers to income derived from the regular system of taxation enforced under authority of law or ordinance, and, as such, accrue more or less regularly every year.

## **CHAPTER 2 - LOCAL AND OTHER SPECIAL FUNDS**

### **Article One. - Receipts, Safekeeping and Disposition of Local Funds**

#### **SECTION 307. Remittance of Government Monies to the Local Treasury. -**

Officers of the local authorized to receive and collect monies arising from taxes, revenues, or receipts of any kind shall remit the full amount received and collected to the treasury of such local government unit which shall be credited to the particular account or accounts to which the monies in question properly belong.

#### **SECTION 308. Local Funds. -**

Every local government unit shall maintain a General Fund which shall be used to account for such monies and resources as may be received by and disbursed from the local treasury. The General Fund shall consist of monies and resources of the local government which are available for the payment of expenditures, obligations or purposes not specifically declared by law as accruing and chargeable to, or payable from, any other fund.

#### **SECTION 309. Special Funds. -**

There shall be maintained in every provincial, city, or municipal treasury the following special funds:

- (a) Special Education Fund (SEF) shall consist of the respective shares of provinces, cities, and Barangays in the proceeds of the additional tax on real property to be appropriated for purposes prescribed in Section 272 of this Code; and
- (b) Trust Funds shall consist of private and public monies which have officially come into the possession of the local government or of a local government official as trustee, agent or administrator, or which have been received as a guaranty for the fulfillment of some obligation. A trust fund shall only be used for the specific purpose for which it was created or for which it came into the possession of the local government unit.

**SECTION 310. Separation of Books and Depository Accounts.** - Local accountants and treasurers shall maintain separate books and depository accounts, respectively, for each fund in their custody or under such rules and regulations as the Commission on Audit may prescribe.

**SECTION 311. Depository Accounts.** - Local treasurers shall maintain depository accounts in the of their respective local government units with banks, preferably government-owned, located in or nearest to their respective areas of jurisdiction. Earnings of each depository account shall accrue exclusively thereto.

**SECTION 312. Separation of Personal Money from Public Funds.** - Local treasurers and other accountable officers shall keep personal monies separate and distinct from local public funds in their custody and shall not make profit out of public money or otherwise apply the same to any use not authorized by law or ordinance.

## **Article Two. - Special Accounts**

**SECTION 313. Special Accounts to be Maintained in the General Fund.** - Local government units shall maintain special accounts in the general fund for the following:

- (a) Public utilities and other economic enterprises;
- (b) Loans, interests, bond issues, and other contributions for specific purposes; and
- (c) Development projects funded from the share of the local government unit concerned in the internal revenue allotment and such other special accounts which may be created by law or ordinance. Receipts, transfers, and expenditures involving the foregoing special accounts shall be properly taken up thereunder. Profits or income derived from the operation of public utilities and other economic enterprises, after deduction for the cost of improvement, repair and other related expenses of the public utility or economic enterprise concerned, shall first be applied for the return of the advances or loans made therefor. Any excess shall form part of the general fund of the local government unit concerned.

## CHAPTER 3. - BUDGETING

### Article One. - Local Government Budgets

**SECTION 314. Form and Content.** - (a) Local government budgets shall primarily consist of two (2) parts:

- (1) The estimates of income; and
  - (2) The total appropriations covering the current operating expenditures and capital outlays.
- (b) The budget document shall contain:
- (1) A budget message of the local chief executive setting forth in brief the significance of the executive budget, particularly in relation to the approved local development plan;
  - (2) A brief summary of the functions, projects, and activities to be accomplished in of the goals and objectives of the local government unit for the ensuing fiscal year, specifically the delivery of basic services or facilities enumerated under Section 17 of this Code;
  - (3) Summary of financial statements setting forth:
    - (i) The actual income and expenditures during the immediately preceding year;
    - (ii) The actual income and expenditures of the first two (2) quarters and the estimates of income and expenditures for the last two (2) quarters of the current fiscal year;
    - (iii) The estimates of income for the ensuing fiscal year from ordinances and laws existing at the time the proposed budget is transmitted, together with other revenue-raising proposals;
    - (iv) The estimated expenditures necessary to carry out the functions, projects, and activities of the local government unit for the ensuing fiscal year;
    - (v) All essential facts regarding the bonded and other long-term obligations and indebtedness of the local government unit, if any;

- (vi) Summary statement of all statutory and contractual obligations due; and
- (vii) Such other financial statements and data as are deemed necessary or desirable in order to disclose in all practicable detail the financial condition of the local government unit.

**SECTION 315. Submission of Detailed Statements of Income and Expenditures.** - (a) On or before the fifteenth (15th) day of July of each year, local treasurers shall submit to their respective local chief executives a certified statement covering the income and expenditures of the preceding fiscal year, the actual income and expenditures of the first two (2) quarters of the current year, and the estimated income and expenditures for the last two (2) quarters of the current year.

**SECTION 316. Local Finance Committee.** - There is hereby created in every province, city, or municipality a local finance committee to be composed of the local planning and development officer, the local budget officer, and the local treasurer. It shall exercise the following functions:

- (a) Determine the income reasonably projected as collectible for the ensuing fiscal year;
- (b) Recommend the appropriate tax and other revenue measures or borrowings, which may be appropriate to support the budget;
- (c) Recommend to the local chief executive concerned the level of the annual expenditures and the ceilings of spending for economic, social, and general services based on the approved local development plans;
- (d) Recommend to the local chief executive concerned the proper allocation of expenditures for each development activity between current operating expenditures and capital outlays;
- (e) Recommend to the local chief executive concerned the amount to be allocated for capital under each development activity or infrastructure project;
- (f) Assist the Sangguniang Panlalawigan in the review and evaluation of budget of component cities and municipalities in the case of provincial finance committee, the Barangay budgets in the case of city or municipal finance committee, and recommend the appropriate action thereon;

- (g) Assist the Sanggunian concerned in the analysis and review of annual regular and budgets of the respective local government unit to determine compliance with statutory and administrative requirements; and
- (h) Conduct semi-annual review and general examination of cost and accomplishments against performance standards applied in undertaking development projects. A copy of this report shall be furnished the local chief executive and the Sanggunian concerned, and shall be posted in conspicuous and publicly accessible places in the provinces, cities, municipalities and Barangays.

**SECTION 317. Submission of Budget Proposals by Heads of Departments or Offices.** - (a) Each head of department or office shall submit a budget proposal for his department or office to the local chief executive on or before the fifteenth (15th) of July of each year: Provided, That the budget proposal of each department or office shall be categorized under either economic, social or general services: Provided, further, That each service shall be covered by the budget of at least one (1) department or office of the local government unit concerned.

The said budget proposal shall be prepared in accordance with such policy and program as the local chief executive concerned may issue in conformity with the local development plan, the budgetary ceilings prescribed by the local finance committee, and the general requirements prescribed in this Title.

- (b) Budget proposals of departments or offices shall be divided into two (2) primary categories, namely: the current operating expenditures and the capital outlays. Such budget proposals shall contain the following information:
  - (1) Objectives, functions, and projects showing the general character and relative importance of the work to be accomplished or the services to be rendered, and the cost thereof;
  - (2) Organizational charts and staffing patterns indicating the list of plantilla positions with their corresponding salaries, and proposals for reclassification of positions and salary changes, as well as the creation of new positions with their proposed salary grade, duly supported by proper justification;
  - (3) Brief description of the functions, projects and activities for the ensuing fiscal year, expected results for each function,

project and activity, and the nature of work to be performed, including the objects of expenditure for each function, project and activity;

- (4) Relation of the work and financial proposals to approved local development plans;
- (5) Estimated current operating expenditures and capital outlays with comparative data for the last two (2) preceding, current, and ensuing fiscal years; and
- (6) Accomplishment reports for the last two (2) preceding and current fiscal years.

**SECTION 318. Preparation of the Budget by the Local Chief Executive.** -

Upon receipt of the statements of income and expenditures from the treasurer, the budget proposals of the heads of departments and offices, and the estimates of income and budgetary ceilings from the local finance committee, the local chief executive shall prepare the executive budget for the ensuing fiscal year in accordance with the provisions of this Title.

The local chief executive shall submit the said executive budget to the Sanggunian concerned not later than the sixteenth (16th) of October of the current fiscal year. Failure to submit such budget on the date prescribed herein shall subject the local chief executive to such criminal and administrative penalties as provided for under this Code and other applicable laws.

**SECTION 319. Legislative Authorization of the Budget.** - On or before the end of the current fiscal year, the Sanggunian concerned shall enact, through an ordinance, the annual budget of the local government unit for the ensuing fiscal year on the basis of the estimates of income and expenditures submitted by the local chief executive.

**SECTION 320. Effectivity of Budgets.** - The ordinance enacting the annual budget shall take effect at the beginning of the ensuing calendar year. An ordinance enacting a supplemental budget, however, shall take effect upon its approval or on the date fixed therein.

The responsibility for the execution of the annual and supplemental budgets and the accountability therefore shall be vested primarily in the local chief executive concerned.

**SECTION 321. Changes in the Annual Budget.** - All budgetary proposals shall be included and in the budget preparation process. After the local chief executive concerned shall have submitted the executive budget to the



Sanggunian, no ordinance providing for a supplemental budget shall be enacted, except when supported by funds actually available as certified by the local treasurer or by new revenue sources.

A supplemental budget may also be enacted in times of public calamity by way of budgetary realignment to set aside appropriations for the purchase of supplies and materials or the payment of services which are exceptionally urgent or absolutely indispensable to prevent imminent danger to, or loss of, life or property, in the jurisdiction of the local government unit or in other areas declared by the President in a state of calamity. Such ordinance shall clearly indicate the sources of funds available for appropriations, as certified under oath by the local treasurer and local accountant and attested by the local chief executive, and the various items of appropriations affected and the reasons for the change.

**SECTION 322. Reversion of Unexpended Balances of Appropriations, Continuing Appropriations.** - balances of appropriations authorized in the annual appropriations ordinance shall revert to the surplus of the general fund at the end of the fiscal year and shall not thereafter be available for expenditure except by subsequent enactment. However, appropriations for capital outlays shall continue and remain valid until fully spent, reverted or the project is completed. Reversions of continuing appropriations shall not be allowed unless obligations therefor have been fully paid or otherwise settled.

The balances of continuing appropriations shall be reviewed as part of the annual budget preparation and the Sanggunian concerned may approve, upon recommendation of the local chief executive, the reversion of funds no longer needed in connection with the activities funded by said continuing appropriations subject to the provisions of this Section.

**SECTION 323. Failure to Enact the Annual Appropriations.** - In case the Sanggunian concerned fails to pass the ordinance authorizing the annual appropriations at the beginning of the ensuing fiscal year, it shall continue to hold sessions, without additional remuneration for its members, until such ordinance is approved, and no other business may be taken up during such sessions. If the Sanggunian still fails to enact such ordinance after ninety (90) days from the beginning of the fiscal year, the ordinance authorizing the appropriations of the preceding year shall be deemed reenacted and shall remain in force and effect until the ordinance authorizing the proposed appropriations is passed by the Sanggunian concerned. However, only the annual appropriations for salaries and wages of existing positions, statutory and contractual obligations, and essential operating expenses authorized in the annual and supplemental budgets for the preceding year shall be deemed reenacted and disbursement of funds shall be in accordance therewith.

In the implementation of such reenacted ordinance, the local treasurer concerned shall exclude from the estimates of income for the preceding fiscal year those realized from nonrecurring sources, like national aids, proceeds from loans, sale of assets, prior year adjustments, and other analogous sources of income. No ordinance authorizing supplemental appropriations shall be passed in place of the annual appropriations. In case the revised income estimates be less than the aggregate reenacted appropriations, the local treasurer concerned shall accordingly advise the Sanggunian concerned which shall, within ten (10) days from the receipt of such advice, make the necessary adjustments or reductions. The revised appropriations authorized by the Sanggunian concerned shall then be the basis for disbursements.

**SECTION 324. Budgetary Requirements.** - The budgets of local government units for any fiscal year shall comply with the following requirements: (a) The aggregate amount appropriated shall not exceed the estimates of income;

- (b) Full provision shall be made for all statutory and contractual obligations of the local government unit concerned: Provided, however, That the amount of appropriations for debt servicing shall not exceed twenty percent (20%) of the regular income of the local government unit concerned;
- (c) In the case of provinces, cities, and municipalities, aid to component Barangays shall be in amounts of not less than One thousand pesos (P=1,000.00) per Barangay; and
- (d) Five percent (5%) of the estimated revenue from regular sources shall be set aside as an annual lump sum appropriation for unforeseen expenditures arising from the occurrence of calamities: Provided, however, That such appropriation shall be used only in the area, or a portion thereof, of the local government unit or other areas declared by the President in a state of calamity.

**SECTION 325. General Limitations.** - The use of the provincial, city, and municipal funds shall be subject to the following limitations:

- (a) The total appropriations, whether annual or supplemental, for personal services of a local government unit for one (1) fiscal year shall not exceed forty-five percent (45%) in the case of first to third class provinces, cities, and municipalities, and fifty-five percent (55%) in the case of fourth class or lower, of the total annual income from regular sources realized in the next preceding fiscal year. The appropriations for salaries, wages, representation

and transportation allowances of officials and employees of the public utilities and economic enterprises owned, operated, and maintained by the local government unit concerned shall not be included in the annual budget or in the computation of the maximum amount for personal services. The appropriations for the personal services of such economic enterprises shall be charged to their respective budgets;

- (b) No official or employee shall be entitled to a salary rate higher than the maximum fixed for his position or other positions of equivalent rank by applicable laws or rules and regulations issued thereunder;
- (c) No local fund shall be appropriated to increase or adjust salaries or wages of officials and employees of the national government, except as may be expressly authorized by law; (d) In cases of abolition of positions and the creation of new ones resulting from the abolition of existing positions in the career service, such abolition or creation shall be made in accordance with pertinent provisions of this code and the civil service law, rules and regulations;
- (e) Positions in the official plantilla for career positions which are occupied by incumbents holding permanent appointments shall be covered by adequate appropriations;
- (f) No changes in designation or nomenclature of positions resulting in a promotion or demotion in rank or increase or decrease in compensation shall be allowed, except when the position is actually vacant, and the filling of such positions shall be strictly made in accordance with the civil service law, rules and regulations; (g) The creation of new positions and salary increases or adjustments shall in no case be made retroactive; and
- (h) The annual appropriations for discretionary purposes of the local chief executive shall not exceed two percent (2%) of the actual receipts derived from basic real property tax in the next preceding calendar year. Discretionary funds shall be disbursed only for public purposes to be supported by appropriate vouchers and subject to such guidelines as may be prescribed by law. No amount shall be appropriated for the same purpose except as authorized under this Section.

**SECTION 326. Review of Appropriation Ordinances of provinces, Highly-Urbanized Cities, Independent Component Cities, and Municipalities within the Metropolitan Manila Area.** - The Department of Budget and Management shall review ordinances authorizing the annual or

supplemental appropriations of provinces, highly-urbanized cities, independent component cities, and municipalities within the Metropolitan Manila Area in accordance with the immediately succeeding Section.

**SECTION 327. Review of Appropriation Ordinances of Component Cities and Municipalities.** - The Sangguniang Panlalawigan shall review the ordinance authorizing annual or supplemental appropriations of component cities and municipalities in the same manner and within the same period prescribed for the review of other ordinances.

If within ninety (90) days from receipt of copies of such ordinance, the Sangguniang Panlalawigan takes no action thereon, the same shall be deemed to have been reviewed in accordance with law and shall continue to be in full force and effect. If within the same period, the Sangguniang Panlalawigan shall have ascertained that the ordinance authorizing annual or supplemental appropriations has not complied with the requirements set forth in this Title, the Sangguniang Panlalawigan shall, within the ninety-day period hereinabove prescribed, declare such ordinance inoperative in its entirety or in part. Items of appropriation contrary to limitations prescribed in this Title or in excess of the amounts prescribed herein shall be disallowed or reduced accordingly.

The Sangguniang Panlalawigan shall within the same period advise the Sangguniang panlungsod or Sangguniang bayan concerned through the local chief executive of any action on the ordinance under review. Upon receipt of such advice, the city or municipal treasurer concerned shall not make further disbursements of funds from any of the items of appropriation declared inoperative, disallowed or reduced.

**SECTION 328. Duration of Appropriation.** - Appropriations for ordinary administrative purposes not duly obligated shall terminate with the fiscal year and all unexpended balances thereof shall be automatically reverted on the thirty-first (31st) day of December of each year to the general fund of the local government unit.

## **Article Two. - Barangay Budgets**

**SECTION 329. Barangay Funds.** - Unless otherwise provided in this Title, all the income of the Barangay from whatever source shall accrue to its general fund and shall, at the option of the Barangay concerned, be kept as trust fund in the custody of the city or municipal treasurer or be deposited in a bank, preferably government-owned, situated in or nearest to its area of jurisdiction. Such funds shall be disbursed in accordance with the provisions of this Title. Ten percent (10%) of the general fund of the Barangay shall be set aside for the Sangguniang kabataan.

**SECTION 330. Submission of Detailed Statements of Income and Expenditures for the Barangay Budgets.** - On or before the fifteenth (15th) day of September of each year, the Barangay treasurer shall submit to the punong Barangay a statement covering the estimates of income and expenditures for the ensuing fiscal year, based on a certified statement issued by the city or municipal treasurer covering the estimates of income from local sources for the Barangay concerned.

**SECTION 331. Preparation of the Barangay Budget.** - (a) Upon receipt of the statement of income and expenditures from the Barangay treasurer, the punong Barangay shall prepare the Barangay budget for the ensuing fiscal year in the manner and within the period prescribed in this Title and submit the annual Barangay budget to the Sangguniang Barangay for legislative enactment.

- (b) The total annual appropriations for personal services of a Barangay for one (1) fiscal year shall not exceed fifty-five percent (55%) of the total annual income actually realized from local sources during the next preceding fiscal year.
- (c) The Barangay budget shall likewise be subject to the same budgetary requirements and limitations hereinabove prescribed.

**SECTION 332. Effectivity of Barangay Budgets.** - The ordinance enacting the annual budget shall take effect at the beginning of the ensuing calendar year. An ordinance enacting a supplemental budget, however, shall take effect upon its approval or on the date fixed therein. The responsibility for the execution of the annual and supplemental budgets and the accountability therefor shall be vested primarily in the punong Barangay concerned.

**SECTION 333. Review of the Barangay Budget.** - (a) Within ten (10) from its approval, copies of the Barangay ordinance authorizing the annual appropriations shall be furnished the Sangguniang panlungsod or the Sangguniang bayan, as the case may be, through the city or municipal budget officer. The Sanggunian concerned shall have the power to review such ordinance in order to ensure that the provisions of this Title are complied with. If within sixty (60) days after the receipt of the ordinance, the Sanggunian concerned takes no action thereon, the same shall continue to be in full force and effect. If within the same period, the Sanggunian concerned shall have ascertained that the ordinance contains appropriations in excess of the estimates of the income duly certified as collectible, or that the same has not complied with the budgetary requirements set forth in this Title, the said ordinance shall be declared inoperative in its entirety or in part. Items of appropriation contrary to, or in

excess of, any of the general limitations or the maximum amount prescribed in this Title shall be disallowed or reduced accordingly.

- (b) Within the period hereinabove fixed, the Sangguniang panlungsod or Sangguniang bayan concerned shall return the Barangay ordinance, through the city or municipal budget officer, to the punong Barangay with the advice of action thereon for proper adjustments, in which event, the Barangay shall operate on the ordinance authorizing annual appropriations of the preceding fiscal year until such time that the new ordinance authorizing annual appropriations shall have met the objections raised. Upon receipt of such advice, the Barangay treasurer or the city or municipal treasurer who has custody of the funds shall not make further disbursement from any item of appropriation declared inoperative, disallowed, or reduced.

**SECTION 334. Barangay Financial Procedures.** - (a) The Barangay treasurer shall collect all taxes, fees, and other charges due and contributions accruing to the Barangay for which he shall issue official receipts, and shall deposit all collections with the city or municipal treasury or in the depository account maintained in the name of the Barangay within five (5) days after receipt thereof. He may collect real property taxes and such other taxes as may be imposed by a province, city or municipality that are due in his Barangay only after being deputized by the local treasurer concerned for the purpose.

- (b) The Barangay treasurer may be authorized by the Sangguniang Barangay to make direct purchases amounting to not more than One thousand pesos (Php1,000.00) at any time for the ordinary and essential needs of the Barangay. The petty cash that the Barangay treasurer may be authorized to hold for the purpose shall not exceed twenty percent (20%) of the funds available and to the credit of the Barangay treasury.
- (c) The financial records of the Barangay shall be kept in the office of the city or municipal accountant in simplified manner as prescribed by the Commission on Audit. Representatives of the Commission on Audit shall audit such accounts annually or as often as may be necessary and make a report of the audit to the Sangguniang panlungsod or Sangguniang bayan, as the case may be. The Commission on Audit shall prescribe and put into effect simplified procedures for Barangay finances within six (6) months following the effectivity of this Code.

## **CHAPTER 4. - EXPENDITURES, DISBURSEMENTS, ACCOUNTING AND ACCOUNTABILITY**

**SECTION 335. Prohibitions Against Expenditures for Religious or Private Purposes.** - No public money or property shall be appropriated or applied for religious or private purposes.

**SECTION 336. Use of Appropriated Funds and Savings.** - Funds shall be available exclusively for the specific purpose for which they have been appropriated. No ordinance shall be passed authorizing any transfer of appropriations from one item to another. However, the local chief executive or the presiding officer of the Sanggunian concerned may, by ordinance, be authorized to augment any item in the approved annual budget for their respective offices from savings in other items within the same expense class of their respective appropriations.

**SECTION 337. Restriction Upon Limit of Disbursements.** - Disbursements in accordance with appropriations in the approved annual budget may be made from any local fund in the custody of the treasurer, but the total disbursements from any local fund shall in no case exceed fifty percent (50%) of the uncollected estimated revenue accruing to such local fund in addition to the actual collections: Provided, however, That no cash overdraft in any local fund shall be incurred at the end of the fiscal year.

In case of emergency arising from a typhoon, earthquake, or any other calamity, the Sanggunian concerned may authorize the local treasurer to continue making disbursements from any local fund in his possession in excess of the limitations herein provided, but only for such purposes and amounts included in the approved annual budgets. Any overdraft which may be incurred at the end of the year in any local fund by virtue of the provisions hereof shall be covered with the first collections of the immediately succeeding fiscal year accruing to such local fund.

**SECTION 338. Prohibitions Against Advance Payments.** - No money shall be paid on account of any contract under which no services have been rendered or goods delivered.

**SECTION 339. Cash Advances.** - No cash advance shall be granted to any local official or employee, elective or appointive, unless made in accordance with the rules and regulations as the Commission on Audit may prescribe.

**SECTION 340. Persons Accountable for Local Government Funds.** - Any officer of the local government unit whose duty permits or requires the possession or custody of local government funds shall be accountable and responsible for the safekeeping thereof in conformity with the provisions of

this Title. Other local officers who, though not accountable by the nature of their duties, may likewise be similarly held accountable and responsible for local government funds through their participation in the use or application thereof.

**SECTION 341. Prohibitions Against Pecuniary Interest.** - Without prejudice to criminal prosecution under applicable laws, any local treasurer, accountant, budget officer, or other accountable local officer having any pecuniary interest, direct or indirect, in any contract, work or other business of the local government unit of which he is an accountable officer shall be administratively liable therefor.

**SECTION 342. Liability for Acts Done Upon Direction of Superior Officer, or Upon Participation of Other Department Heads or Officers of Equivalent Rank.** - Unless he registers his objection in writing, the local treasurer, accountant, budget officer, or other accountable officer shall not be relieved of liability for illegal or improper use or application or deposit of government funds or property by reason of his having acted upon the direction of a superior officer, elective or appointive, or upon participation of other department heads or officers of equivalent rank. The superior officer directing, or the department head participating in such illegal or improper use or application or deposit of government funds or property, shall be jointly and severally liable with the local treasurer, accountant, budget officer, or other accountable officer for the sum or property so illegally or improperly used, applied or deposited.

**SECTION 343. Prohibition Against Expenses for Reception and Entertainment.** - No money shall be appropriated, used, or paid for entertainment or reception except to the extent of the representation allowances authorized by law or for the reception of visiting dignitaries of foreign governments or foreign missions, or when expressly authorized by the President in specific cases.

**SECTION 344. Certification on, and Approval of, Vouchers.** - No money shall be disbursed unless the local budget officer certifies to the existence of appropriation that has been legally made for the purpose, the local accountant has obligated said appropriation, and the local treasurer certifies to the availability of funds for the purpose. Vouchers and payrolls shall be certified to and approved by the head of the department or office who has administrative control of the fund concerned, as to validity, propriety, and legality of the claim involved. Except in cases of disbursements involving regularly recurring administrative expenses such as payrolls for regular or permanent employees, expenses for light, water, telephone and telegraph services, remittances to government creditor agencies such as the GSIS, SSS, LBP, DBP, National Printing Office, Procurement Service of the DBM and others, approval of the



disbursement voucher by the local chief executive himself shall be required whenever local funds are disbursed.

In cases of special or trust funds, disbursements shall be approved by the administrator of the fund. In case of temporary absence or incapacity of the department head or chief of office, the officer next-in-rank shall automatically perform his function and he shall be fully responsible therefor.

**SECTION 345. Officials Authorized to Draw Checks in Settlement of Obligations.** - Checks in settlement of obligations shall be drawn by the local treasurer and countersigned by the local administrator. In case of temporary absence or incapacity of the foregoing officials, these duties shall devolve upon their immediate assistants.

**SECTION 346. Disbursements of Local Funds and Statement of Accounts.** - Disbursements shall be made in accordance with the ordinance authorizing the annual or supplemental appropriations without the prior approval of the Sanggunian concerned. Within thirty (30) days after the close of each month, the local accountant shall furnish the Sanggunian with such financial statements as may be prescribed by the Commission on Audit. In the case of the year-end statement of accounts, the period shall be sixty (60) days after the thirty-first (31st) of December.

**SECTION 347. Rendition of Accounts.** - Local treasurers, accountants and other local accountable officers shall render their accounts within such time, in such form, style, and content and under such as the Commission on Audit may prescribe. Provincial, city, and municipal auditors shall certify the balances arising in the accounts settled by them to the Chairman of the Commission on Audit and to the local treasurer, accountant, and other accountable officers. Copies of the certification shall be prepared and furnished other local officers who may be held jointly and severally liable for any loss or illegal, improper or unauthorized use or misappropriation of local funds or property.

**SECTION 348. Auditorial Visitation.** - The books, accounts, papers, and cash of local treasurer, accountant, budget officer, or other accountable officers shall at all times be open for inspection of the Commission on Audit or its duly authorized representative.

In case an examination of the accounts of a local treasurer discloses a shortage in cash which should be on hand, it shall be the duty of the examining officer to seize the office and its contents, notify the Commission on Audit, the local chief executive concerned, and the local accountant. Thereupon, the examining officer shall immediately turn over to the accountable officer next-in-rank in the local treasury service, unless

the said officer is likewise under investigation, the office of the treasurer and its contents, and close and render his accounts on the date of turnover. In case the accountable officer next in rank is under investigation, the auditor shall take full possession of the office and its contents, close and render his accounts on the date of taking possession, and temporarily continue the public business of such office until such time that the local treasurer is restored or a successor has been duly designated. The local treasurer or accountable officer found with such shortage shall be automatically suspended from office.

**SECTION 349. Accounting for Revenues.** - Estimated revenues which remain unrealized at the close of the fiscal year shall not be booked or credited to the unappropriated surplus or any other account.

**SECTION 350. Accounting for Obligations.** - All lawful expenditures and obligations incurred during a fiscal year shall be taken up in the accounts of that year.

**SECTION 351. General Liability for Unlawful Expenditures.** - Expenditures of funds or use of property in violation of this Title and other laws shall be a personal liability of the official or employee responsible therefor.

**SECTION 352. Posting of the Summary of Income and Expenditures.** - Local treasurers, accountants, budget officers and other accountable officers shall, within thirty (30) days from the end of each fiscal year, post in at least three (3) publicly accessible and conspicuous places in the local government unit a summary of all revenues collected and funds received including the appropriations and disbursements of such funds during the preceding fiscal year.

**SECTION 353. The Official Fiscal Year.** - The official fiscal year of local government units shall be the period beginning with the first day of January and ending with the thirty-first day of December of the same year.

**SECTION 354. Administrative Issuances; Budget Operations Manual.** - The Secretary of Budget and Management jointly with the Chairman of the Commission on Audit shall, within one (1) year from the effectivity of this Code, promulgate a Budget Operations Manual for local government units to improve and systematize methods, techniques, and procedures employed in budget preparation, authorization, execution, and accountability.

## **TITLE VI. - PROPERTY AND SUPPLY MANAGEMENT IN THE LOCAL GOVERNMENT UNITS**

**SECTION 355. Scope.** - This Title shall govern the procurement, care, utilization, custody, and disposal of supplies, as defined herein, by local government units and the other aspects of supply management at the local levels.

**SECTION 356. General Rule in Procurement or Disposal.**- Except as otherwise provided herein, acquisition of supplies by local government units shall be through competitive public bidding. Supplies which have become unserviceable or no longer needed shall be sold, whenever applicable, at public auction, subject to applicable rules and regulations.

**SECTION 357. Definition of Terms.** - When used in this Title, the term -

- (a) "Lowest Complying and Responsible Bid" refers to the proposal of one who offers the lowest price, meets all the technical specifications and requirements of the supplies desired and, as a dealer in the line of supplies involved, maintains a regular establishment, and has complied consistently with previous commitments;
- (b) "Suitable Substitute" refers to that kind of article which would serve substantially the same purpose or produce substantially the same results as the brand, type, or make of article originally desired or requisitioned;
- (c) "Supplies" includes everything, except real property, which may be needed in the transaction of public business or in the pursuit of any undertaking, project, or activity, whether in the nature of equipment, furniture, stationary materials for construction or personal property of any sort, including non-personal or contractual services such as the repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related services; and
- (d) "Terms and Conditions" refer to other requirements not affecting the technical specifications and requirements of the required supplies desired such as bonding, terms of delivery and payment, and related preferences.

**SECTION 358. Requirement of Requisition.** - Any order for supplies shall be filled by the provincial or city general services officer or the municipal or Barangay treasurer concerned, as the case may be, for any office or

department of a local government unit only upon written requisition as hereinafter provided.

**SECTION 359. Officers Having Authority to Draw Requisitions.** - Requisitions shall be prepared by the head of office or department needing the supplies, who shall certify as to their necessity for official use and specify the project or activity where the supplies are to be used.

**SECTION 360. Certification by the Local Budget Officer, Accountant, and Treasurer.** - Every requisition must be accompanied by a certificate signed by the local budget officer, the local accountant, and the local treasurer showing that an appropriation therefor exists, the estimated amount of such expenditure has been obligated, and the funds are available for the purpose, respectively.

**SECTION 361. Approval of Requisitions.** - Approval of the requisition by the head of office or department concerned who has administrative control of the appropriation against which the proposed expenditure is chargeable is deemed sufficient, except in case of requisition for supplies to be carried in stock which shall be approved by the local chief executive concerned: Provided, That such supplies are listed or included in the annual procurement plan and the maximum quantity thereof does not exceed the estimated consumption corresponding to a programmed three-month period: Provided, further, That nothing herein contained shall be held as authorizing the purchase of furniture and equipment for stock purposes.

**SECTION 362. Call for Bids.** - When procurement is to be made by local government units, the provincial or city general services officer or the municipal or Barangay treasurer shall call bids for open public competition. The call for bids shall show the complete specifications and technical descriptions of the required supplies and shall embody all terms and conditions of participation and award, terms of delivery and payment, and all other covenants affecting the transaction. In all calls for bids, the right to waive any defect in the tender as well as the right to accept the bid most advantageous to the government shall be reserved. In no case, however, shall failure to meet the specifications or technical requirements of the supplies desired be waived.

**SECTION 363. Publication of Call for Bids.** - The call for bids shall be given the widest publicity possible, sending, by mail or otherwise, any known prospective participant in the locality, of copies of the call and by posting copies of the same in at least three (3) publicly accessible and conspicuous places in the provincial capitol or city, municipal, or Barangay hall, as the case may be.

The notice of the bidding may likewise be published in a newspaper of general circulation in the territorial jurisdiction of the local government unit concerned when the provincial or city general services officer or the municipal or Barangay treasurer, as the case may be, deems it necessary in order to obtain the lowest responsible and complying bid.

The opening of bids shall only be made in the presence of the provincial or city auditor or his duly authorized representative who shall initial and secure copies of the bids and certify the abstract of the bidding.

**SECTION 364. The Committee on Awards.** - There shall be in every province, city or municipality a committee on awards to decide the winning bids and questions of awards on procurement and disposal of property.

The Committee on Awards shall be composed of the local chief executive as chairman, the local treasurer, the local accountant, the local budget officer, the local general services officer, and the head of office or department for whose use the supplies are being procured, as members. In case a head of office or department would sit in a dual capacity, a member of the Sanggunian elected from among its members shall sit as a member. The committee on awards at the Barangay level shall be the Sangguniang Barangay. No national official shall sit as a member of the committee on awards.

The results of the bidding shall be made public by conspicuously posting the same in the provincial capitol or city, municipal, or Barangay hall.

**SECTION 365. Rule on Awards.** - Awards in the procurement of supplies shall be given to the lowest complying and responsible bid which meets all the terms and conditions of the contract or undertaking.

**SECTION 366. Procurement Without Public Bidding.** - Procurement of supplies may be made without the benefit of public bidding under any of the following modes:

- (a) Personal canvass of responsible merchants;
- (b) Emergency purchase;
- (c) Negotiated purchase;
- (d) Direct purchase from manufacturers or exclusive distributors; and
- (e) Purchase from other government entities.

**SECTION 367. Procurement through Personal Canvass.** - Upon approval by the Committee on Awards, procurement of supplies may be effected after personal canvass of at least three (3) responsible suppliers in the locality by a committee of three (3) composed of the local general services officer or the municipal or Barangay treasurer, as the case may be, the local accountant, and the head of office or department for whose use the supplies are being procured. The award shall be decided by the Committee on Awards.

Purchases under this Section shall not exceed the amounts specified hereunder for all items in any one (1) month for each local government unit:

Provinces and Cities and Municipalities within the Metropolitan Manila Area:

|                        |   |
|------------------------|---|
| First and Second Class | One hundred fifty thousand pesos<br>(P150,000.00) |
| Third and Fourth Class | One hundred thousand pesos<br>(P100,000.00)       |
| Fifth and Sixth Class  | Fifty thousand pesos (P50,000.00)                 |

Municipalities:

|                        |                                    |
|------------------------|------------------------------------|
| First Class            | Sixty thousand pesos (P60,000.00)  |
| Second and Third Class | Forty thousand pesos (P40,000.00)  |
| Fourth Class and Below | Twenty thousand pesos (P20,000.00) |

**SECTION 368. Emergency Purchase.** - In cases of emergency where the need for the supplies is exceptionally urgent or absolutely indispensable and only to prevent imminent danger to, or loss of, life or property, local government units may, through the local chief executive concerned, make emergency purchases or place repair orders, regardless of amount, without public bidding. Delivery of purchase orders or utilization of repair orders pursuant to this Section shall be made within ten (10) days after placement of the same. Immediately after the emergency purchase or repair order is made, the chief of office or department making the emergency purchase or repair order shall draw a regular requisition to cover the same which shall contain the following:

- (a) A complete description of the supplies acquired or the work done or to be performed;
- (b) By whom furnished or executed;
- (c) Date of placing the order and the date and time of delivery or execution

- (d) The unit price and the total contract price;
- (e) A brief and concise explanation of the circumstances why procurement was of such urgency that the same could not be done through the regular course without involving danger to, or loss of, life or property;
- (f) A certification of the provincial or city general services or the municipal or Barangay treasurer, as the case may be, to the effect that the price paid or contracted for was the lowest at the time of procurement; and
- (g) A certification of the local budget officer as to the existence of appropriations for the purpose, the local accountant as to the obligation of the amount involved, and the local treasurer as to the of funds. The goods or services procured under this Section must be utilized or availed of within fifteen (15) days from the date of delivery or availability.

Without prejudice to criminal prosecution under applicable laws, the local chief executive, the head of department, or the chief of office making the procurement shall be administratively liable for any violation of this Section and shall be a ground for suspension or dismissal from service.

**SECTION 369. Negotiated Purchase.** - (a) In cases where public biddings have failed for two (2) consecutive times and no suppliers have qualified to participate or win in the biddings, local government units may, through the local chief executive concerned, undertake the procurement of supplies by negotiated purchase, regardless of amount, without public bidding: Provided, however, That the contract covering the negotiated purchase shall be approved by the Sanggunian concerned. Delivery of purchase orders or utilization of repair orders pursuant to this Section shall be made within seven (7) days after placement of the same. Immediately after the negotiated purchase or repair order is made, the local chief executive concerned shall draw a regular requisition to cover the same which shall contain the following:

- (1) A complete description of the supplies acquired or the work done or to be performed;
- (2) By whom furnished or executed;
- (3) Date of placing the order and the date and time of delivery or execution;

- (4) The unit price and the total contract price;
  - (5) A certification of the provincial or city general services or the municipal or Barangay treasurer, as the case may be, to the effect that the price paid or contracted for was the lowest at the time of procurement;
  - (6) A certification to the effect that the price paid or contracted for was the lowest at the time of procurement; and
  - (7) A certification of the local budget officer as to the existence of appropriations for the purpose, the local accountant as to the obligation of the amount involved, and the local treasurer as to the availability of funds.
- (b) In case of repeat orders for regular supplies, procurement may be made by negotiated purchase: Provided, That the repeat order is made within three (3) months from the last procurement of the same item: Provided, further, That the same terms and conditions of sale are obtained for the said repeat order.

**SECTION 370. Procurement from Duly Licensed Manufacturer.** - Procurement may be made directly from duly licensed manufacturers in cases of supplies of Philippine manufacture or origin and in case there are two (2) or more manufacturers of the required supplies, canvass of the known manufacturers shall be conducted to obtain the lowest price for the quality of the said supplies.

**SECTION 371. Procurement from Exclusive Philippine Agents or Distributors.** - Procurement may, in the case of supplies of foreign origin, preferably be made directly from the exclusive or reputable Philippine distributors or agents, subject to the following conditions:

- (a) That the Philippine distributor has no subdealers selling at lower prices; and
- (b) That no suitable substitutes of substantially the same quality are available at lower prices.

**SECTION 372. Procurement from Government Entities.** - Procurement may be made directly from government entities producing the required supplies, including units or agencies of foreign governments with which the Philippines maintains diplomatic relations. In the latter case, prior authority from the Office of the President shall be required.



**SECTION 373. Annual Procurement Program.** - (a) On or before the fifteenth (15th) day of July each year, the local chief executive shall prepare an annual procurement program for the ensuing fiscal year which shall contain an itemized list of the estimated quantity of supplies needed for such year, a complete description thereof as to kind, quality, estimated cost, and balance on hand: Provided, however, That the total estimated cost of the approved annual procurement program shall not exceed the total appropriations authorized for the acquisition of supplies. The local government units may augment the supplies and equipment provided by the Supreme Court to the lower courts located in their respective jurisdictions.

(b) Except in emergency cases or where urgent indispensable needs could not have been reasonably anticipated, no purchase of supplies shall be made unless included in, or covered by, the approved procurement program.

(c) The conversion of excess cash into supplies stock is hereby prohibited except to the extent of the kind and quantity specified in the approved annual procurement plan. A violation of this Section shall be a ground for suspension or dismissal of any official or employee responsible therefor.

**SECTION 374. Establishment of an Archival System.** - Every local government unit shall provide for the establishment of an archival system to ensure the safety and protection of all government property, public documents or records such as records of births, marriages, property inventory, land assessments, land ownership, tax payments, tax accounts, and business permits, and such other records or documents of public interest in the various departments and offices of the provincial, city, or municipal government concerned.

**SECTION 375. Primary and Secondary Accountability for Government Property.** - (a) Each head of department or office of a province, city, municipality or Barangay shall be primarily accountable for all government property assigned or issued to his department or office. The person or persons entrusted with the possession or custody of government property under the accountability of any head of department or office shall be immediately accountable to such officer.

(b) The head of a department or office primarily accountable for government property may any person in possession of the property or having custody and control thereof under him to keep such records and make reports as may be necessary for his own information and protection.

- (c) Buildings and other physical structures shall be under the accountability and responsibility of the provincial or city general services officer or the municipal mayor or Punong Barangay, as the case may be.
- (d) Every officer primarily accountable for government property shall keep a complete record of all properties under his charge and render his accounts therefor semiannually to the provincial or city general services officer or the municipal mayor or Punong Barangay, as the case may be.

**SECTION 376. Responsibility for Proper Use and Care of Government Property.** - The person in actual physical possession of government property or entrusted with its custody and control shall be responsible for its proper use and care and shall exercise due diligence in the utilization and safekeeping thereof.

**SECTION 377. Measure of Liability of Persons Accountable for Government Property.** - (a) The person immediately accountable for government property shall be liable for its money value in case of the illegal, improper or unauthorized use or misapplication thereof, by himself or any other person for whose acts he may be responsible, and he shall be liable for all loss, damage, or deterioration occasioned by negligence in the keeping or use of such property unless it is proved that he has exercised due diligence and care in the utilization and safekeeping thereof.

- (b) Unless he registers his objection in writing, an accountable person shall not be relieved from liability by reason of his having acted under the direction of a superior officer in using property with which he is chargeable; but the officer directing any illegal, unauthorized or improper use of property shall first be required to answer therefor.
- (c) In cases of loss, damage, or deterioration of government property arising from, or attributable to, negligence in security, the head of the security agency shall be held liable therefor.

**SECTION 378. Credit for Loss Occurring in Transit or Due to Casualty.** - When a loss of government property occurs while the same is in transit or is caused by fire, theft, force majeure, or other casualty, the officer accountable therefor or having custody thereof shall immediately notify the provincial or city auditor concerned within thirty (30) days from the date the loss occurred or for such longer period as the provincial, city or municipal auditor, as the case may be, may in the particular case allow, and he shall present his application for relief, with the available evidence in support thereof. An officer who fails to comply with this requirement

shall not be relieved of liability or allowed credit for any such loss in the settlement of his accounts.

A provincial, city or municipal auditor shall not allow credit for these losses unless so expressly authorized by the Chairman of the Commission on Audit , to be exercised only if the loss is not in excess of fifty thousand pesos (Php50,000.00). In any case when the allowance of credit is not within the competence of the provincial, city or municipal auditor, the application and evidence, with the recommendation of the auditor concerned, shall be forwarded to the Chairman of the Commission on Audit for his appropriate action.

**SECTION 379. Property Disposal.** - When property of any local government unit has become unserviceable for any cause or is no longer needed, it shall, upon application of the officer accountable therefor, be inspected and appraised by the provincial, city or municipal auditor, as the case may be, or his duly authorized representative or that of the Commission on Audit and, if found valueless or unusable, shall be destroyed in the presence of the inspecting officer.

If found valuable, the same shall be sold at public auction to the highest bidder under the supervision of the committee on awards and in the presence of the provincial, city or municipal auditor or his duly authorized representative. Notice of the public auction shall be posted in at least three (3) publicly accessible and conspicuous places, and if the acquisition cost exceeds One hundred thousand pesos (Php100,000.00) in the case of provinces and cities, and Fifty thousand (Php50,000.00) in the case of municipalities, notice of auction shall be published at least two (2) times within a reasonable period in a newspaper of general circulation in the locality.

**SECTION 380. Negotiated Sale of Property.** - Property no longer needed may also be disposed of at a private sale at such price as may be determined by the committee on awards, subject to the approval of the Commission on Audit or its duly authorized representative when the acquisition or transfer cost of the property exceeds Fifty thousand pesos (Php50,000.00) in the case of provinces and cities, and Twenty-five thousand (Php25,000.00) in the case of municipalities and Barangays. In case of real property, the disposal shall be subject to the approval of the Commission on Audit regardless of the value or cost involved.

**SECTION 381. Transfer Without Cost.** - Property which has become unserviceable or is no longer needed may be transferred without cost to another office, agency, subdivision or instrumentality of the national government or another local government unit at an appraised valuation determined by the local committee on awards. Such transfer shall be

subject to the approval of the Sanggunian concerned making the transfer and by the head of the office, agency, subdivision, instrumentality or local government unit receiving the property.

**SECTION 382. Tax Exemption Privileges of Local Government Units.** - Local government units shall be exempt from the payment of duties and taxes for the importation of heavy equipment or machineries which shall be used for the construction, improvement, repair, and maintenance of roads, bridges and other infrastructure projects, as well as garbage trucks, fire trucks, and other similar equipment: Provided, however, That such equipment or machineries shall not be disposed of, either by public auction or negotiated sale as hereinabove provided, within five (5) years from the importation thereof. In case the machinery or equipment is sold within the five-year period, the purchasers or recipients shall be considered the importers thereof, and shall be liable for duties and taxes computed on the book value of such importation.

**SECTION 383. Implementing Rules and Regulations.** - The Chairman of the Commission on Audit shall promulgate the rules and regulations necessary to effectively implement the provisions of this Title, including requirements as to testing, inspection, and standardization of supply and property.

# **BOOK III**

## **LOCAL GOVERNMENT UNITS**

### **TITLE ONE. – THE BARANGAY**

#### **CHAPTER 1. – ROLE AND CREATION OF THE BARANGAY**

**SECTION. 384. Role of the Barangay.** - As the basic political unit, the Barangay serves as the primary planning and implementing unit of government policies, plans, programs, projects, and activities in the community, and as a forum wherein the collective views of the people may be expressed, crystallized and considered, and where disputes may be amicably settled.

**SECTION. 385. Manner of Creation.** - A Barangay may be created, divided, merged, abolished, or its boundary substantially altered, by law or by an ordinance of the Sangguniang Panlalawigan or Sangguniang Panlungsod, subject to approval by a majority of the votes cast in a plebiscite to be conducted by the Comelec in the local government unit or units directly affected within such period of time as may be determined by the law or ordinance creating said Barangay. In the case of the creation of Barangays by the Sangguniang Panlalawigan, the recommendation of the Sangguniang Bayan concerned shall be necessary.

**SECTION. 386. Requisites for Creation.** - (a) A Barangay maybe created out of a contiguous territory which has a population of at least two thousand (2,000) inhabitants as certified by the National Statistics Office except in cities and municipalities within Metro Manila and other metropolitan political subdivisions or in highly urbanized cities where such territory shall have a certified population of at least five thousand(5,000) inhabitants: Provided, That the creation thereof shall not reduce the population of the original Barangay or Barangays to less than the minimum requirement prescribed herein.

To enhance the delivery of basic services in the indigenous cultural communities, Barangays may be created in such communities by an Act of Congress, notwithstanding the above requirement.

(b) The territorial jurisdiction of the new Barangay shall be properly identified by metes and bounds or by more or less permanent natural boundaries. The territory need not be contiguous if it comprises two (2) or more islands.

- (c) The governor or city mayor may prepare a consolidation plan for Barangays, based on the criteria prescribed in this Section, within his territorial jurisdiction. The plan shall be submitted to the Sangguniang Panlalawigan or Sangguniang Panlungsod concerned for appropriate action.

In the case of municipalities within the Metropolitan Manila area and other metropolitan political subdivisions, the Barangay consolidation plan shall be prepared and approved by the Sangguniang Bayan concerned.

## **CHAPTER 2 - Barangay Officials and Offices**

**SECTION. 387. Chief Officials and Offices.** - (a) There shall be in each Barangay a Punong Barangay, seven (7) Sangguniang Barangay members, the Sangguniang Kabataan chairman, a Barangay Secretary, and a Barangay treasurer.

- (b) There shall also be in every Barangay a Lupong Tagapamayapa. The Sangguniang Barangay may form community brigades and create such other positions or offices as may be deemed necessary to carry out the purposes of the Barangay government in accordance with the needs of public service, subject to the budgetary limitations on personal services prescribed under Title Five, Book II of this Code.

**SECTION. 388. Persons in Authority.** - For purposes of the Revised Penal Code, the Punong Barangay, Sangguniang Barangay members, and members of the Lupong Tagapamayapa in each Barangay shall be deemed as persons in authority in their jurisdictions, while other Barangay officials and members who may be designated by law or ordinance and charged with the maintenance of public order, protection and security of life and property, or the maintenance of a desirable and balanced environment, and any Barangay member who comes to the aid of persons in authority, shall be deemed agents of persons in authority.

## **CHAPTER 3 - THE Punong Barangay**

**SECTION. 389. Chief Executive: Powers, Duties, and Functions.** - (a) The Punong Barangay, as the chief executive of the Barangay government, shall exercise such powers and perform such duties and functions, as provided by this Code and other laws.

- (b) For efficient, effective and economical governance, the purpose of which is the general welfare of the Barangay and its inhabitants pursuant to Section 16 of this Code, the Punong Barangay shall:
- (a) Enforce all laws and ordinances which are applicable within the Barangay;
  - (b) Negotiate, enter into, and sign contracts for and in behalf of the Barangay, upon authorization of the Sangguniang Barangay;
  - (c) Maintain public order in the Barangay and, in pursuance thereof, assist the city or municipal mayor and the sanggunian members in the performance of their duties and functions;
  - (d) Call and preside over the sessions of the Sangguniang Barangay and the Barangay assembly, and vote only to break a tie;
  - (e) Upon approval by a majority of all the members of the Sangguniang Barangay, appoint or replace the Barangay treasurer, the Barangay secretary, and other appointive Barangay officials;
  - (f) Organize and lead an emergency group whenever the same may be necessary for the maintenance of peace and order or on occasions of emergency or calamity within the Barangay;
  - (g) In coordination with the Barangay development council, prepare the annual executive and supplemental budgets of the Barangay;
  - (h) Approve vouchers relating to the disbursement of Barangay funds;
  - (i) Enforce laws and regulations relating to pollution control and protection of the environment;
  - (j) Administer the operation of the Katarungang PamBarangay in accordance with the provisions of this Code;
  - (k) Exercise general supervision over the activities of the Sangguniang Kabataan;

- (l) Ensure the delivery of basic services as mandated under Section 17 of this Code;
  - (m) Conduct an annual palarong Barangay which shall feature traditional sports and disciplines included in national and international games, in coordination with the Department of Education, Culture and Sports;
  - (n) Promote the general welfare of the Barangay; and
  - (o) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.
- (b) In the performance of his peace and order functions, the Punong Barangay shall be entitled to possess and carry the necessary firearm within his territorial jurisdiction, subject to appropriate rules and regulations.

#### **CHAPTER 4 - The Sangguniang Barangay**

**SECTION. 390. Composition.** - The Sangguniang Barangay, the legislative body of the Barangay, shall be composed of the Punong Barangay as presiding officer, and the seven (7) regular Sangguniang Barangay members elected at large and Sangguniang Kabataan chairman, as members.

**SECTION. 391. Powers, Duties, and Functions.** - (a) The Sangguniang Barangay, as the legislative body of the Barangay, shall:

- (a) Enact ordinances as may be necessary to discharge the responsibilities conferred upon it by law or ordinance and to promote the general welfare of the inhabitants therein;
- (b) Enact tax and revenue ordinances, subject to the limitations imposed in this Code;
- (c) Enact annual and supplemental budgets in accordance with the provisions of this Code;
- (d) Provide for the construction and maintenance of Barangay facilities and other public works projects chargeable to the general fund of the Barangay or such other funds actually available for the purpose;
- (e) Submit to the Sangguniang Panlungsod or Sangguniang Bayan such suggestions or recommendations as it may see



fit for the improvement of the Barangay or for the welfare of the inhabitants thereof;

- (f) Assist in the establishment, organization, and promotion of cooperative enterprises that will improve the economic condition and well-being of the residents;
  - (g) Regulate the use of multi-purpose halls, multi- purpose pavements, grain or copra dryers, patios and other post-harvest facilities, Barangay waterworks, Barangay markets, parking areas or other similar facilities constructed with government funds within the jurisdiction of the Barangay and charge reasonable fees for the use thereof;
  - (h) Solicit or accept monies, materials and voluntary labor for specific public works and cooperative enterprises of the Barangay from residents, land owners, producers and merchants in the Barangay; monies from grants-in-aid, subsidies, contributions, and revenues made available to the Barangays from national, provincial, city or municipal funds; and monies from other private agencies and individuals: Provided, however, That monies or properties donated by private agencies and individuals for specific purposes shall accrue to the Barangay as trust fund;
  - (i) Solicit or accept, in any or all the foregoing public works and cooperative enterprises, such cooperation as is made available by national, provincial, city, or municipal agencies established by law to render financial, technical, and advisory assistance to Barangays and to Barangay residents: Provided, however, That in soliciting or accepting such cooperation, the Sangguniang Barangay need not pledge any sum of money for expenditure in excess of amounts currently in the Barangay treasury or encumbered for other purposes;
- (10) Provide compensation, reasonable allowances or per diems as well as travel expenses for Sangguniang Barangay members and other Barangay officials, subject to the budgetary limitations prescribed under Title Five, Book II of this Code: Provided, however, That no increase in the compensation or honoraria of the Sangguniang Barangay members shall take effect until after the expiration of the full term of all members of the Sangguniang Barangay approving such increase;

- (11) Hold fund-raising activities for Barangay projects without the need of securing permits from any national or local office or agency. The proceeds from such activities shall be tax-exempt and shall accrue to the general fund of the Barangay: Provided, That in the appropriation thereof, the specific purpose for which such fund-raising activity has been held shall be first satisfied: Provided, further, That no fund-raising activities shall be held within a period of sixty(60) days immediately preceding and after a national or local election, recall, referendum, or plebiscite: Provided, finally, That said fund-raising activities shall comply with national policy standards and regulations on morals, health, and safety of the persons participating therein. The Sangguniang Barangay, through the Punong Barangay, shall render a public accounting of the funds raised at the completion of the project for which the fund-raising activity was under- taken;
- (12) Authorize the Punong Barangay to enter into contracts in behalf of the Barangay, subject to the provisions of this Code;
- (a) Authorize the Barangay treasurer to make direct purchases in an amount not exceeding One thousand pesos (P1,000.00) at any one time for the ordinary and essential administrative needs of the Barangay;
  - (b) Prescribe fines in amounts not exceeding One thousand pesos (P1,000.00) for violation of Barangay ordinances;
  - (c) Provide for the administrative needs of the Lupong Tagapamayapa and the pangkat ng tagapagkasundo;
  - (d) Provide for the organization of community brigades, Barangay tanod, or community service units as may be necessary;
  - (e) Organize regular lectures, programs, or fora on community problems such as sanitation, nutrition, literacy, and drug abuse, and convene assemblies to encourage citizen participation in government;
  - (f) Adopt measures to prevent and control the proliferation of squatters and mendicants in the Barangay;
  - (g) Provide for the proper development and welfare of children in the Barangay by promoting and supporting activities for the protection and total development of children, particularly those below seven (7) years of age;

- (h) Adopt measures towards the prevention and eradication of drug abuse, child abuse, and juvenile delinquency;
  - (i) Initiate the establishment of a Barangay high school, whenever feasible, in accordance with law;
  - (j) Provide for the establishment of a non-formal education center in the Barangay whenever feasible, in coordination with the Department of Education, Culture and Sports, ;
  - (k) Provide for the delivery of basic services; and
- (24) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

**SECTION. 392. Other Duties of Sangguniang Barangay Members.** - In addition to their duties as members of the Sangguniang Barangay, Sangguniang Barangay members may:

- (a) Assist the Punong Barangay in the discharge of his duties and functions;
- (b) Act as peace officers in the maintenance of public order and safety; and
- (c) Perform such other duties and functions as the Punong Barangay may delegate.

**SECTION. 393. Benefits of Barangay Officials.** - (a) Barangay officials, including Barangay tanods and members of the Lupong Tagapamayapa, shall receive honoraria, allowances, and such other emoluments as may be authorized by law or Barangay, municipal or city ordinance in accordance with the provisions of this Code, but in no case shall it be less than One thousand pesos (P=1,000.00) per month for the Punong Barangay and Six hundred pesos (P=600.00) per month for the Sangguniang Barangay members, Barangay treasurer, and Barangay secretary: Provided, however, That the annual appropriations for personal services shall be subject to the budgetary limitations prescribed under Title Five, Book II of this Code;

- (b) The Punong Barangay, the Sangguniang Barangay members, the Barangay treasurer, and the Barangay secretary shall also:
  - (1) Be entitled to Christmas bonus of at least One thousand pesos (P1,000.00) each, the funds for which shall be taken from the general fund of the Barangay or from such other

funds appropriated by the national government for the purpose;

- (2) (2) Be entitled, during their incumbency, to insurance coverage which shall include, but shall not be limited to temporary and permanent disability, double indemnity, accident insurance, death and burial benefits, in accordance with Republic Act Numbered Sixty-nine hundred forty-two (R.A. No. 6942), entitled "An Act Increasing the Insurance Benefits of Local Government Officials and Providing Funds Therefor";
- (3) Be entitled to free medical care including subsistence, medicines, and medical attendance in any government hospital or institution: Provided, That such hospital care shall include surgery or surgical expenses, medicines, X-rays, laboratory fees, and other hospital expenses;

In case of extreme urgency where there is no available government hospital or institution, the Barangay official concerned may submit himself for immediate medical attendance to the nearest private clinic, hospital or institution and the expenses not exceeding Five thousand pesos (P5,000.00) that may be incurred therein shall be chargeable against the funds of the Barangay concerned;

- (a) Be exempted during their incumbency from paying tuition and matriculation fees for their legitimate dependent children attending state colleges or universities. He may likewise avail of such educational benefits in a state college or university located within the province or city to which the Barangay belongs; and
- (b) Be entitled to appropriate civil service eligibility on the basis of the number of years of service to the Barangay, pursuant to the rules and regulations issued by the Civil Service Commission.
- (c) Elective Barangay officials shall have preference in appointments to any government position or in any government-owned or -controlled corporations, including their subsidiaries, after their tenure of office, subject to the requisite qualifications and the provisions of the immediately preceding paragraph.
- (d) All duly appointed members of the Barangay tanod brigades, or their equivalent, which shall number not more than twenty (20) in each Barangay, shall be granted insurance or other benefits during their incumbency, chargeable to the Barangay or the city or municipal government to which the Barangay belongs.

## CHAPTER 5 - APPOINTIVE BARANGAY OFFICIALS

**SECTION. 394. Barangay secretary: Appointment, Qualifications, Powers and Duties.** - (a) The Barangay secretary shall be appointed by the Punong Barangay with the concurrence of the majority of all the Sangguniang Barangay members. The appointment of the Barangay secretary shall not be subject to attestation by the Civil Service Commission.

- (b) The Barangay secretary shall be of legal age, a qualified voter and an actual resident of the Barangay concerned.
- (c) No person shall be appointed Barangay secretary if he is a Sangguniang Barangay member, a government employee, or a relative of the Punong Barangay within the fourth civil degree of consanguinity or affinity.
- (d) The Barangay secretary shall:
  - (a) Keep custody of all records of the Sangguniang Barangay and the Barangay assembly meetings;
  - (b) Prepare and keep the minutes of all meetings of the Sangguniang Barangay and the Barangay assembly;
  - (c) Prepare a list of members of the Barangay assembly, and have the same posted in conspicuous places within the Barangay;
  - (d) Assist in the preparation of all necessary forms for the conduct of Barangay elections, initiatives, referenda or plebiscites, in coordination with the Comelec;
  - (e) Assist the municipal civil registrar in the registration of births, deaths, and marriages;
  - (f) Keep an updated record of all inhabitants of the Barangay containing the following items of information: name, address, place and date of birth, sex, civil status, citizenship, occupation, and such other items of information as may be prescribed by law or ordinances;

- (g) Submit a report on the actual number of Barangay residents as often as may be required by the Sangguniang Barangay; and
- (h) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

**SECTION. 395. Barangay Treasurer: Appointment, Qualifications, Powers and Duties.** - (a) The Barangay treasurer shall be appointed by the Punong Barangay with the concurrence of the majority of all the Sangguniang Barangay members. The appointment of the Barangay treasurer shall not be subject to attestation by the Civil Service Commission.

- (b) The Barangay treasurer shall be of legal age, a qualified voter, and an actual resident of the Barangay concerned.
- (c) No person shall be appointed Barangay treasurer if he is a Sangguniang Barangay member, a government employee, or a relative of the Punong Barangay within the fourth civil degree of consanguinity or affinity.
- (d) The Barangay treasurer shall be bonded in accordance with existing laws in an amount to be determined by the Sangguniang Barangay but not exceeding Ten thousand pesos (P=10,000.00), premiums for which shall be paid by the Barangay.
- (e) The Barangay treasurer shall:
  - (a) Keep custody of Barangay funds and properties;
  - (b) Collect and issue official receipts for taxes, fees, contributions, monies, materials, and all other resources accruing to the Barangay treasury and deposit the same in the account of the Barangay as provided under Title Five, Book II of this Code;
  - (c) Disburse funds in accordance with the financial procedures provided in this Code;
  - (d) Submit to the Punong Barangay a statement covering the actual and estimates of income and expenditures for the preceding and ensuing calendar years, respectively, subject to the provisions of Title Five, Book II of this Code;

- (e) Render a written accounting report of all Barangay funds and property under his custody at the end of each calendar year, and ensure that such report shall be made available to the members of the Barangay assembly and other government agencies concerned;
- (f) Certify as to the availability of funds whenever necessary;
- (g) Plan and attend to the rural postal circuit within his jurisdiction; and
- (h) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

**SECTION. 396. Other Appointive Officials.** - The qualifications, duties, and functions of all other Barangay officials appointed by the Punong Barangay shall be governed by the provisions of this Code and other laws or by Barangay ordinances.

## **CHAPTER 6 - BARANGAY ASSEMBLY**

**SECTION. 397. Composition; Meetings.** - (a) There shall be a Barangay assembly composed of all persons who are actual residents of the Barangay for at least six (6) months, fifteen(15) years of age or over, citizens of the Philippines, and duly registered in the list of Barangay assembly members.

- (b) The Barangay assembly shall meet at least twice a year to hear and discuss the semestral report of the Sangguniang Barangay concerning its activities and finances as well as problems affecting the Barangay. Its meetings shall be held upon call of the Punong Barangay or of at least four (4) members of the Sangguniang Barangay, or upon written petition of at least five percent (5%) of the assembly members.
- (c) No meeting of the Barangay assembly shall take place unless a written notice is given one (1) week prior to the meeting except on matters involving public safety or security, in which case notice within a reasonable time shall be sufficient. The Punong Barangay, or in his absence, the Sangguniang Barangay member acting as Punong Barangay, or any assembly member selected during the meeting, shall act as presiding officer in all the meetings of the assembly. The Barangay secretary, or in his absence, any member designated by the presiding officer to act as secretary, shall discharge the duties of secretary of the Barangay assembly.

**SECTION. 398. Powers of the Barangay Assembly.** - The Barangay assembly shall:

- (a) Initiate legislative processes by recommending to the Sangguniang Barangay the adoption of measures for the welfare of the Barangay and the city or municipality concerned;
- (b) Decide on the adoption of initiative as a legal process whereby the registered voters of the Barangay may directly propose, enact, or amend any ordinance; and
- (c) Hear and pass upon the semestral report of the Sangguniang Barangay concerning its activities and finances.

#### **CHAPTER 7 - KATARUNGANG PAMBARANGAY**

**SECTION. 399. Lupong Tagapamayapa.** - (a) There is hereby created in each Barangay a Lupong Tagapamayapa, hereinafter referred to as the lupon, composed of the Punong Barangay as chairman and ten(10) to twenty (20) members. The lupon shall be constituted every three (3) years in the manner provided herein.

- (a) Any person actually residing or working in the Barangay, not otherwise expressly disqualified by law, and possessing integrity, impartiality, independence of mind, sense of fairness, and reputation for probity, may be appointed a member of the lupon.
- (a) A notice to constitute the lupon, which shall include the names of proposed members who have expressed their willingness to serve, shall be prepared by the Punong Barangay within the first fifteen (15) days from the start of his term of office. Such notice shall be posted in three (3) conspicuous places in the Barangay continuously for a period of not less than three(3) weeks;
- (b) The Punong Barangay, taking into consideration any opposition to the proposed appointment or any recommendations for appointments as may have been made within the period of posting, shall within ten (10) days thereafter, appoint as members those whom he determines to be suitable therefor. Appointments shall be in writing, signed by the Punong Barangay, and attested to by the Barangay secretary.
- (c) The list of appointed members shall be posted in three (3) conspicuous places in the Barangay for the entire duration of their term of office; and



- (d) In Barangays where majority of the inhabitants are members of indigenous cultural communities, local systems of es through their councils of datus or elders shall be recognized without prejudice to the applicable provisions of this Code.

**SECTION. 400. Oath and Term of Office.** - Upon appointment, each lupon member shall take an oath of office before the Punong Barangay. He shall hold office until a new lupon is constituted on the third year following his appointment unless sooner terminated by resignation, transfer of residence or place of work, or withdrawal of appointment by the Punong Barangay with the concurrence of the majority of all the members of the lupon.

**SECTION. 401. Vacancies.** - Should a vacancy occur in the lupon for any cause, the Punong Barangay shall immediately appoint a qualified person who shall hold office only for the unexpired portion of the term.

**SECTION. 402. Functions of the Lupon.** - The lupon shall:

- (a) Exercise administrative supervision over the conciliation panels provided herein;
- (b) Meet regularly once a month to provide a forum for exchange of ideas among its members and the public on matters relevant to the amicable settlement of disputes, and to enable various conciliation panel members to share with one another their observations and experiences in effecting speedy resolution of disputes; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

**SECTION. 403. Secretary of the Lupon.** - The Barangay secretary shall concurrently serve as the secretary of the lupon. He shall record the results of mediation proceedings before the Punong Barangay and shall submit a report thereon to the proper city or municipal courts. He shall also receive and keep the records of proceedings submitted to him by the various conciliation panels.

**SECTION. 404. Pangkat ng Tagapagkasundo.** - (a) There shall be constituted for each dispute brought before the lupon a conciliation panel to be known as the pangkat ng tagapagkasundo, hereinafter referred to as the pangkat, consisting of three (3) members who shall be chosen by the parties to the dispute from the list of members of the lupon.

Should the parties fail to agree on the pangkat membership, the same shall be determined by lots drawn by the lupon chairman.

- (b) The three (3) members constituting the pangkat shall elect from among themselves the chairman and the secretary. The secretary shall prepare the minutes of the pangkat proceedings and submit a copy duly attested to by the chairman to the lupon secretary and to the proper city or municipal court. He shall issue and cause to be served notices to the parties concerned.

The lupon secretary shall issue certified true copies of any public record in his custody that is not by law otherwise declared confidential.

**SECTION. 405. Vacancies in the Pangkat.** - Any vacancy in the pangkat shall be chosen by the parties to the dispute from among the other lupon members. Should the parties fail to agree on a common choice, the vacancy shall be filled by lot to be drawn by the lupon chairman.

**SECTION. 406. Character of Office and Service of Lupon Members.** -(a) The lupon members, while in the performance of their official duties or on the occasion thereof, shall be deemed as persons in authority, as defined in the Revised Penal Code.

- (b) The lupon or pangkat members shall serve without compensation, except as provided for in Section 393 and without prejudice to incentives as provided for in this Section and in Book IV of this Code. The Department of the Interior and Local Government shall provide for a system of granting economic or other incentives to the lupon or pangkat members who adequately demonstrate the ability to judiciously and expeditiously resolve cases referred to them. While in the performance of their duties, the lupon or pangkat members, whether in public or private employment, shall be deemed to be on official time, and shall not suffer from any diminution in compensation or allowance from said employment by reason thereof.

**SECTION. 407. Legal Advice on Matters Involving Questions of Law.** - The provincial, city legal officer or prosecutor or the municipal legal officer shall render legal advice on matters involving questions of law to the Punong Barangay or any lupon or pangkat member whenever necessary in the exercise of his functions in the administration of the katarungang pamBarangay.

**SECTION. 408. Subject Matter for Amicable Settlement; Exception Thereto.** - The lupon of each Barangay shall have authority to bring together the parties actually residing in the same city or municipality for amicable settlement of all disputes except:

- (a) Where one party is the government, or any subdivision or instrumentality thereof;
- (b) Where one party is a public officer or employee, and the dispute relates to the performance of his official functions;
- (c) Offenses punishable by imprisonment exceeding one (1) year or a fine exceeding Five thousand pesos (Php5,000.00);
- (d) Offenses where there is no private offended party;
- (e) Where the dispute involves real properties located in different cities or municipalities unless the parties thereto agree to submit their differences to amicable settlement by an appropriate lupon;
- (f) Disputes involving parties who actually reside in Barangays of different cities or municipalities, except where such Barangay units adjoin each other and the parties thereto agree to submit their differences to amicable settlement by an appropriate lupon;
- (d) Such other classes of disputes which the President may determine in the interest of justice or upon the recommendation of the secretary of Justice.

The court in which non-criminal cases not falling within the authority of the lupon under this Code are filed may, at any time before trial, motu proprio refer the case to the lupon concerned for amicable settlement.

**SECTION. 409. Venue.** - (a) Disputes between persons actually residing in the same Barangay shall be brought for amicable settlement before the lupon of said Barangay.

- (b) Those involving actual residents of different Barangays within the same city or municipality shall be brought in the Barangay where the respondent or any of the respondents actually resides, at the election of the complainant.
- (c) All disputes involving real property or any interest therein shall be brought in the Barangay where the real property or the larger portion thereof is situated.
- (d) Those arising at the workplace where the contending parties are employed or at the institution where such parties are enrolled for

study, shall be brought in the Barangay where such workplace or institution is located.

Objections to venue shall be raised in the mediation proceedings before the Punong Barangay; otherwise, the same shall be deemed waived. Any legal question which may confront the Punong Barangay in resolving objections to venue herein referred to may be submitted to the secretary of Justice, or his duly designated representative, whose ruling thereon shall be binding.

**SECTION. 410. Procedure for Amicable Settlement.** - (a) Who may initiate proceeding - Upon payment of the appropriate filing fee, any individual who has a cause of action against another individual involving any matter within the authority of the lupon may complain, orally or in writing, to the lupon chairman of the Barangay.

- (b) Mediation by lupon chairman - Upon receipt of the complaint, the lupon chairman shall within the next working day summon the respondent(s), with notice to the complainant(s) for them and their witnesses to appear before him for a mediation of their conflicting interests. If he fails in his mediation effort within fifteen (15) days from the first meeting of the parties before him, he shall forthwith set a date for the constitution of the pangkat in accordance with the provisions of this Chapter.
- (c) Suspension of prescriptive period of offenses - While the dispute is under mediation, conciliation, or arbitration, the prescriptive periods for offenses and cause of action under existing laws shall be interrupted upon filing of the complaint with the Punong Barangay. The prescriptive periods shall resume upon receipt by the complainant of the complaint or the certificate of repudiation or of the certification to file action issued by the lupon or pangkat secretary: Provided, however, That such interruption shall not exceed sixty (60) days from the filing of the complaint with the Punong Barangay.
- (d) Issuance of summons; hearing; grounds for disqualification- The pangkat shall convene not later than three (3) days from its constitution, on the day and hour set by the lupon chairman, to hear both parties and their witnesses, simplify issues, and explore all possibilities for amicable settlement. For this purpose, the pangkat may issue summons for the personal appearance of parties and witnesses before it. In the event that a party moves to disqualify any member of the pangkat by reason of relationship, bias, interest, or any other similar grounds discovered after the constitution of the pangkat, the matter shall be resolved by the affirmative vote of the

majority of the pangkat whose decision shall be final. Should disqualification be decided upon, the resulting vacancy shall be filled as herein provided for.

- (e) Period to arrive at a settlement - The pangkat shall arrive at a settlement or resolution of the dispute within fifteen (15) days from the day it convenes in accordance with this section. This period shall, at the discretion of the pangkat, be extendible for another period which shall not exceed fifteen (15) days, except in clearly meritorious cases.

**SECTION. 411. Form of Settlement.** - All amicable settlements shall be in writing, in a language or dialect known to the parties, signed by them, and attested to by the lupon chairman or the pangkat chairman, as the case may be. When the parties to the dispute do not use the same language or dialect, the settlement shall be written in the language or dialect known to them.

**SECTION. 412. Conciliation.** - (a) Pre-condition to Filing of Complaint in Court. - No complaint, petition, action, or proceeding involving any matter within the authority of the lupon shall be filed or instituted directly in court or any other government office for adjudication, unless there has been a confrontation between the parties before the lupon chairman or the pangkat, and that no conciliation or settlement has been reached as certified by the lupon secretary or pangkat secretary as attested to by the lupon or pangkat chairman or unless the settlement has been repudiated by the parties thereto.

- (b) Where Parties May Go Directly to Court. - The parties may go directly to court in the following instances:
  - (1) Where the accused is under detention;
  - (2) Where a person has otherwise been deprived of personal liberty calling for habeas corpus proceedings;
  - (3) Where actions are coupled with provisional remedies such as preliminary injunction, attachment, delivery of personal property, and support pendente lite; and
  - (4) Where the action may otherwise be barred by the statute of limitations.
- (c) Conciliation among members of indigenous cultural communities. - The customs and traditions of indigenous cultural communities shall

be applied in settling disputes between members of the cultural communities.

**SECTION. 413. Arbitration.** - (a) The parties may, at any stage of the proceedings, agree in writing that they shall abide by the arbitration award of the lupon chairman or the pangkat. Such agreement to arbitrate may be repudiated within five (5) days from the date thereof for the same grounds and in accordance with the procedure hereinafter prescribed. The arbitration award shall be made after the lapse of the period for repudiation and within ten (10) days thereafter.

(b) The arbitration award shall be in writing in a language or dialect known to the parties. When the parties to the dispute do not use the same language or dialect, the award shall be written in the language or dialect known to them.

**SECTION. 414. Proceedings Open to the Public; Exception.** - All proceedings for settlement shall be public and informal: Provided, however, That the lupon chairman or the pangkat chairman, as the case may be, may motu proprio or upon request of a party, exclude the public from the proceedings in the interest of privacy, decency, or public morals.

**SECTION. 415. Appearance of Parties in Person.** - In all katarungang pamBarangay proceedings, the parties must appear in person without the assistance of counsel or representative, except for minors and incompetents who may be assisted by their next-of-kin who are not lawyers.

**SECTION. 416. Effect of Amicable Settlement and Arbitration Award.** - The amicable settlement and arbitration award shall have the force and effect of a final judgment of a court upon the expiration of ten (10) days from the date thereof, unless repudiation of the settlement has been made or a petition to nullify the award has been filed before the proper city or municipal court.

However, this provision shall not apply to court cases settled by the lupon under the last paragraph of section 408 of this Code, in which case the compromise settlement agreed upon by the parties before the lupon chairman or the pangkat chairman shall be submitted to the court and upon approval thereof, have the force and effect of a judgment of said court.

**SECTION. 417. Execution.** - The amicable settlement or arbitration award may be enforced by execution by the lupon within six (6) months from the date of the settlement. After the lapse of such time, the settlement may be enforced by action in the appropriate city or municipal court.

**SECTION. 418. Repudiation.** - Any party to the dispute may, within ten (10) days from the date of the settlement, repudiate the same by filing with the lupon chairman a statement to that effect sworn to before him, where the consent is vitiated by fraud, violence, or intimidation. Such repudiation shall be sufficient basis for the issuance of the certification for filing a complaint as hereinabove provided.

**SECTION. 419. Transmittal of Settlement and Arbitration Award to the Court.** - The secretary of the lupon shall transmit the settlement or the arbitration award to the appropriate city or municipal court within five (5) days from the date of the award or from the lapse of the ten-day period repudiating the settlement and shall furnish copies thereof to each of the parties to the settlement and the lupon chairman.

**SECTION. 420. Power to Administer Oaths.** - The Punong Barangay, as chairman of the Lupon Tagapamayapa, and the members of the pangkat are hereby authorized to administer oaths in connection with any matter relating to all proceedings in the implementation of the katarungang pamBarangay.

**SECTION. 421. Administration; Rules and Regulations.** - The city or municipal mayor, as the case may be, shall see to the efficient and effective implementation and administration of the katarungang pamBarangay. The secretary of Justice shall promulgate the rules and regulations necessary to implement this Chapter.

**SECTION. 422. Appropriations.** - Such amount as may be necessary for the effective implementation of the katarungang pamBarangay shall be provided for in the annual budget of the city or municipality concerned.

## **CHAPTER 8 - SANGGUNIANG KABATAAN**

**SECTION. 423. Creation and Election.** - (a) There shall be in every Barangay a Sangguniang Kabataan to be composed of a chairman, seven (7) members, a secretary, and a treasurer.

(b) A Sangguniang Kabataan official who, during his term of office, shall have passed the age of twenty-one (21) years shall be allowed to serve the remaining portion of the term for which he was elected.

**SECTION. 424. Katipunan ng Kabataan.** - The katipunan ng kabataan shall be composed of all citizens of the Philippines actually residing in the Barangay for at least six (6) months, who are fifteen (15) but not more than twenty-one (21) years of age, and who are duly registered in the list

of the Sangguniang Kabataan or in the official Barangay list in the custody of the Barangay secretary.

**SECTION. 425. Meetings of the Katipunan ng Kabataan.** - The katipunan ng kabataan shall meet at least once every three (3) months, or at the call of the chairman of the Sangguniang Kabataan or upon written petition of at least one-twentieth(1/20) of its members, to decide on important issues affecting the youth of the Barangay .

**SECTION. 426. Powers and Functions of the Sangguniang Kabataan.** - The Sangguniang Kabataan shall:

- (a) Promulgate resolutions necessary to carry out the objectives of the youth in the Barangay in accordance with the applicable provisions of this Code;
- (b) Initiate programs designed to enhance the social, political, economic, cultural, intellectual, moral, spiritual, and physical development of the members;
- (c) Hold fund-raising activities, the proceeds of which shall be tax-exempt and shall accrue to the general fund of the Sangguniang Kabataan: Provided, however, That in the appropriation thereof, the specific purpose for which such activity has been held shall be first satisfied;
- (d) Create such bodies or committees as it may deem necessary to effectively carry out its programs and activities;
- (e) Submit annual and end-of-term reports to the Sangguniang Barangay on their projects and activities for the survival and development of the youth in the Barangay ;
- (f) Consult and coordinate with all youth organizations in the Barangay for policy formulation and program implementation;
- (g) Coordinate with the appropriate national agency for the implementation of youth development projects and programs at the national level;
- (h) Exercise such other powers and perform such other duties and functions as the Sangguniang Barangay may determine or delegate or as may be prescribed by law or ordinance.

**SECTION. 427. Meetings of the Sangguniang Kabataan.** - The Sangguniang Kabataan shall meet regularly once a month on the date, time, and place



to be fixed by the said sanggunian. Special meetings may be called by the Sangguniang Kabataan chairman or any three (3) of its members by giving written notice to all members of the date, time, place, and agenda of the meeting at least one (1) day in advance. Notices of regular or special meetings shall be furnished the Punong Barangay and the Sangguniang Barangay .

A majority of the members of the Sangguniang Kabataan shall constitute a quorum.

**SECTION. 428. Qualifications.** - An elective official of the Sangguniang Kabataan must be a citizen of the Philippines, a qualified voter of the katipunan ng kabataan, a resident of the Barangay for at least one (1) year immediately prior to election, at least fifteen (15) years but not more than twenty-one (21) years of age on the day of his election, able to read and write Filipino, English, or the local dialect, and must not have been convicted of any crime involving moral turpitude.

**SECTION. 429. Term of Office.** - The Sangguniang Kabataan chairman and members shall hold office for a period of three (3) years, unless sooner removed for cause as provided by law, permanently incapacitated, die or resign from office.

**SECTION. 430. Sangguniang Kabataan Chairman.** - The registered voters of the katipunan ng kabataan shall elect the chairman of the Sangguniang Kabataan who shall automatically serve as an ex-officio member of the Sangguniang Barangay upon his assumption to office. As such, he shall exercise the same powers, discharge the same duties and functions, and enjoy the same privileges as the regular Sangguniang Barangay members, and shall be the chairman of the committee on youth and sports development in the said sanggunian.

**SECTION. 431. Powers and Duties of the Sangguniang Kabataan Chairman.**

- In addition to the duties which may be assigned to him by the Sangguniang Barangay, the Sangguniang Kabataan chairman shall:

- (a) Call and preside over all meetings of the katipunan ng kabataan and the Sangguniang Kabataan;
- (b) Implement policies, programs, and projects within his jurisdiction in coordination with the Sangguniang Barangay ;
- (c) Exercise general supervision over the affairs and activities of the Sangguniang Kabataan and the official conduct of its members, and such other officers of the Sangguniang Kabataan within his jurisdiction;

- (d) With the concurrence of the Sangguniang Kabataan, appoint from among the members of the Sangguniang Kabataan, the secretary and treasurer, and such other officers as may be deemed necessary; and
- (e) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

**SECTION. 432. Sangguniang Kabataan Secretary.** - The Sangguniang Kabataan secretary shall :

- (a) Keep all records of the katipunan ng kabataan and Sangguniang Kabataan;
- (b) Prepare and keep the minutes of all meetings of the katipunan ng kabataan and Sangguniang Kabataan;
- (c) Prepare all forms necessary for the conduct of registrations, elections, initiatives, referenda, or plebiscites, in coordination with the Barangay secretary and the Comelec; and
- (d) Perform such other duties and discharge such other functions as the chairman of the Sangguniang Kabataan may prescribe or direct.

**SECTION. 433. Sangguniang Kabataan Treasurer.** - The Sangguniang Kabataan treasurer shall:

- (a) Take custody of all Sangguniang Kabataan property and funds not otherwise deposited with the city or municipal treasurer;
- (b) Collect and receive contributions, monies, materials, and all other resources intended for the Sangguniang Kabataan and katipunan ng kabataan;
- (c) Disburse funds in accordance with an approved budget of the Sangguniang Kabataan;
- (d) Certify to the availability of funds whenever necessary;
- (e) Submit to the Sangguniang Kabataan and to the Sangguniang Barangay certified and detailed statements of actual income and expenditures at the end of every month; and

- (f) Perform such other duties and discharge such other functions as the chairman of the Sangguniang Kabataan may direct.

**SECTION. 434. Privileges of Sangguniang Kabataan Officials.** - The Sangguniang Kabataan chairman shall have the same privileges enjoyed by other Sangguniang Barangay officials under this Code subject to such requirements and limitations provided herein. During their incumbency, Sangguniang Kabataan officials shall be exempt from payment of tuition and matriculation fees while enrolled in public tertiary schools, including state colleges and universities. The national government shall reimburse said college or university the amount of the tuition and matriculation fees: Provided, That, to qualify for the privilege, the said officials shall enroll in the state college or university within or nearest their area of jurisdiction

**SECTION. 435. Succession and Filling of Vacancies.** - (a) In case a Sangguniang Kabataan chairman refuses to assume office, fails to qualify, is convicted of a felony, voluntarily resigns, dies, is permanently incapacitated, is removed from office, or has been absent without leave for more than three (3) consecutive months, the Sangguniang Kabataan member who obtained the next highest number of votes in the election immediately preceding shall assume the office of the chairman for the unexpired portion of the term, and shall discharge the powers and duties, and enjoy the rights and privileges appurtenant to the office. In case the said member refuses to assume the position or fails to qualify, the sanggunian member obtaining the next highest number of votes shall assume the position of the chairman for the unexpired portion of the term.

- (b) Where two (2) or more Sangguniang Kabataan members obtained the same next highest number of votes, the other Sangguniang Kabataan members shall conduct an election to choose the successor to the chairman from among the said members.
- (c) After the vacancy shall have been filled, the Sangguniang Kabataan chairman shall call a special election to complete the membership of said sanggunian. Such Sangguniang Kabataan member shall hold office for the unexpired portion of the term of the vacant seat.
- (d) In case of suspension of the Sangguniang Kabataan chairman, the successor, as determined in subsections (a) and (b) of this section shall assume the position during the period of such suspension.

## **CHAPTER 9 - PEDERASYON NG MGA SANGGUNIANG KABATAAN**

**SECTION. 436. Pederasyon ng mga Sangguniang Kabataan.** - (a) There shall be an organization of all the pederasyon ng mga Sangguniang Kabataan to be known as follows:

- (1) in municipalities, pambayang pederasyon ng mga Sangguniang Kabataan;
  - (2) in cities, panlungsod na pederasyon ng mga Sangguniang Kabataan;
  - (3) in provinces, panlalawigang pederasyon ng mga Sangguniang Kabataan;
  - (4) in special metropolitan political subdivisions, pangmetropolitang pederasyon ng mga Sangguniang Kabataan; and
  - (5) on the national level, pambansang pederasyon ng mga Sangguniang Kabataan.
- (b) The pederasyon ng mga Sangguniang Kabataan shall, at all levels, elect from among themselves the president, vice-president and such other officers as may be necessary and shall be organized in the following manner:
- a. The panlungsod and pambayang pederasyon shall be composed of the Sangguniang Kabataan chairmen of Barangays in the city or municipality, respectively;
  - b. The panlalawigang pederasyon shall be composed of presidents of the panlungsod and pambayang pederasyon;
  - c. The pangmetropolitang pederasyon shall be composed of presidents of the panlungsod and pambayang pederasyon;
- (c) The elected presidents of the pederasyon at the provincial, highly urbanized city, and metropolitan political subdivision levels shall constitute the pambansang katipunan ng mga Sangguniang Kabataan.

**SECTION. 437. Constitution and By-Laws.** - The term of office, manner of election, removal and suspension of the officers of the pederasyon ng mga Sangguniang Kabataan at all levels shall be governed by the

constitution and by-laws of the pederasyon in conformity with the provisions of this Code and national policies on youth.

**SECTION. 438. Membership in the Sanggunian.** - (a) A Sangguniang Kabataan chairman shall, upon certification of his election by the Comelec and during his tenure of office is elected as pederasyon president, serve as an ex-officio member of the Sanggunian Panlalawigan, Sangguniang Panlungsod, and Sangguniang Bayan, as the case may be, without need of further appointment.

(b) The vice-president of the pederasyon whose president has been elected as president of a higher pederasyon shall serve as ex-officio member of the sanggunian concerned without need of further appointment.

(c) The pederasyon president or vice-president, as the case may be, shall be the chairman of the committee on youth and sports development of the sanggunian concerned.

#### **CHAPTER 10 - LINGGO NG KABATAAN**

**SECTION. 439. Observance of Linggo ng Kabataan.** - (a) Every Barangay, municipality, city and province shall, in coordination with the pederasyon ng mga Sangguniang Kabataan at all levels, conduct an annual activity to be known as the Linggo ng Kabataan on such date as shall be determined by the Office of the President.

(b) The observance of the Linggo ng Kabataan shall include the election of the counterparts of all local elective and appointive officials, as well as heads of national offices or agencies stationed or assigned in the territorial jurisdiction of the local government unit, among in-school and community youth residing in the local government unit concerned from ages thirteen (13) to seventeen (17). During said week, they shall hold office as boy and girl officials and shall perform such duties and conduct such activities as may be provided in the ordinance enacted pursuant to this Chapter.

## TITLE TWO. - THE MUNICIPALITY

### CHAPTER 1 - ROLE AND CREATION OF THE MUNICIPALITY

**SECTION. 440. Role of the Municipality.** - The municipality, consisting of a group of Barangays, serves primarily as a general purpose government for the coordination and delivery of basic, regular and direct services and effective governance of the inhabitants within its territorial jurisdiction.

**SECTION. 441. Manner of Creation.** - A municipality may be created, divided, merged, abolished, or its boundary substantially altered only by an Act of Congress and subject to the approval by a majority of the votes cast in a plebiscite to be conducted by the Comelec in the local government unit or units directly affected. Except as may otherwise be provided in the said Act, the plebiscite shall be held within one hundred twenty (120) days from the date of its effectivity.

**SECTION. 442. Requisites for Creation.** - (a) A municipality may be created if it has an average annual income, as certified by the provincial treasurer, of at least Two million five hundred thousand pesos (P=2,500,000.00) for the last two (2) consecutive years based on the 1991 constant prices; a population of at least twenty-five thousand (25,000) inhabitants as certified by the National Statistics Office; and a contiguous territory of at least fifty (50) square kilometers as certified by the Lands Management Bureau: Provided, That the creation thereof shall not reduce the land area, population or income of the original municipality or municipalities at the time of said creation to less than the minimum requirements prescribed herein.

- (b) The territorial jurisdiction of a newly-created municipality shall be properly identified by metes and bounds. The requirement on land area shall not apply where the municipality proposed to be created is composed of one (1) or more islands. The territory need not be contiguous if it comprises two (2) or more islands.
- (c) The average annual income shall include the income accruing to the general fund of the municipality concerned, exclusive of special funds, transfers and non-recurring income.
- (d) Municipalities existing as of the date of the effectivity of this Code shall continue to exist and operate as such. Existing municipal districts organized pursuant to presidential issuances or executive orders and which have their respective set of elective municipal officials holding office at the time of the effectivity of this Code shall henceforth be considered as regular municipalities.

## CHAPTER 2 - MUNICIPAL OFFICIALS IN GENERAL

**SECTION. 443. Officials of the Municipal Government.** - (a) There shall be in each municipality a municipal mayor, a municipal vice-mayor, Sangguniang Bayan members, a secretary to the Sangguniang Bayan, a municipal treasurer, a municipal assessor, a municipal accountant, a municipal budget officer, a municipal planning and development coordinator, a municipal engineer/building official, a municipal health officer and a municipal civil registrar.

- (b) In addition thereto, the mayor may appoint a municipal administrator, a municipal legal officer, a municipal agriculturist, a municipal environment and natural resources officer, a municipal social welfare and development officer, a municipal architect, and a municipal information officer.
- (c) The Sangguniang Bayan may:
  - (1) Maintain existing offices not mentioned in subsections (a) and (b) hereof;
  - (2) Create such other offices as may be necessary to carry out the purposes of the municipal government; or
  - (3) Consolidate the functions of any office with those of another in the interest of efficiency and economy.
- (d) Unless otherwise provided herein, heads of departments and offices shall be appointed by the municipal mayor with the concurrence of the majority of all the Sangguniang Bayan members, subject to civil service law, rules and regulations. The Sangguniang Bayan shall act on the appointment within fifteen (15) days from the date of its submission; otherwise, the same shall be deemed confirmed.
- (e) Elective and appointive municipal officials shall receive such compensation, allowances and other emoluments as may be determined by law or ordinance, subject to the budgetary limitations on personal services as prescribed in Title Five, Book Two of this Code: Provided, That no increase in compensation of the mayor, vice-mayor, and Sangguniang Bayan members shall take effect until after the expiration of the full term of all the elective local officials approving such increase.

## **CHAPTER 3 - OFFICIALS AND OFFICES COMMON TO ALL MUNICIPALITIES**

### **Article One. - The Municipal Mayor**

**SECTION. 444. The Chief Executive: Powers, Duties, Functions and Compensation.** - (a) The municipal mayor, as the chief executive of the municipal government, shall exercise such powers and perform such duties and functions as provided by this Code and other laws.

- (b) For efficient, effective and economical governance the purpose of which is the general welfare of the municipality and its inhabitants pursuant to section 16 of this Code, the municipal mayor shall:
- (1) Exercise general supervision and control over all programs, projects, services, and activities of the municipal government, and in this connection, shall:
    - (i) Determine the guidelines of municipal policies and be responsible to the Sangguniang Bayan for the program of government;
    - (ii) Direct the formulation of the municipal development plan, with the assistance of the municipal development council, and upon approval thereof by the Sangguniang Bayan, implement the same;
    - (iii) At the opening of the regular session of the Sangguniang Bayan for every calendar year and, as may be deemed necessary, present the program of government and propose policies and projects for the consideration of the Sangguniang Bayan as the general welfare of the inhabitants and the needs of the municipal government may require;
    - (iv) Initiate and propose legislative measures to the Sangguniang Bayan and, from time to time as the require, provide such information and data needed or requested by said sanggunian in the performance of its legislative functions; Appoint all officials and employees whose salaries and wages are wholly or mainly paid out of municipal funds and whose appointments are not otherwise provided for in this Code, as well as those he may be authorized by law to appoint; situation may
    - (v) Appoint all officials and employees whose salaries and wages are wholly or mainly paid out of municipal funds and whose appointments are not otherwise



- provided for in this Code, as well as those he may authorized by law to appoint;
- (vi) Upon authorization by the Sangguniang Bayan, represent the municipality in all its business transactions and sign on its behalf all bonds, contracts, and obligations, and such other documents made pursuant to law or ordinance;
  - (vii) Carry out such emergency measures as may be necessary during and in the aftermath of man-made and natural disasters and calamities;
  - (viii) Determine, according to law or ordinance, the time, manner and place of payment of salaries or wages of the officials and employees of the municipality;
  - (ix) Allocate and assign office space to municipal and other officials and employees who, by law or ordinance, are entitled to such space in the municipal hall and other buildings owned or leased by the municipal government;
  - (x) Ensure that all executive officials and employees of the municipality faithfully discharge their duties and functions as provided by law and this Code, and cause to be instituted administrative or judicial proceedings against any official or employee of the municipality who may have committed an offense in the performance of his official duties;
  - (xi) Examine the books, records and other documents of all offices, officials, agents or employees of the municipality and in aid of his executive powers and authority, require all national officials and employees stationed in or assigned to the municipality to make available to him such books, records, and other documents in their custody, except those classified by law as confidential;
  - (xii) Furnish copies of executive orders issued by him to the provincial governor within seventy-two (72) hours after their issuance: Provided, That municipalities of Metropolitan Manila Area and that of any metropolitan political subdivision shall furnish copies of said executive orders to the metropolitan authority council chairman and to the Office of the President;
  - (xiii) Visit component Barangays of the municipality at least once every six (6) months to deepen his understanding of problems and conditions therein, listen and give appropriate counsel to local officials and inhabitants, inform the component Barangay officials and inhabitants of general laws and

ordinances which especially concern them, and otherwise conduct visits and inspections to the end that the governance of the municipality will improve the quality of life of the inhabitants;

- (xiv) Act on leave applications of officials and employees appointed by him and the commutation of the monetary value of leave credits according to law;
- (xv) Authorize official trips outside of the municipality of municipal officials and employees for a period not exceeding thirty (30) days;
- (xvi) Call upon any national official or employee stationed in or assigned to the municipality to advise him on matters affecting the municipality and to make recommendations thereon, or to coordinate in the formulation and implementation of plans, programs and projects, and when appropriate, initiate an administrative or judicial action against a national government official or employee who may have committed an offense in the performance of his official duties while stationed in or assigned to the local government unit concerned;
- (xvii) Subject to availability of funds, authorize payment of medical care, necessary transportation, subsistence, hospital or medical fees of municipal officials and employees who are injured while in the performance of their official duties and functions;
  - (xviii) Solemnize marriages, any provision of law to the contrary notwithstanding;
- (xix) Conduct a palamong bayan, in coordination with the Department of Education, Culture and Sports, as an annual activity which shall feature traditional sports and disciplines included in national and international games; and
- (xx) Submit to the provincial governor the following reports: an annual report containing a summary of all matters pertaining to the management, administration and development of the municipality and all information and data relative to its political, social and economic conditions; and supplemental reports when unexpected events and situations arise at any time during the year, particularly when man-made or natural disasters or calamities affect the general welfare of the municipality, province, region or country. Mayors of municipalities of the Metropolitan Manila Area and other metropolitan political subdivisions shall submit said reports to their

respective metropolitan council chairmen and to the Office of the President;

- (2) Enforce all laws and ordinances relative to the governance of the municipality and the exercise of its corporate powers provided for under Section 22 of this Code, implement all approved policies, programs, projects, services and activities of the municipality and, in addition to the foregoing, shall:
  - (i) Ensure that the acts of the municipality's component Barangays and of its officials and employees are within the scope of their prescribed powers, functions, duties and responsibilities;
  - (ii) Call conventions, conferences, seminars or meetings of any elective and appointive officials of the municipality, including provincial officials and national officials and employees stationed in or assigned to the municipality at such time and place and on such subject as he may deem important for the promotion of the general welfare of the local government unit and its inhabitants;
  - (iii) Issue such executive orders as are necessary for the proper enforcement and execution of laws and ordinances;
  - (iv) Be entitled to carry the necessary firearm within his territorial jurisdiction;
  - (v) Act as the deputized representative of the National Police Commission, formulate the peace and order plan of the municipality and upon its approval, implement the same and exercise general and operational control and supervision over the local police forces in the municipality in accordance with R.A. No. 6975;
  - (vi) Call upon the appropriate law enforcement agencies to suppress disorder, riot, lawless violence, sedition or to apprehend violators of the law when public interest so requires and the municipal police forces are inadequate to cope with the situation or the violators; rebellion or
  
- (3) Initiate and maximize the generation of resources and revenues, and apply the same to the implementation of development plans, program objectives and priorities as provided for under Section 18 of this Code, particularly those resources and revenues programmed for agro-industrial

development and country-wide growth and progress, and relative thereto, shall:

- (i) Require each head of an office or department to prepare and submit an estimate of appropriations for the ensuing calendar year, in accordance with the budget preparation process under Title Five, Book II of this Code;
- (ii) Prepare and submit to the sanggunian for approval the executive and supplemental budgets of the municipality for the ensuing calendar year in the manner provided for under Title Five, Book II of this Code;
- (iii) Ensure that all taxes and other revenues of the municipality are collected, and that municipal funds are applied in accordance with law or ordinance to the payment of expenses and settlement of obligations of the municipality;
- (iv) Issue licenses and permits and suspend or revoke the same for any violation of the conditions upon which said licenses or permits had been issued, pursuant to law or ordinance;
- (v) Issue permits, without need of approval therefor from any national agency, for the holding of activities for any charitable or welfare purpose, excluding prohibited games of chance or shows contrary to law, public policy and public morals;
- (vi) Require owners of illegally constructed houses, buildings or other structures to obtain the necessary permit, subject to such fines and penalties as may be imposed by law or ordinance, or to make necessary changes in the construction of the same when said construction violates any law or ordinance, or to order the demolition or removal of said house, building or structure within the period prescribed by law or ordinance;
- (vii) Adopt adequate measures to safeguard and conserve land, mineral, marine, forest, and other resources of the municipality; provide efficient and effective property and supply management in the municipality; and protect the funds, credits, rights and other properties of the municipality; and
- (viii) Institute or cause to be instituted administrative or judicial proceedings for violation of ordinances in the collection of taxes, fees or charges, and for the recovery of funds and property; and cause the

municipality to be defended against all suits to ensure that its interests, resources and rights shall be adequately protected;

- (4) Ensure the delivery of basic services and the provision of adequate facilities as provided for under Section 17 of this Code and, in addition thereto, shall:
    - (i) Ensure that the construction and repair of roads and highways funded by the national government shall be, as far as practicable, carried out in a spatially contiguous manner and in coordination with the construction and repair of the roads and bridges of the municipality and the province; and
    - (ii) Coordinate the implementation of technical services rendered by national and provincial offices, including public works and infrastructure programs in the municipality; and
  - (5) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.
- c) During his incumbency, the municipal mayor shall hold office in the municipal hall.
  - (d) The municipal mayor shall receive a minimum monthly compensation corresponding to Salary Grade twenty-seven (27) as prescribed under R.A. No. 6758 and the implementing guidelines issued pursuant thereto.

## **Article Two. - The Vice Mayor**

### **SECTION. 445. Powers, Duties and Compensation.-** (a) The vice-mayor shall:

- (1) Be the presiding officer of the Sangguniang Bayan and sign all warrants drawn on the municipal treasury for all expenditures appropriated for the operation of the Sangguniang Bayan;
- (2) Subject to civil service law, rules and regulations, appoint all officials and employees of the Sangguniang Bayan, except those whose manner of appointment is specifically provided in this Code;
- (3) Assume the office of the municipal mayor for the unexpired term of the latter in the event of permanent vacancy as provided for in section 44, Book I of this Code;

- (4) Exercise the powers and perform the duties and functions of the municipal mayor in cases of temporary vacancy as provided for in section 46, Book I of this Code; and,
  - (5) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.
- (b) The vice-mayor shall receive a monthly compensation corresponding to Salary Grade twenty five (25) as prescribed under R.A. No. 6758 and the implementing guidelines issued pursuant thereto.

### **Article Three. - The Sangguniang Bayan**

**SECTION. 446. Composition.** - (a) The Sangguniang Bayan, the legislative body of the municipality, shall be composed of the municipal vice-mayor as the presiding officer, the regular sanggunian members, the president of the municipal chapter of the liga ng mga Barangay, the president of the pambayang pederasyon ng mga Sangguniang Kabataan, and the sectoral representatives, as members.

- (b) In addition thereto, there shall be three (3) sectoral representatives: one (1) from the women; and, as shall be determined by the sanggunian concerned within ninety (90) days prior to the holding of local elections, one (1) from the agricultural or industrial workers; and one (1) from the other sectors, including the urban poor, indigenous cultural communities, or disabled persons.
- (c) The regular members of the Sangguniang Bayan and the sectoral representatives shall be elected in the manner as may be provided for by law.

**SECTION. 447. - Powers, Duties, Functions and Compensation.** - (a) The Sangguniang Bayan, as the legislative body of the municipality, shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the municipality and its inhabitants pursuant to section 16 of this Code and in the proper exercise of the corporate powers of the municipality as provided for under section 22 of this Code, and shall:

- (1) Approve ordinances and pass resolutions necessary for an efficient and effective municipal government, and in this connection shall:
  - (i) Review all ordinances approved by the Sangguniang Barangay and executive orders issued by the Punong

- Barangay to determine whether these are within the scope of the prescribed powers of the sanggunian and of the Punong Barangay;
- (ii) Maintain peace and order by enacting measures to prevent and suppress lawlessness, disorder, riot, violence, rebellion or sedition and impose penalties for the violation of said ordinances;
  - (iii) Approve ordinances imposing a fine not exceeding Two thousand five hundred pesos (P=2,500.00) or an imprisonment for a period not exceeding six (6) months, or both in the discretion of the court, for the violation of a municipal ordinance;
  - (iv) Adopt measures to protect the inhabitants of the municipality from the harmful effects of man-made or natural disasters and calamities and to provide relief services and assistance for victims during and in the aftermath of said disasters or calamities and their return to productive livelihood following said events;
  - (v) Enact ordinances intended to prevent, suppress and impose appropriate penalties for habitual drunkenness in public places, vagrancy, mendicancy, prostitution, establishment and maintenance of houses of ill repute, gambling and other prohibited games of chance, fraudulent devices and ways to obtain money or property, drug addiction, maintenance of drug dens, drug pushing, juvenile delinquency, the printing, distribution or exhibition of obscene or pornographic materials or publications, and such other activities inimical to the welfare and morals of the inhabitants of the municipality;
  - (vi) Protect the environment and impose appropriate penalties for acts which endanger the environment, such as dynamite fishing and other forms of destructive fishing, illegal logging and smuggling of logs, smuggling of natural resources products and of endangered species of flora and fauna, slash and burn farming, and such other activities which result in pollution, acceleration of eutrophication of rivers and lakes, or of ecological imbalance;
  - (vii) Subject to the provisions of this Code and pertinent laws, determine the powers and duties of officials and employees of the municipality;
  - (viii) Determine the positions and the salaries, wages, allowances and other emoluments and benefits of officials and employees paid wholly or mainly from municipal funds and provide for expenditures

necessary for the proper conduct of programs, projects, services, and activities of the municipal government;

- (ix) Authorize the payment of compensation to a qualified person not in the government service who fills up a temporary vacancy or grant honorarium to any qualified official or employee designated to fill a temporary vacancy in a concurrent capacity, at the rate authorized by law;
  - (x) Provide a mechanism and the appropriate funds therefor, to ensure the safety and protection of all municipal government property, public documents, or records such as those relating to property inventory, land ownership, records of births, marriages, deaths, assessments, taxation, accounts, business permits, and such other records and documents of public interest in the offices and departments of the municipal government;
  - (xi) When the finances of the municipal government allow, provide for additional allowances and other benefits to judges, prosecutors, public elementary and high school teachers, and other national government officials stationed in or assigned to the municipality;
  - (xii) Provide for legal assistance to Barangay officials who, in the performance of their official duties or on the occasion thereof, have to initiate judicial proceedings or defend themselves against legal action; and,
  - (xiii) Provide for group insurance or additional insurance coverage for Barangay officials, including members of Barangay tanod brigades and other service units, with public or private insurance companies, when the finances of the municipal government allow said coverage.
- (2) Generate and maximize the use of resources and revenues for the development plans, program objectives and priorities of the municipality as provided for under section 18 of this Code with particular attention to agro-industrial development and countryside growth and progress, and relative thereto, shall:
- (i) Approve the annual and supplemental budgets of the municipal government and appropriate funds for specific programs, projects, services and activities of



- the municipality, or for other purposes not contrary to law, in order to promote the general welfare of the municipality and its inhabitants;
- (ii) Subject to the provisions of Book II of this Code and applicable laws and upon the majority vote of all the members of the Sangguniang Bayan, enact ordinances levying taxes, fees and charges, prescribing the rates thereof for general and specific purposes, and granting tax exemptions, incentives or reliefs;
  - (iii) Subject to the provisions of Book II of this Code and upon the majority vote of all the members of the Sangguniang Bayan, authorize the municipal mayor to negotiate and contract loans and other forms of indebtedness;
  - (iv) Subject to the provisions of Book II of this Code and applicable laws and upon the majority vote of all the members of the Sangguniang Bayan, enact ordinances authorizing the floating of bonds or other instruments of indebtedness, for the purpose of raising funds to finance development projects;
  - (v) Appropriate funds for the construction and maintenance or the rental of buildings for the use of the municipality and, upon the majority vote of all the members of the Sangguniang Bayan, authorize the municipal mayor to lease to private parties such public buildings held in a proprietary capacity, subject to existing laws, rules and regulations;
  - (vi) Prescribe reasonable limits and restraints on the use of property within the jurisdiction of the municipality;
  - (vii) Adopt a comprehensive land use plan for the municipality: Provided, That the formulation, adoption, or modification of said plan shall be in coordination with the approved provincial comprehensive land use plan;
  - (viii) Reclassify land within the jurisdiction of the municipality, subject to the pertinent provisions of this Code;
  - (ix) Enact integrated zoning ordinances in consonance with the approved comprehensive land use plan, subject to existing laws, rules and regulations; establish fire limits or zones, particularly in populous centers; and regulate the construction, repair or modification of buildings within said fire limits or zones in accordance with the provisions of the Fire Code;

- (x) Subject to national law, process and approve subdivision plans for residential, commercial, or industrial purposes and other development purposes, and collect processing fees and other charges, the proceeds of which shall accrue entirely to the municipality: Provided, however, That, where approval by a national agency or office is required, said approval shall not be withheld for more than thirty (30) days from receipt of the application. Failure to act on the application within the period stated above shall be deemed as approval thereof;
  - (xi) Subject to the provisions of Book II of this Code, grant the exclusive privilege of constructing fish corrals or fish pens, or the taking or catching of bangus fry, prawn fry or kawag-kawag or fry of any species or fish within the municipal waters;
  - (xii) With the concurrence of at least two-thirds (2/3) of all the members of the Sangguniang Bayan, grant tax exemptions, incentives or reliefs to entities engaged in community growth-inducing industries, subject to the provisions of Chapter 5, Title I, Book II of this Code;
  - (xiii) Grant loans or provide grants to other local government units or to national, provincial and municipal charitable, benevolent or educational institutions: Provided, That said institutions are operated and maintained within the municipality;
  - (xiv) Regulate the numbering of residential, commercial and other buildings; and,
  - (xv) (xv) Regulate the inspection, weighing and measuring of articles of commerce.
- (3) Subject to the provisions of Book II of this Code, grant franchises, enact ordinances authorizing the issuance of permits or licenses, or enact ordinances levying taxes, fees and charges upon such conditions and for such purposes intended to promote the general welfare of the inhabitants of the municipality, and pursuant to this legislative authority shall:
- (i) Fix and impose reasonable fees and charges for all services rendered by the municipal government to private persons or entities;
  - (ii) Regulate any business, occupation, or practice of profession or calling which does not require government examination within the municipality and

the conditions under which the license for said business or practice of profession may be issued or revoked;

- (iii) Prescribe the terms and conditions under which public utilities owned by the municipality shall be operated by the municipal government or leased to private persons or entities, preferably cooperatives;
  - (iv) Regulate the display of and fix the license fees for signs, signboards, or billboards at the place or places where the profession or business advertised thereby is, in whole or in part, conducted;
  - (v) Any law to the contrary notwithstanding, authorize and license the establishment, operation, and maintenance of cockpits, and regulate cockfighting and commercial breeding of gamecocks: Provided, That existing rights should not be prejudiced;
  - (vi) Subject to the guidelines prescribed by the Department of Transportation and Communications, regulate the operation of tricycles and grant franchises for the operation thereof within the territorial jurisdiction of the municipality;
  - (vii) Upon approval by a majority vote of all the members of the Sangguniang Bayan, grant a franchise to any person, partnership, corporation, or cooperative to establish, construct, operate and maintain ferries, wharves, markets or slaughterhouses, or such other similar activities within the municipality as may be allowed by applicable laws: Provided, That, cooperatives shall be given preference in the grant of such a franchise.
- (4) Regulate activities relative to the use of land, buildings and structures within the municipality in order to promote the general welfare and for said purpose shall:
- (i) Declare, prevent or abate any nuisance;
  - (ii) Require that buildings and the premises thereof and any land within the municipality be kept and maintained in a sanitary condition; impose penalties for any violation thereof, or upon failure to comply with said requirement, have the work done and require the owner, administrator or tenant concerned to pay the expenses of the same; or require the filling up of any land or premises to a grade necessary for proper sanitation;

- (iii) Regulate the disposal of clinical and other wastes from hospitals, clinics and other similar establishments;
  - (iv) Regulate the establishment, operation and maintenance of cafes, restaurants, beerhouses, hotels, motels, inns, pension houses, lodging houses, and other similar establishments, including tourist guides and transports;
  - (v) Regulate the sale, giving away or dispensing of any intoxicating malt, vino, mixed or fermented liquors at any retail outlet;
  - (vi) Regulate the establishment and provide for the inspection of steam boilers or any heating device in buildings and the storage of inflammable and highly combustible materials within the municipality;
  - (vii) Regulate the establishment, operation, and maintenance of entertainment or amusement facilities, including theatrical performances, circuses, billiard pools, public dancing schools, public dance halls, sauna baths, massage parlors, and other places of entertainment or amusement; regulate such other events or activities for amusement or entertainment, particularly those which tend to disturb the community or annoy the inhabitants, or require the suspension or suppression of the same; or, prohibit certain forms of amusement or entertainment in order to protect the social and moral welfare of the community;
  - (viii) Provide for the impounding of stray animals; regulate the keeping of animals in homes or as part of a business, and the slaughter, sale or disposition of the same; and adopt measures to prevent and penalize cruelty to animals; and
  - (ix) Regulate the establishment, operation, and maintenance of funeral parlors and the burial or cremation of the dead, subject to existing laws, rules and regulations.
- (5) Approve ordinances which shall ensure the efficient and effective delivery of the basic services and facilities as

provided for under Section 17 of this Code, and in addition to said services and facilities, shall:

- (i) Provide for the establishment, maintenance, protection, and conservation of communal forests and water sheds, tree parks, greenbelts, mangroves, and other similar forest development projects;
- (ii) Establish markets, slaughterhouses or animal corrals and authorize the operation thereof, and regulate the construction and operation of private markets, talipapas or other similar buildings and structures;
- (iii) Authorize the establishment, maintenance and operation of ferries, wharves, and other structures, and marine and seashore or offshore activities intended to accelerate productivity;
- (iv) Regulate the preparation and sale of meat, poultry, fish, vegetables, fruits, fresh dairy products, and other foodstuffs for public consumption;
- (v) Regulate the use of streets, avenues, alleys, sidewalks, bridges, parks and other public places and approve the construction, improvement, repair and maintenance of the same; establish bus and vehicle stops and terminals or regulate the use of the same by privately-owned vehicles which serve the public; regulate garages and the operation of conveyances for hire; designate stands to be occupied by public vehicles when not in use; regulate the putting up of signs, signposts, awnings and awning posts on the streets; and provide for the lighting, cleaning and sprinkling of streets and public places;
- (vi) Regulate traffic on all streets and bridges, prohibit the putting up of encroachments or obstacles thereon, and, when necessary in the interest of public welfare, authorize the removal of encroachments and illegal constructions in public places;
- (vii) Subject to existing laws, provide for the establishment, operation, maintenance, and repair of an efficient waterworks system to supply water for the inhabitants; regulate the construction, maintenance, repair and use of hydrants, pumps, cisterns and reservoirs; protect the purity and quantity of the water supply of the municipality and, for this purpose, extend the coverage of appropriate ordinances over all territory within the drainage area of said water supply and within one hundred (100) meters of the reservoir, conduit, canal, aqueduct, pumping station,

- or watershed used in connection with the water service; and regulate the consumption, use or wastage of water;
- (viii) Regulate the drilling and excavation of the ground for the laying of water, gas, sewer, and other pipes and the construction, repair and maintenance of public drains, sewers, cesspools, tunnels and similar structures; regulate the placing of poles and the use of crosswalks, curbs, and gutters; adopt measures to ensure public safety against open canals, manholes, live wires and other similar hazards to life and property; and, regulate the construction and use of private water closets, privies and other similar structures in buildings and homes;
  - (ix) Regulate the placing, stringing, attaching, installing, repair and construction of all gas mains, electric, telegraph and telephone wires, conduits, meters and other apparatus; and, provide for the correction, condemnation or removal of the same when found to be dangerous, defective or otherwise hazardous to the welfare of the inhabitants;
  - (x) Subject to the availability of funds and to existing laws, rules and regulations, establish and provide for the operation of vocational and technical schools and similar post-secondary institutions and, with the approval of the Department of Education, Culture and Sports, fix and collect reasonable fees and other school charges on said institutions, subject to existing laws on tuition fees;
  - (xi) Establish a scholarship fund for poor but deserving students residing within the municipality in schools located within its jurisdiction;
  - (xii) Approve measures and adopt quarantine regulations to prevent the introduction and spread of diseases;
  - (xiii) Provide for an efficient and effective system of solid waste and garbage collection and disposal and prohibit littering and the placing or throwing of garbage, refuse and other filth and wastes;
  - (xiv) Provide for the care of paupers, the aged, the sick, persons of unsound mind, disabled persons, abandoned minors, juvenile delinquents, drug dependents, abused children and other needy and disadvantaged persons, particularly children and youth below eighteen (18) years of age and, subject to availability of funds, establish and provide for the

- operation of centers and facilities for said needy and disadvantaged persons;
- (xv) Establish and provide for the maintenance and improvement of jails and detention centers, institute sound jail management programs, and appropriate funds for the subsistence of detainees and convicted prisoners in the municipality;
  - (xvi) Establish a municipal council whose purpose is the promotion of culture and the arts, coordinate with government agencies and non-governmental organizations and, subject to the availability of funds, appropriate funds for the support and development of the same; and
  - (xvii) Establish a municipal council for the elderly which shall formulate policies and adopt measures mutually beneficial to the elderly and to the community; provide incentives for non-governmental agencies and entities and, subject to the availability of funds, appropriate funds to support programs and projects for the benefit of the elderly; and
- (6) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.
- (b) The members of the Sangguniang Bayan shall receive a minimum monthly compensation corresponding to Salary Grade twenty-four (24) as prescribed under R.A. 6758 and the implementing guidelines issued pursuant thereto: Provided, That, in municipalities in the Metropolitan Manila Area and other metropolitan political subdivisions, members of the Sangguniang Bayan shall receive a minimum monthly compensation corresponding to Salary grade twenty-five (25).

## TITLE THREE. - THE CITY

### CHAPTER 1 - ROLE AND CREATION OF THE CITY

**SECTION. 448. Role of the City.** - The city, consisting of more urbanized and developed Barangays, serves as a general-purpose government for the coordination and delivery of basic, regular, and direct services and effective governance of the inhabitants within its territorial jurisdiction.

**SECTION. 449. Manner of Creation.** - A city may be created, divided, merged, abolished, or its boundary substantially altered, only by an Act of Congress, and subject to approval by a majority of the votes cast in a plebiscite to be conducted by the Comelec in the local government unit or units directly affected. Except as may otherwise be provided in such Act, the plebiscite shall be held within one hundred twenty (120) days from the date of its effectivity.

**SECTION. 450. Requisites for Creation.** - (a) A municipality or a cluster of Barangays may be converted into a component city if it has an average annual income, as certified by the Department of Finance, of at least Twenty million pesos (Php20,000,000.00) for the last two (2) consecutive years based on 1991 constant prices, and if it has either of the following requisites:

- (i) a contiguous territory of at least one hundred (100) square kilometers, as certified by the Lands Management Bureau; or,
  - (ii) a population of not less than one hundred fifty thousand(150,000) inhabitants, as certified by the National Statistics Office: Provided, That, the creation thereof shall not reduce the land area, population, and income of the original unit or units at the time of said creation to less than the minimum requirements prescribed herein.
- (b) The territorial jurisdiction of a newly-created city shall be properly identified by metes and bounds. The requirement on land area shall not apply where the city proposed to be created is composed of one (1) or more islands. The territory need not be contiguous if it comprises two (2) or more islands.
- (c) The average annual income shall include the income accruing to the general fund, exclusive of special funds, transfers, and non-recurring income.



**SECTION. 451. Cities, Classified.** - A city may either be component or highly urbanized: Provided, however, That the criteria established in this Code shall not affect the classification and corporate status of existing cities. Independent component cities are those component cities whose charters prohibit their voters from voting for provincial elective officials. Independent component cities shall be independent of the province.

**SECTION. 452. Highly Urbanized Cities.** - (a) Cities with a minimum population of two hundred thousand (200,000) inhabitants, as certified by the National Statistics Office, and with the latest annual income of at least Fifty Million Pesos(Php50,000,000.00) based on 1991 constant prices, as certified by the city treasurer, shall be classified as highly urbanized cities.

- (b) Cities which do not meet the above requirements shall be considered component cities of the province in which they are geographically located. If a component city is located within the boundaries of two (2) or more provinces, such city shall be considered a component of the province of which it used to be a municipality.
- (c) Qualified voters of highly urbanized cities shall remain excluded from voting for elective provincial officials.

Unless otherwise provided in the Constitution or this Code, qualified voters of independent component cities shall be governed by their respective charters, as amended, on the participation of voters in provincial elections.

Qualified voters of cities who acquired the right to vote for elective provincial officials prior to the classification of said cities as highly-urbanized after the ratification of the Constitution and before the effectivity of this Code, shall continue to exercise such right.

**SECTION. 453. Duty to Declare Highly Urbanized Status.** - It shall be the duty of the President to declare a city as highly urbanized within thirty (30) days after it shall have met the minimum requirements prescribed in the immediately preceding section, upon proper application therefor and ratification in a plebiscite by the qualified voters therein.

## **CHAPTER 2 - CITY OFFICIALS IN GENERAL**

**SECTION. 454. Officials of the City Government.** - (a) There shall be in each city a mayor, a vice-mayor, Sangguniang Panlungsod members, a secretary to the Sangguniang Panlungsod, a city treasurer, a city assessor, a city accountant, a city budget officer, a city planning and development coordinator, a city engineer, a city health officer, a city civil

registrar, a city administrator, a city legal officer, a city veterinarian, a city social welfare and development officer, and a city general services officer.

- (b) In addition thereto, the city mayor may appoint a city architect, a city information officer, a city agriculturist, a city population officer, a city environment and natural resources officer, and a city cooperatives officer.

The appointment of a city population officer shall be optional in the city: Provided, however, That cities which have existing population offices shall continue to maintain such offices for a period of five (5) years from the date of the effectivity of this Code, after which said offices shall become optional.

- (c) The Sangguniang Panlungsod may:
  - (1) Maintain existing offices not mentioned in subsections (a) and (b) hereof;
  - (2) Create such other offices as may be necessary to carry out the purposes of the city government; or
  - (3) Consolidate the functions of any office with those of another in the interest of efficiency and economy.
- (d) Unless otherwise provided herein, heads of departments and offices shall be appointed by the city mayor with the concurrence of the majority of all the Sangguniang Panlungsod members, subject to civil service law, rules and regulations. The Sangguniang Panlungsod shall act on the appointment within fifteen (15) days from the date of its submission, otherwise the same shall be deemed confirmed.
- (e) Elective and appointive city officials shall receive such compensation, allowances, and other emoluments as may be determined by law or ordinance, subject to the budgetary limitations on personal services prescribed under Title Five, Book II of this Code: Provided, That, no increase in compensation of the mayor, vice-mayor and Sangguniang Panlungsod members shall take effect until after the expiration of the full term of the said local officials approving such increase.

## CHAPTER 3 - OFFICIALS AND OFFICES COMMON TO ALL CITIES

### Article One. - The City Mayor

**SECTION. 455. Chief Executive; Powers, Duties and Compensation.** -(a) The city mayor, as chief executive of the city government, shall exercise such powers and perform such duties and functions as provided by this Code and other laws.

- (b) For efficient, effective and economical governance the purpose of which is the general welfare of the city and its inhabitants pursuant to Section 16 of this Code, the city mayor shall:
- (1) Exercise general supervision and control over all programs, projects, services, and activities of the city government, and in this connection, shall:
    - (i) Determine the guidelines of city policies and be responsible to the Sangguniang Panlungsod for the program of government;
    - (ii) Direct the formulation of the city development plan, with the assistance of the city development council, and upon approval thereof by the Sangguniang Panlungsod, implement the same;
    - (iii) Present the program of government and propose policies and projects for the consideration of the Sangguniang Panlungsod at the opening of the regular session of the Sangguniang Panlungsod every calendar year and as often as may be deemed necessary as the general welfare of the inhabitants and the needs of the city government may require;
    - (iv) Initiate and propose legislative measures to the Sangguniang Panlungsod and as often as may be deemed necessary, provide such information and data needed or requested by said sanggunian in the performance of its legislative functions;
    - (v) Appoint all officials and employees whose salaries and wages are wholly or mainly paid out of city funds and whose appointments are not otherwise provided for in this Code, as well as those he may be authorized by law to appoint;
    - (vi) Represent the city in all its business transactions and sign in its behalf all bonds, contracts, and obligations, and such other documents upon authority of the

- Sangguniang Panlungsod or pursuant to law or ordinance;
- (vii) Carry out such emergency measures as may be necessary during and in the aftermath of man-made and natural disasters and calamities;
  - (viii) Determine the time, manner and place of payment of salaries or wages of the officials and employees of the city, in accordance with law or ordinance;
  - (ix) Allocate and assign office space to city and other officials and employees who, by law or ordinance, are entitled to such space in the city hall and other buildings owned or leased by the city government;
  - (x) Ensure that all executive officials and employees of the city faithfully discharge their duties and functions as provided by law and this Code, and cause to be instituted administrative or judicial proceedings against any official or employee of the city who may have committed an offense in the performance of his official duties;
  - (xi) Examine the books, records and other documents of all offices, officials, agents or employees of the city and, in aid of his executive powers and authority, require all national officials and employees stationed in or assigned to the city to make available to him such books, records, and other documents in their custody, except those classified by law as confidential;
  - (xii) Furnish copies of executive orders issued by him, to the provincial governor in the case of component city mayors, to the Office of the President in the case of highly-urbanized city mayors, and to their respective metropolitan council chairmen in the case of mayors of cities in the Metropolitan Manila Area and other metropolitan political subdivisions, within seventy-two (72) hours after their issuance;
  - (xiii) Visit component Barangays of the city at least once every six (6) months to deepen his understanding of problems and conditions, listen and give appropriate counsel to local officials and inhabitants, inform the component Barangay officials and inhabitants of general laws and ordinances which especially concern them, and otherwise conduct visits and inspections to ensure that the governance of the city will improve the quality of life of the inhabitants;
  - (xiv) Act on leave applications of officials and employees appointed by him and the commutation of the

- monetary value of their leave credits in accordance with law;
- (xv) Authorize official trips of city officials and employees outside of the city for a period not exceeding thirty (30) days;
  - (xvi) Call upon any national official or employee stationed in or assigned to the city to advise him on matters affecting the city and to make recommendations thereon; coordinate with said official or employee in the formulation and implementation of plans, programs and projects; and, when appropriate, initiate an administrative or judicial action against a national government official or employee who may have committed an offense in the performance of his official duties while stationed in or assigned to the city;
  - (xvii) Authorize payment for medical care, necessary transportation, subsistence, hospital or medical fees of city officials and employees who are injured while in the performance of their official duties and functions, subject to availability of funds;
  - (xviii) Solemnize marriage, any provision of law to the contrary notwithstanding;
  - (xix) Conduct an annual palarong panlungsod, which shall feature traditional sports and disciplines included in national and international games, in coordination with the Department of Education, Culture and Sports; and,
  - (xx) Submit to the provincial governor, in the case of component cities; to the Office of the President, in the case of highly-urbanized cities; to their respective metropolitan authority council chairmen and to the Office of the President, in the case of cities of the Metropolitan Manila Area and other metropolitan political subdivisions, the following reports: an annual report containing a summary of all matters pertinent to the management, administration and development of the city and all information and data relative to its political, social and economic conditions; and supplemental reports when unexpected events and situations arise at any time during the year, particularly when man-made or natural disasters or calamities affect the general welfare of the city, province, region or country;
- (2) Enforce all laws and ordinances relative to the governance of the city and in the exercise of the appropriate corporate

powers provided for under section 22 of this Code, implement all approved policies, programs, projects, services and activities of the city and, in addition to the foregoing, shall:

- (i) Ensure that the acts of the city's component Barangays and of its officials and employees are within the scope of their prescribed powers, duties and functions;
  - (ii) Call conventions, conferences, seminars, or meetings of any elective and appointive officials of the city, including provincial officials and national officials and employees stationed in or assigned to the city, at such time and place and on such subject as he may deem important for the promotion of the general welfare of the local government unit and its inhabitants;
  - (iii) Issue such executive orders for the faithful and appropriate enforcement and execution of laws and ordinances;
  - (iv) Be entitled to carry the necessary firearm within his territorial jurisdiction;
  - (v) Act as the deputized representative of the National Police Commission, formulate the peace and order plan of the city and upon its approval, implement the same; and as such exercise general and operational control and supervision over the local police forces in the city, in accordance with R.A. No. 6975;
  - (vi) Call upon the appropriate law enforcement agencies to suppress disorder, riot, lawless violence, rebellion or sedition, or to apprehend violators of the law when public interest so requires and the city police forces are inadequate to cope with the situation or the violators;
- (3) Initiate and maximize the generation of resources and revenues, and apply the same to the implementation of development plans, program objectives and priorities as provided for under section 18 of this Code, particularly those resources and revenues programmed for agro-industrial development and countryside growth and progress and, relative thereto, shall:
- (i) Require each head of an office or department to prepare and submit an estimate of appropriations for the ensuing calendar year, in accordance with the

- budget preparations process under Title Five, Book II of this Code;
- (ii) Prepare and submit to the sanggunian for approval the executive and supplemental budgets of the city for the ensuing calendar year in the manner provided for under Title Five, Book II of this Code;
  - (iii) Ensure that all taxes and other revenues of the city are collected, and that city funds are applied to the payment of expenses and settlement of obligations of the city, in accordance with law or ordinance;
  - (iv) Issue licenses and permits and suspend or revoke the same for any violation of the conditions upon which said licenses or permits had been issued, pursuant to law or ordinance;
  - (v) Issue permits, without need of approval therefor from any national agency, for the holding of activities for any charitable or welfare purpose, excluding prohibited games of chance or shows contrary to law, public policy and public morals;
  - (vi) Require owners of illegally constructed houses, buildings or other structures to obtain the necessary permit, subject to such fines and penalties as may be imposed by law or ordinance, or to make necessary changes in the construction of the same when said construction violates any law or ordinance, or to order the demolition or removal of said house, building or structure within the period prescribed by law or ordinance;
  - (vii) Adopt adequate measures to safeguard and conserve land, mineral, marine, forest, and other resources of the city; provide efficient and effective property and supply management in the city; and protect the funds, credits, rights and other properties of the city; and
  - (viii) Institute or cause to be instituted administrative or judicial proceedings for violation of ordinances in the collection of taxes, fees or charges, and for the recovery of funds and property; and cause the city to be defended against all suits to ensure that its interests, resources and rights shall be adequately protected;
- (4) Ensure the delivery of basic services and the provision of adequate facilities as provided for under section 17 of this Code and, in addition thereto, shall:

- (i) Ensure that the construction and repair of roads and highways funded by the national government shall be, as far as practicable, carried out in a spatially contiguous manner and in coordination with the construction and repair of the roads and bridges of the city, and in the case of component cities, of the city and of the province; and
  - (ii) Coordinate the implementation of technical services, including public works and infrastructure programs, rendered by national offices in the case of highly urbanized and independent component cities, and by national and provincial offices in the case of component cities; and
- (5) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.
- (c) During his incumbency, the city mayor shall hold office in the city hall.
- (d) The city mayor shall receive a minimum monthly compensation corresponding to Salary Grade thirty (30) as prescribed under R.A. No. 6758 and the implementing guidelines issued pursuant thereto.

### **Article Two. - The City Vice-Mayor**

**SECTION. 456. Powers, Duties and Compensation.** - (a) The city vice-mayor shall:

- (1) Be the presiding officer of the Sangguniang Panlungsod and sign all warrants drawn on the city treasury for all expenditures appropriated for the operation of the Sangguniang Panlungsod;
- (2) Subject to civil service law, rules and regulations, appoint all officials and employees of the Sangguniang Panlungsod, except those whose manner of appointment is specifically provided in this Code;
- (3) Assume the office of the city mayor for the unexpired term of the latter in the event of permanent vacancy as provided for in Section 44, Book I of this Code;
- (4) Exercise the powers and perform the duties and functions of the city mayor in cases of temporary vacancy as provided for in Section 46, Book I of this Code; and



- (5) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.
- (b) The city vice-mayor shall receive a monthly compensation corresponding to Salary Grade twenty eight (28) for a highly urbanized city and Salary Grade twenty six (26) for a component city, as prescribed under R.A. No. 6758 and the implementing guidelines issued pursuant thereto.

### **Article Three. - The Sangguniang Panlungsod**

**SECTION. 457. Composition.** - (a) The Sangguniang Panlungsod, the legislative body of the city, shall be composed of the city vice-mayor as presiding officer, the regular sanggunian members, the president of the city chapter of the liga ng mga Barangay, the president of the panlungsod na pederasyon ng mga Sangguniang Kabataan, and the sectoral representatives, as members.

- (b) In addition thereto, there shall be three (3) sectoral representatives: one (1) from the women; and, as shall be determined by the sanggunian concerned within ninety (90) days prior to the holding of the local elections, one (1) from the agricultural or industrial workers; and one (1) from the other sectors, including the urban poor, indigenous cultural communities, or disabled persons.
- (c) The regular members of the Sangguniang Panlungsod and the sectoral representatives shall be elected in the manner as may be provided for by law.

**SECTION. 458. - Powers, Duties, Functions and Compensation.** - (a) The Sangguniang Panlungsod, as the legislative body of the city, shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the city and its inhabitants pursuant to section 16 of this Code and in the proper exercise of the corporate powers of the city as provided for under section 22 of this Code, and shall:

- (1) Approve ordinances and pass resolutions necessary for an efficient and effective city government, and in this connection, shall:
  - (i) Review all ordinances approved by the Sangguniang Barangay and executive orders issued by the Punong Barangay to determine whether these are within the scope of the prescribed powers of the sanggunian and of the Punong Barangay;

- (ii) Maintain peace and order by enacting measures to prevent and suppress lawlessness, disorder, riot, violence, rebellion or sedition and impose penalties for the violation of said ordinances;
- (iii) Approve ordinances imposing a fine not exceeding Five thousand pesos (P5,000.00) or an imprisonment for a period not exceeding one (1) year, or both in the discretion of the court, for the violation of a city ordinance;
- (iv) Adopt measures to protect the inhabitants of the city from the harmful effects of man-made or natural disasters and calamities, and to provide relief services and assistance for victims during and in the aftermath of said disasters or calamities and their return to productive livelihood following said events;
- (v) Enact ordinances intended to prevent, suppress and impose appropriate penalties for habitual drunkenness in public places, vagrancy, mendicancy, prostitution, establishment and maintenance of houses of ill repute, gambling and other prohibited games of chance, fraudulent devices and ways to obtain money or property, drug addiction, maintenance of drug dens, drug pushing, juvenile delinquency, the printing, distribution or exhibition of obscene or pornographic materials or publications, and such other activities inimical to the welfare and morals of the inhabitants of the city;
- (vi) Protect the environment and impose appropriate penalties for acts which endanger the environment, such as dynamite fishing and other forms of destructive fishing, illegal logging and smuggling of logs, smuggling of natural resources products and of endangered species of flora and fauna, slash and burn farming, and such other activities which result in pollution, acceleration of eutrophication of rivers and lakes, or of ecological imbalance;
- (vii) Subject to the provisions of this Code and pertinent laws, determine the powers and duties of officials and employees of the city;
- (viii) Determine the positions and the salaries, wages, allowances and other emoluments and benefits of officials and employees paid wholly or mainly from city funds and provide for expenditures necessary for the proper conduct of programs, projects, services, and activities of the city government;

- (ix) Authorize the payment of compensation to a qualified person not in the government service who fills up a temporary vacancy or grant honorarium to any qualified official or employee designated to fill a temporary vacancy in a concurrent capacity, at the rate authorized by law;
  - (x) Provide a mechanism and the appropriate funds therefor, to ensure the safety and protection of all city government property, public documents, or records such as those relating to property inventory, land ownership, records of births, marriages, deaths, assessments, taxation, accounts, business permits, and such other records and documents of public interest in the offices and departments of the city government;
  - (xi) When the finances of the city government allow, provide for additional allowances and other benefits to judges, prosecutors, public elementary and high school teachers, and other national government officials stationed in or assigned to the city;
  - (xii) Provide legal assistance to Barangay officials who, in the performance of their official duties or on the occasion thereof, have to initiate judicial proceedings or defend themselves against legal action; and
  - (xiii) Provide for group insurance or additional insurance coverage for all Barangay officials, including members of Barangay tanod brigades and other service units, with public or private insurance companies, when the finances of the city government allow said coverage;
- (2) Generate and maximize the use of resources and revenues for the development plans, program objectives and priorities of the city as provided for under section 18 of this Code, with particular attention to agro-industrial development and city-wide growth and progress, and relative thereto, shall:
- (i) Approve the annual and supplemental budgets of the city government and appropriate funds for specific programs, projects, services and activities of the city, or for other purposes not contrary to law, in order to promote the general welfare of the city and its inhabitants;
  - (ii) Subject to the provisions of Book II of this Code and applicable laws and upon the majority vote of all the members of the Sangguniang Panlungsod, enact ordinances levying taxes, fees and charges,

prescribing the rates thereof for general and specific purposes, and granting tax exemptions, incentives or reliefs;

- (iii) Subject to the provisions of Book II of this Code and upon the majority vote of all the members of the Sangguniang Panlungsod, authorize the city mayor to negotiate and contract loans and other forms of indebtedness;
- (iv) Subject to the provisions of Book II of this Code and applicable laws and upon the majority vote of all the members of the Sangguniang Panlungsod, enact ordinances authorizing the floating of bonds or other instruments of indebtedness, for the purpose of raising funds to finance development projects;
- (v) Appropriate funds for the construction and maintenance or the rental of buildings for the use of the city; and, upon the majority vote of all the members of the Sangguniang Panlungsod, authorize the city mayor to lease to private parties such public buildings held in a proprietary capacity, subject to existing laws, rules and regulations;
- (vi) Prescribe reasonable limits and restraints on the use of property within the jurisdiction of the city;
- (vii) Adopt a comprehensive land use plan for the city: Provided, That in the case of component cities, the formulation, adoption or modification of said plan shall be in coordination with the approved provincial comprehensive land use plan;
- (viii) Reclassify land within the jurisdiction of the city, subject to the pertinent provisions of this Code;
- (ix) Enact integrated zoning ordinances in consonance with the approved comprehensive land use plan, subject to existing laws, rules and regulations; establish fire limits or zones, particularly in populous centers; and regulate the construction, repair or modification of buildings within said fire limits or zones in accordance with the provisions of the Fire Code;
- (x) Subject to national law, process and approve subdivision plans for residential, commercial, or industrial purposes and other development purposes, and to collect processing fees and other charges, the proceeds of which shall accrue entirely to the city: Provided, however, That where approval of a national agency or office is required, said approval shall not be withheld for more than thirty (30) days from receipt of

the application. Failure to act on the application within the period stated above shall be deemed as approval thereof;

- (xi) Subject to the provisions of Book II of this Code, grant the exclusive privilege of constructing fish corrals or fish pens, or the taking or catching of bangus fry, prawn fry or kawag-kawag, or fry of any species or fish within the city waters;
  - (xii) With the concurrence of at least two-thirds (2/3) of all the members of the Sangguniang Panlungsod, grant tax exemptions, incentives or reliefs to entities engaged in community growth-inducing industries, subject to the provisions of Chapter 5, Title I, Book II of this Code;
  - (xiii) Grant loans or provide grants to other local government units or to national, provincial, and city charitable, benevolent or educational institutions: Provided, That, said institutions are operated and maintained within the city;
  - (xiv) Regulate the numbering of residential, commercial and other buildings; and,
    - (xv) Regulate the inspection, weighing and measuring of articles of commerce.
- (3) Subject to the provisions of Book II of this Code, enact ordinances granting franchises and authorizing the issuance of permits or licenses, upon such conditions and for such purposes intended to promote the general welfare of the inhabitants of the city and pursuant to this legislative authority shall:
- (i) Fix and impose reasonable fees and charges for all services rendered by the city government to private persons or entities;
  - (ii) Regulate or fix license fees for any business or practice of profession within the city and the conditions under which the license for said business or practice of profession may be revoked and enact ordinances levying taxes thereon;
  - (iii) Provide for and set the terms and conditions under which public utilities owned by the city shall be operated by the city government, and prescribe the conditions under which the same may be leased to private persons or entities, preferably cooperatives;
  - (iv) Regulate the display of and fix the license fees for signs, signboards, or billboards at the place or places

- where the profession or business advertised thereby is, in whole or in part, conducted;
- (v) Any law to the contrary notwithstanding, authorize and license the establishment, operation, and maintenance of cockpits, and regulate cockfighting and commercial breeding of gamecocks: Provided, That existing rights should not be prejudiced;
  - (vi) Subject to the guidelines prescribed by the Department of Transportation and Communications, regulate the operation of tricycles and grant franchises for the operation thereof within the territorial jurisdiction of the city;
  - (vii) Upon approval by a majority vote of all the members of the Sangguniang Panlungsod: grant a franchise to any person, partnership, corporation, or cooperative to do business within the city; establish, construct, operate and maintain ferries, wharves, markets or slaughterhouses; or undertake such other activities within the city as may be allowed by existing laws: Provided, That, cooperatives shall be given preference in the grant of such a franchise.
- (4) Regulate activities relative to the use of land, buildings and structures within the city in order to promote the general welfare and for said purpose shall:
- (i) Declare, prevent or abate any nuisance;
  - (ii) Require that buildings and the premises thereof and any land within the city be kept and maintained in a sanitary condition; impose penalties for any violation thereof; or, upon failure to comply with said requirement, have the work done at the expense of the owner, administrator or tenant concerned; or require the filling up of any land or premises to a grade necessary for proper sanitation;
  - (iii) Regulate the disposal of clinical and other wastes from hospitals, clinics and other similar establishments;
  - (iv) Regulate the establishment, operation and cafes, restaurants, beerhouses, hotels, motels, inns, pension houses, lodging houses, and other similar establishments, including tourist guides and transports;

- (v) Regulate the sale, giving away or dispensing of any intoxicating malt, vino, mixed or fermented liquors at any retail outlet;
  - (vi) Regulate the establishment and provide for the inspection of steam boilers or any heating device in buildings and the storage of inflammable and highly combustible materials within the city;
  - (vii) Regulate the establishment, operation, and maintenance of any entertainment or amusement facilities, including theatrical performances, circuses, billiard pools, public dancing schools, public dance halls, sauna baths, massage parlors, and other places for entertainment or amusement; regulate such other events or activities for amusement or entertainment, particularly those which tend to disturb the community or annoy the inhabitants, or require the suspension or suppression of the same; or, prohibit certain forms of amusement or entertainment in order to protect the social and moral welfare of the community;
  - (viii) Provide for the impounding of stray animals; regulate the keeping of animals in homes or as part of a business, and the slaughter, sale or disposition of the same; and adopt measures to prevent and penalize cruelty to animals; and,
  - (ix) Regulate the establishment, operation and maintenance of funeral parlors and the burial or cremation of the dead, subject to existing laws, rules and regulations.
- (5) Approve ordinances which shall ensure the efficient and effective delivery of the basic services and facilities as provided for under Section 17 of this Code, and in addition to said services and facilities, shall:
- (i) Provide for the establishment, maintenance, protection, and conservation of communal forests and watersheds, tree parks, greenbelts, mangroves, and other similar forest development projects;
  - (ii) Establish markets, slaughterhouses or animal corrals and authorize the operation thereof by the city government; and regulate the construction and operation of private markets, talipapas or other similar buildings and structures;
  - (iii) Authorize the establishment, maintenance and operation by the city government of ferries, wharves,

- and other structures intended to accelerate productivity related to marine and seashore or offshore activities;
- (iv) Regulate the preparation and sale of meat, poultry, fish, vegetables, fruits, fresh dairy products, and other foodstuffs for public consumption;
  - (v) Regulate the use of streets, avenues, alleys, sidewalks, bridges, parks and other public places and approve the construction, improvement, repair and maintenance of the same; establish bus and vehicle stops and terminals or regulate the use of the same by privately-owned vehicles which serve the public; regulate garages and the operation of conveyances for hire; designate stands to be occupied by public vehicles when not in use; regulate the putting up of signs, signposts, awnings and awning posts on the streets; and provide for the lighting, cleaning and sprinkling of streets and public places;
  - (vi) Regulate traffic on all streets and bridges; prohibit encroachments or obstacles thereon and, when necessary in the interest of public welfare, authorize the removal of encroachments and illegal constructions in public places;
  - (vii) Subject to existing laws, establish and provide for the maintenance, repair and operation of an efficient waterworks system to supply water for the inhabitants and to purify the source of the water supply; regulate the construction, maintenance, repair and use of hydrants, pumps, cisterns and reservoirs; protect the purity and quantity of the water supply of the city and, for this purpose, extend the coverage of appropriate ordinances over all territory within the drainage area of said water supply and within one hundred (100) meters of the reservoir, conduit, canal, aqueduct, pumping station, or watershed used in connection with the water service; and regulate the consumption, use or wastage of water and fix and collect charges therefor;
  - (viii) Regulate the drilling and excavation of the ground for the laying of water, gas, sewer, and other pipes and the construction, repair and maintenance of public drains, sewers, cesspools, tunnels and similar structures; regulate the placing of poles and the use of crosswalks, curbs, and gutters; adopt measures to ensure public safety against open canals, manholes, live wires and other similar hazards to life and



- property; and regulate the construction and use of private water closets, privies and other similar structures in buildings and homes;
- (ix) Regulate the placing, stringing, attaching, installing, repair and construction of all gas mains, electric, telegraph and telephone wires, conduits, meters and other apparatus; and provide for the correction, condemnation or removal of the same when found to be dangerous, defective, or otherwise hazardous to the welfare of the inhabitants;
  - (x) Subject to the availability of funds and to existing laws, rules and regulations, establish and provide for the operation of vocational and technical schools and similar post-Secondary institutions and, with the approval of the Department of Education, Culture and Sports and subject to existing law on tuition fees, fix and collect reasonable tuition fees and other school charges in educational institutions supported by the city government;
  - (xi) Establish a scholarship fund for the poor but deserving students in schools located within its jurisdiction or for students residing within the city;
  - (xii) Approve measures and adopt quarantine regulations to prevent the introduction and spread of diseases;
  - (xiii) Provide for an efficient and effective system of solid waste and garbage collection and disposal; prohibit littering and the placing or throwing of garbage, refuse and other filth and wastes;
  - (xiv) Provide for the care of disabled persons, paupers, the aged, the sick, persons of unsound mind, abandoned minors, juvenile delinquents, drug dependents, abused children and other needy and disadvantaged persons, particularly children and youth below eighteen (18) years of age; and, subject to availability of funds, establish and provide for the operation of centers and facilities for said needy and disadvantaged persons;
  - (xv) Establish and provide for the maintenance and improvement of jails and detention centers, institute a sound jail management, and appropriate funds for the subsistence of detainees and convicted prisoners in the city;
  - (xvi) Establish a City council whose purpose is the promotion of culture and the arts, coordinate with government agencies and non-governmental organizations and, subject to the availability of funds,

appropriate funds for the support and development of the same; and

(xvii) Establish a City council for the elderly which shall formulate policies and adopt measures mutually beneficial to the elderly and to the community; provide incentives for non-governmental agencies and entities and, subject to the availability of funds, appropriate funds to support programs and projects for the benefit of the elderly; and

(6) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

(b) The members of the Sangguniang Panlungsod of component cities shall receive a minimum monthly compensation corresponding to Salary Grade twenty-five (25) and members of the Sangguniang Panlungsod of highly- urbanized cities shall receive a minimum monthly compensation corresponding to Salary Grade twenty-seven (27), as prescribed under R.A. 6758 and the implementing guidelines issued pursuant thereto.

## TITLE FOUR. - THE PROVINCE

### CHAPTER 1 - ROLE AND CREATION OF THE PROVINCE

**SECTION. 459. Role of the Province.** - The province, composed of a cluster of municipalities, or municipalities and component cities, and as a political and corporate unit of government, serves as a dynamic mechanism for developmental processes and effective governance of local government units within its territorial jurisdiction.

**SECTION. 460. Manner of Creation.** - A province may be created, divided, merged, abolished, or its boundary substantially altered, only by an Act of Congress and subject to approval by a majority of the votes cast in a plebiscite to be conducted by the Comelec in the local government unit or units directly affected. The plebiscite shall be held within one hundred twenty (120) days from the date of effectivity of said Act, unless otherwise provided therein.

**SECTION. 461. Requisites for Creation.** - (a) A province may be created if it has an average annual income, as certified by the Department of Finance, of not less than Twenty million pesos(Php20,000,000.00) based on 1991 constant prices and either of the following requisites:

- (i) a contiguous territory of at least two thousand (2,000) square kilometers, as certified by the Lands Management Bureau; or,
- (ii) a population of not less than two hundred fifty thousand(250,000) inhabitants as certified by the National Statistics Office:

Provided, That, the creation thereof shall not reduce the land area, population, and income of the original unit or units at the time of said creation to less than the minimum requirements prescribed herein.

- (b) The territory need not be contiguous if it comprises two (2) or more islands or is separated by a chartered city or cities which do not contribute to the income of the province.
- (c) The average annual income shall include the income accruing to the general fund, exclusive of special funds, trust funds, transfers, and non-recurring income.

**SECTION. 462. Existing Sub-Provinces.** - Existing sub- provinces are hereby converted into regular provinces upon approval by a majority of the votes

cast in a plebiscite to be held in the said subprovinces and the original provinces directly affected. The plebiscite shall be conducted by the Comelec simultaneously with the national elections following the effectivity of this Code.

The new legislative districts created as a result of such conversion shall continue to be represented in Congress by the duly-elected representatives of the original districts out of which said new provinces or districts were created until their own representatives shall have been elected in the next regular congressional elections and qualified.

The incumbent elected officials of the said sub-provinces converted into regular provinces shall continue to hold office until June 30, 1992. Any vacancy occurring in the offices occupied by said incumbent elected officials, or resulting from expiration of their terms of office in case of a negative vote in the plebiscite results, shall be filled by appointment by the President. The appointees shall hold office until their successors shall have been elected in the regular local elections following the plebiscite mentioned herein and qualified. After effectivity of such conversion, the President shall fill up the position of governor of the newly-created province through appointment if none has yet been appointed to the same as hereinbefore provided, and shall also appoint a vice-governor and the other members of the Sangguniang Panlalawigan, all of whom shall likewise hold office until their successors shall have been elected in the next regular local elections and qualified.

All qualified appointive officials and employees in the career service of the said sub-provinces at the time of their conversion into regular provinces shall continue in office in accordance with civil service law, rules and regulations.

## **CHAPTER 2 - PROVINCIAL OFFICIALS IN GENERAL**

**SECTION. 463. Officials of the Provincial Government.** - (a) There shall be in each province a governor, a vice-governor, members of the Sangguniang Panlalawigan, a Secretary to the Sangguniang Panlalawigan, a provincial treasurer, a provincial assessor, a provincial accountant, a provincial engineer, a provincial budget officer, a provincial planning and development coordinator, a provincial legal officer, a provincial administrator, a provincial health officer, a provincial social welfare and development officer, a provincial general services officer, a provincial agriculturist, and a provincial veterinarian.

(b) In addition thereto, the governor may appoint a provincial population officer, a provincial natural resources and environment

officer, a provincial cooperative officer, a provincial architect, and a provincial information officer.

The appointment of a provincial population officer shall be optional in the province: Provided, however, That provinces which have existing population offices shall continue to maintain such offices for a period of five (5) years from the date of the effectivity of this Code, after which said offices shall become optional.

- (c) The Sangguniang Panlalawigan may:
  - (1) Maintain existing offices not mentioned in subsections (a) and (b) hereof;
  - (2) Create such other offices as may be necessary to carry out the purposes of the provincial government; or
  - (3) Consolidate the functions of any office with those of another in the interest of efficiency and economy;
- (d) Unless otherwise provided herein, heads of departments and offices shall be appointed by the governor with the concurrence of the majority of all the Sangguniang Panlalawigan members, subject to civil service law, rules and regulations. The Sangguniang Panlalawigan shall act on the appointment within fifteen (15) days from the date of its submission; otherwise the same shall be deemed confirmed;
- (e) Elective and appointive provincial officials shall receive such compensation, allowances, and other emoluments as may be determined by law or ordinance, subject to the budgetary limitations on personal services prescribed under Title Five, Book II of this Code: Provided, That, no increase in compensation shall take effect until after the expiration of the full term of all the elective officials approving such increase.

**SECTION. 464. Residence and Office.** - During the incumbency of the governor, he shall have his official residence in the capital of the province. All elective and appointive provincial officials shall hold office in the provincial capital: Provided, That, upon resolution of the Sangguniang Panlalawigan, elective and appointive provincial officials may hold office in any component city or municipality within the province for a period of not more than seven (7) days for any given month.

## CHAPTER 3 - OFFICIALS AND OFFICES COMMON TO ALL PROVINCES

### Article One. The Provincial Governor

**SECTION. 465. The Chief Executive: Powers, Duties, Functions, and Compensation.** - (a) The provincial governor, as the chief executive of the provincial government, shall exercise such powers and perform such duties and functions as provided by this Code and other laws.

(b) For efficient, effective and economical governance the purpose of which is the general welfare of the province and its inhabitants pursuant to Section 16 of this Code, the provincial governor shall:

- (1) Exercise general supervision and control over all programs, projects, services, and activities of the provincial government, and in this connection, shall:
  - (i) Determine the guidelines of provincial policies and be responsible to the Sangguniang Panlalawigan for the program of government;
  - (ii) Direct the formulation of the provincial development plan, with the assistance of the provincial development council, and upon approval thereof by the Sangguniang Panlalawigan, implement the same;
  - (iii) Present the program of government and propose policies and projects for the consideration of the Sangguniang Panlalawigan at the opening of the regular session of the Sangguniang Panlalawigan every calendar year and as often as may be deemed necessary as the general welfare of the inhabitants and the needs of the provincial government may require;
  - (iv) Initiate and propose legislative measures to the Sangguniang Panlalawigan and as often as may be deemed necessary, provide such information and data needed or requested by said sanggunian in the performance of its legislative functions;
  - (v) Appoint all officials and employees whose salaries and wages are wholly or mainly paid out of provincial funds and whose appointments are not otherwise provided for in this Code, as well as those he may be authorized by law to appoint;
  - (vi) Represent the province in all its business transactions and sign in its behalf all bonds, contracts, and obligations, and such other documents upon authority

- of the Sangguniang Panlalawigan or pursuant to law or ordinance;
- (vii) Carry out such emergency measures as may be necessary during and in the aftermath of man-made and natural disasters and calamities;
  - (viii) Determine the time, manner and place of payment of salaries or wages of the officials and employees of the province, in accordance with law or ordinance;
  - (ix) Allocate and assign office space to provincial and other officials and employees who, by law or ordinance, are entitled to such space in the provincial capitol and other buildings owned or leased by the provincial government;
  - (x) Ensure that all executive officials and employees of the province faithfully discharge their duties and functions as provided by law and this Code, and cause to be instituted administrative or judicial proceedings against any official or employee of the province who may have committed an offense in the performance of his official duties;
  - (xi) Examine the books, records and other documents of all offices, officials, agents or employees of the province and, in aid of his executive powers and authority, require all national officials and employees stationed in the province to make available to him such books, records, and other documents in their custody, except those classified by law as confidential;
  - (xii) Furnish copies of executive orders issued by him to the Office of the President within seventy-two (72) hours after their issuance;
  - (xiii) Visit component cities and municipalities of the province at least once every six (6) months to deepen his understanding of problems and conditions, listen and give appropriate counsel to local officials and inhabitants, inform the officials and inhabitants of component cities and municipalities of general laws and ordinances which especially concern them, and otherwise conduct visits and inspections to ensure that the governance of the province will improve the quality of life of the inhabitants;
  - (xiv) Act on leave applications of officials and employees appointed by him and the commutation of the monetary value of leave credits in accordance with law;

- (xv) Authorize official trips of provincial officials and employees outside of the province for a period not exceeding thirty (30) days;
  - (xvi) Call upon any national official or employee stationed in or assigned to the province to advise him on matters affecting the province and to make recommendations thereon; coordinate with said official or employee in the formulation and implementation of plans, programs and projects; and when appropriate, initiate an administrative or judicial action against a national government official or employee who may have committed an offense in the performance of his official duties while stationed in or assigned to the province;
  - (xvii) Authorize payment for medical care, necessary transportation, subsistence, hospital or medical fees of provincial officials and employees who are injured while in the performance of their official duties and functions, subject to availability of funds;
  - (xviii) Represent the province in inter-provincial or regional sports councils or committees, and coordinate the efforts of component cities or municipalities in the regional or national palaro or sports development activities;
  - (xix) Conduct an annual palarong panlalawigan, which shall feature traditional sports and disciplines included in national and international games, in coordination with the Department of Education, Culture and Sports; and,
  - (xx) Submit to the Office of the President the following reports: an annual report containing a summary of all matters pertinent to the management, administration and development of the province and all information and data relative to its political, social and economic conditions; and supplemental reports when unexpected events and situations arise at any time during the year, particularly when man-made or natural disasters or calamities affect the general welfare of the province, region or country;
- (2) Enforce all laws and ordinances relative to the governance of the province and the exercise of the appropriate corporate powers provided for under Section 22 of this Code, implement all approved policies, programs, projects, services and activities of the province and, in addition to the foregoing, shall:



- (i) Ensure that the acts of the component cities and municipalities of the province and of its officials and employees are within the scope of their prescribed powers, duties and functions;
  - (ii) Call conventions, conferences, seminars, or meetings of any elective and appointive officials of the province and its component cities and municipalities, including national officials and employees stationed in or assigned to the province, at such time and place and on such subject as he may deem important for the promotion of the general welfare of the province and its inhabitants;
  - (iii) Issue such executive orders for the faithful and appropriate enforcement and execution of laws and ordinances;
  - (iv) Be entitled to carry the necessary firearm within his territorial jurisdiction;
  - (v) In coordination with the mayors of component cities and municipalities and the National Police Commission, formulate the peace and order plan of the province and upon its approval, implement the same in accordance with R.A. No. 6975;
  - (vi) Call upon the appropriate national law enforcement agencies to suppress disorder, riot, lawless violence, rebellion or sedition or to apprehend violators of the law when public interest so requires and the police forces of the component city or municipality where the disorder or violation is happening are inadequate to cope with the situation or the violators;
- (3) Initiate and maximize the generation of resources and revenues, and apply the same to the implementation of development plans, program objectives and priorities as provided for under Section 18 of this Code, particularly those resources and revenues programmed for agro-industrial development and country-wide growth and progress and, relative thereto, shall:
- (i) Require each head of an office or department to prepare and submit an estimate of appropriations for the ensuing calendar year, in accordance with the budget preparation process under Title Five, Book II of this Code;
  - (ii) Prepare and submit to the sanggunian for approval the executive and supplemental budgets of the

- province for the ensuing calendar year in the manner provided for under Title Five, Book II of this Code;
- (iii) Ensure that all taxes and other revenues of the province are collected, and that provincial funds are applied to the payment of expenses and settlement of obligations of the province, in accordance with law or ordinance;
  - (iv) Issue licenses and permits and suspend or revoke the same for any violation of the conditions upon which said licenses or permits had been issued, pursuant to law or ordinance;
  - (v) Adopt adequate measures to safeguard and conserve land, mineral, marine, forest and other resources of the province, in coordination with the mayors of component cities and municipalities;
  - (vi) Provide efficient and effective property and supply management in the province; and protect the funds, credits, rights, and other properties of the province; and;
  - (vii) Institute or cause to be instituted administrative or judicial proceedings for violation of ordinances in the collection of taxes, fees or charges, and for the recovery of funds and property; and cause the province to be defended against all suits to ensure that its interests, resources and rights shall be adequately protected.
- (4) Ensure the delivery of basic services and the provision of adequate facilities as provided for under Section 17 of this Code, and in addition thereto, shall:
- (i) Ensure that the construction and repair of roads and highways funded by the national government shall be, as far as practicable, carried out in a spatially contiguous manner and in coordination with the construction and repair of the roads and bridges of the province and of its component cities and municipalities; and,
  - (ii) Coordinate the implementation of technical services by national offices for the province and its component cities and municipalities, including public works and infrastructure programs of the provincial government and its component cities and municipalities;
- (5) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

- (c) The provincial governor shall receive a minimum monthly compensation corresponding to Salary Grade thirty (30) prescribed under R.A. No. 6758 and the implementing guidelines issued pursuant thereto.

### **Article Two. - The Provincial Vice-Governor**

**SECTION. 466. Powers, Duties, and Compensation.** - (a) The vice-governor shall:

- (1) Be the presiding officer of the Sangguniang Panlalawigan and sign all warrants drawn on the provincial treasury for all expenditures appropriated for the operation of the Sangguniang Panlalawigan;
  - (2) Subject to civil service law, rules and regulations, appoint all officials and employees of the Sangguniang Panlalawigan, except those whose manner of appointment is specifically provided in this Code;
  - (3) Assume the office of the governor for the unexpired term of the latter in the event of permanent vacancy as provided for in Section 44, Book I of this Code;
  - (4) Exercise the powers and perform the duties and functions of the governor in cases of temporary vacancy as provided for in Section 46, Book I of this Code; and
  - (5) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.
- (b) The vice-governor shall receive a monthly compensation corresponding to Salary Grade twenty-eight (28) as prescribed under R.A. No. 6758 and the implementing guidelines issued pursuant thereto.

### **Article Three. - The Sangguniang Panlalawigan**

**SECTION. 467. Composition.** - (a) The Sangguniang Panlalawigan, the legislative body of the province, shall be composed of the provincial vice-governor as presiding officer, the regular sanggunian members, the president of the provincial chapter of the liga ng mga Barangay, the president of the panlalawigang pederasyon ng mga Sangguniang Kabataan, the president of the provincial federation of sanggunian

members of municipalities and component cities, and the Sectoral representatives, as members.

- (b) In addition thereto, there shall be three (3) Sectoral representatives: one (1) from the women; and as shall be determined by the sanggunian concerned within ninety (90) days prior to the holding of the local elections, one (1) from the agricultural or industrial workers; and one (1) from the other Sectors, including the urban poor, indigenous cultural communities, or disabled persons.
- (c) The regular members of the Sangguniang Panlalawigan and the Sectoral representatives shall be elected in the manner as may be provided for by law.

**SECTION. 468. Powers, Duties, Functions and Compensation.** - (a) The Sangguniang Panlalawigan, as the legislative body of the province, shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the province and its inhabitants pursuant to Section 16 of this Code and in the proper exercise of the corporate powers of the province as provided for under Section 22 of this Code, and shall:

- (1) Approve ordinances and pass resolutions necessary for an efficient and effective provincial government and, in this connection, shall:
  - (i) Review all ordinances approved by the sanggunians of component cities and municipalities and executive orders issued by the mayors of said component units to determine whether these are within the scope of the prescribed powers of the sanggunian and of the mayor;
  - (ii) Maintain peace and order by enacting measures to prevent and suppress lawlessness, disorder, riot, violence, rebellion or sedition and impose penalties for the violation of said ordinances;
  - (iii) Approve ordinances imposing a fine not exceeding Five thousand pesos (P=5,000.00) or imprisonment not exceeding one(1) year, or both in the discretion of the court, for the violation of a provincial ordinance;
  - (iv) Adopt measures to protect the inhabitants of the province from the harmful effects of man-made or natural disasters and calamities, and to provide relief services and assistance for victims during and in the

aftermath of said disasters and calamities and their return to productive livelihood following said events;

- (v) Enact ordinances intended to prevent, suppress and impose appropriate penalties for habitual drunkenness in public places, vagrancy, mendicancy, prostitution, establishment and maintenance of houses of ill repute, gambling and other prohibited games of chance, fraudulent devices and ways to obtain money or property, drug addiction, maintenance of drug dens, drug pushing, juvenile delinquency, the printing, distribution or exhibition of obscene or pornographic materials or publications, and such other activities inimical to the welfare and morals of the inhabitants of the province;
- (vi) Protect the environment and impose appropriate penalties for acts which endanger the environment, such as dynamite fishing and other forms of destructive fishing, illegal logging and smuggling of logs, smuggling of natural resources products and of endangered species of flora and fauna, slash and burn farming, and such other activities which result in pollution, acceleration of eutrophication of rivers and lakes, or of ecological imbalance;
- (vii) Subject to the provisions of this Code and pertinent laws, determine the powers and duties of officials and employees of the province;
- (viii) Determine the positions and the salaries, wages, allowances and other emoluments and benefits of officials and employees paid wholly or mainly from provincial funds and provide for expenditures necessary for the proper conduct of programs, projects, services, and activities of the provincial government;
- (ix) Authorize the payment of compensation to a qualified person not in the government service who fills up a temporary vacancy, or grant honorarium to any qualified official or employee designated to fill a temporary vacancy in a concurrent capacity, at the rate authorized by law;

- (x) Provide a mechanism and the appropriate funds therefor, to ensure the safety and protection of all provincial government property, public documents, or records such as those relating to property inventory, land ownership, records of births, marriages, deaths, assessments, taxation, accounts, business permits, and such other records and documents of public interest in the offices and departments of the provincial government; and
  - (xi) When the finances of the provincial government allow, provide for additional allowances and other benefits to judges, prosecutors, public elementary and high school teachers, and other national government officials stationed or assigned to the province.
- (2) Generate and maximize the use of resources and revenues for the development plans, program objectives and priorities of the province as provided for under Section 18 of this Code, with particular attention to agro-industrial development and country-wide growth and progress and relative thereto, shall:
- (i) Enact the annual and supplemental appropriations of the provincial government and appropriate funds for specific programs, projects, services and activities of the province, or for other purposes not contrary to law, in order to promote the general welfare of the province and its inhabitants;
  - (ii) Subject to the provisions of Book II of this Code and applicable laws and upon the majority vote of all the members of the Sangguniang Panlalawigan, enact ordinances levying taxes, fees and charges, prescribing the rates thereof for general and specific purposes, and granting tax exemptions, incentives or reliefs;
  - (iii) Subject to the provisions of Book II of this Code and applicable laws and upon the majority vote of all the members of the Sangguniang Panlalawigan, authorize the provincial governor to negotiate and contract loans and other forms of indebtedness;
  - (iv) Subject to the provisions of Book II of this Code and applicable laws and upon the majority vote of all the members of the Sangguniang Panlalawigan, enact ordinances authorizing the floating of bonds or other

- instruments of indebtedness, for the purpose of raising funds to finance development projects;
- (v) Appropriate funds for the construction and maintenance or the rental of buildings for the use of the province; and upon the majority vote of all the members of the Sangguniang Panlalawigan, authorize the provincial governor to lease to private parties such public buildings held in a proprietary capacity, subject to existing laws, rules and regulations;
  - (vi) Prescribe reasonable limits and restraints on the use of property within the jurisdiction of the province;
  - (vii) Review the comprehensive land use plans and zoning ordinances of component cities and municipalities and adopt a comprehensive provincial land use plan, subject to existing laws: and
- (3) Adopt measures to enhance the full implementation of the national agrarian reform program in coordination with the Department of Agrarian Reform;
- (4) Subject to the provisions of Book II of this Code, grant franchises, approve the issuance of permits or licenses, or enact ordinances levying taxes, fees and charges upon such conditions and for such purposes intended to promote the general welfare of the inhabitants of the province, and pursuant to this legislative authority, shall:
- (i) Fix and impose reasonable fees and charges for all services rendered by the provincial government to private persons or entities; and
  - (ii) Regulate and fix the license fees for such activities as provided for under this Code.
- (5) Approve ordinances which shall ensure the efficient and effective delivery of the basic services and facilities as provided for under Section 17 of this Code, and, in addition to said services and facilities, shall:
- (i) Adopt measures and safeguards against pollution and for the preservation of the natural ecosystem in the province, in consonance with approved standards on human settlements and environmental sanitation;
  - (ii) Subject to applicable laws, facilitate or provide for the establishment and maintenance of a waterworks

- system or district waterworks for supplying water to inhabitants of component cities and municipalities;
- (iii) Subject to the availability of funds and to existing laws, rules and regulations, provide for the establishment and operation of vocational and technical schools and similar post-Secondary institutions; and, with the approval of the Department of Education, Culture and Sports and subject to existing laws on tuition fees, fix reasonable tuition fees and other school charges in educational institutions supported by the provincial government;
  - (iv) Establish a scholarship fund for the poor but deserving students in schools located within its jurisdiction or for students residing within the province;
  - (v) Approve measures and adopt quarantine regulations to prevent the introduction and spread of diseases within its territorial jurisdiction;
  - (vi) Provide for the care of paupers, the aged, the sick, persons of unsound mind, abandoned minors, abused children, disabled persons, juvenile delinquents, drug dependents, and other needy and disadvantaged persons, particularly children and youth below eighteen (18) years of age; subject to availability of funds, establish and support the operation of centers and facilities for said needy and disadvantaged persons; and facilitate efforts to promote the welfare of families below the poverty threshold, the disadvantaged, and the exploited;
  - (vii) Establish and provide for the maintenance and improvement of jails and detention centers, institute a sound jail management program, and appropriate funds for the subsistence of detainees and convicted prisoners in the province;
  - (viii) Establish a provincial council whose purpose is the promotion of culture and the arts, coordinate with government agencies and non-governmental organizations and, subject to the availability of funds, appropriate funds for the support and development of the same;
  - (ix) Establish a provincial council for the elderly which shall formulate policies and adopt measures mutually beneficial to the elderly and to the province; and subject to the availability of funds, appropriate funds to support programs and projects for the elderly; and provide incentives for non- governmental agencies



and entities to support the programs and projects of the elderly; and

- (x) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.
  
- (b) The members of the Sangguniang Panlalawigan shall receive a minimum monthly compensation corresponding to Salary Grade twenty-seven (27) as prescribed under R.A. 6758 and the implementing guidelines issued pursuant thereto.

## **TITLE FIVE. - APPOINTIVE LOCAL OFFICIALS COMMON TO ALL MUNICIPALITIES, CITIES AND PROVINCES**

### **Article One. - Secretary to the Sanggunian**

**SECTION. 469. Qualifications, Powers and Duties.** - (a) There shall be a Secretary to the sanggunian who shall be a career official with the rank and salary equal to a head of department or office.

- (b) No person shall be appointed Secretary to the sanggunian unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in law, commerce or public administration from a recognized college or university, and a first grade civil service eligible or its equivalent.

The appointment of a Secretary to the sanggunian is mandatory for provincial, city and municipal governments.

- (c) The Secretary to the sanggunian shall take charge of the office of the Secretary to the sanggunian and shall:
- (1) Attend meetings of the sanggunian and keep a journal of its proceedings;
  - (2) Keep the seal of the local government unit and affix the same with his signature to all ordinances, resolutions, and other official acts of the sanggunian and present the same to the presiding officer for his signature;
  - (3) Forward to the governor or mayor, as the case may be, for approval, copies of ordinances enacted by the sanggunian and duly certified by the presiding officer, in the manner provided in Section 54 under Book I of this Code;
  - (4) Forward to the sanggunian panlungsod or bayan concerned, in the case of the Sangguniang Barangay, and to the Sangguniang Panlalawigan concerned, in the case of the Sangguniang Panlungsod of component cities or Sangguniang Bayan, copies of duly approved ordinances, in the manner provided in Sections 56 and 57 under Book I of this Code;
  - (5) Furnish, upon request of any interested party, certified copies of records of public character in his custody, upon

payment to the treasurer of such fees as may be prescribed by ordinance;

- (6) Record in a book kept for the purpose, all ordinances and resolutions enacted or adopted by the sanggunian, with the dates of passage and publication thereof;
  - (7) Keep his office and all non-confidential records therein open to the public during the usual business hours;
  - (8) Translate into the dialect used by the majority of the inhabitants all ordinances and resolutions immediately after their approval, and cause the publication of the same together with the original version in the manner provided under this Code; and
  - (9) Take custody of the local archives and, where applicable, the local library and annually account for the same; and
- (d) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance relative to his position.

## **Article Two . - The Treasurer**

**SECTION. 470. Appointment, Qualifications, Powers, and Duties.-** (a) The treasurer shall be appointed by the Secretary of Finance from a list of at least three (3) ranking, eligible recommendees of the governor or mayor, as the case may be, subject to civil service law, rules and regulations.

- (b) The treasurer shall be under the administrative supervision of the governor or mayor, as the case may be, to whom he shall report regularly on the tax collection efforts in the local government unit;
- (c) No person shall be appointed treasurer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in commerce, public administration or law from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired experience in treasury or accounting service for at least five (5) years in the case of the city or provincial treasurer, and three (3) years in the case of the municipal treasurer.

The appointment of a treasurer shall be mandatory for provincial, city and municipal governments.

- (d) The treasurer shall take charge of the treasury office, perform the duties provided for under Book II of this Code, and shall:
  - (1) Advise the governor or mayor, as the case may be, the sanggunian, and other local government and national officials concerned regarding disposition of local government funds, and on such other matters relative to public finance;
  - (2) Take custody of and exercise proper management of the funds of the local government unit concerned;
  - (3) Take charge of the disbursement of all local government funds and such other funds the custody of which may be entrusted to him by law or other competent authority;
  - (4) Inspect private commercial and industrial establishments within the jurisdiction of the local government unit concerned in relation to the implementation of tax ordinances, pursuant to the provisions under Book II of this Code;
  - (5) Maintain and update the tax information system of the local government unit;
- (e) In the case of the provincial treasurer, exercise technical supervision over all treasury offices of component cities and municipalities; and
- (f) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

**SECTION. 471. Assistant Treasurer.** - (a) An assistant treasurer may be appointed by the Secretary of Finance from a list of at least three (3) ranking, eligible recommendees of the governor or mayor, subject to civil service law, rules and regulations.

- (b) No person shall be appointed assistant treasurer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in commerce, public administration, or law from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired at least five (5) years experience in the treasury or accounting service in the case

of the city or provincial assistant treasurer, and three (3) years in the case of the municipal assistant treasurer.

The appointment of an assistant treasurer shall be optional for provincial, city and municipal governments;

- (c) The assistant treasurer shall assist the treasurer and perform such duties as the latter may assign to him. He shall have authority to administer oaths concerning notices and notifications to those delinquent in the payment of the real property tax and concerning official matters relating to the accounts of the treasurer or otherwise arising in the offices of the treasurer and the assessor.

### **Article Three. - The Assessor**

**SECTION. 472 . Qualifications, Powers and Duties.** - (a) No person shall be appointed assessor unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in civil or mechanical engineering, commerce, or any other related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired experience in real property assessment work or in any related field for at least five (5) years in the case of the city or provincial assessor, and three (3) years in the case of the municipal assessor.

The appointment of an assessor shall be mandatory for provincial, city and municipal governments.

- (b) The assessor shall take charge of the assessor's office, perform the duties provided for under Book II of this Code, and shall:
  - (1) Ensure that all laws and policies governing the appraisal and assessment of real properties for taxation purposes are properly executed;
  - (2) Initiate, review, and recommend changes in policies and objectives, plans and programs, techniques, procedures and practices in the valuation and assessment of real properties for taxation purposes;
  - (3) Establish a systematic method of real property assessment;
  - (4) Install and maintain a real property identification and accounting system,

- (5) Prepare, install and maintain a system of tax mapping, showing graphically all property subject to assessment and gather all data concerning the same;
  - (6) Conduct frequent physical surveys to verify and determine whether all real properties within the province are properly listed in the assessment rolls;
  - (7) Exercise the functions of appraisal and assessment primarily for taxation purposes of all real properties in the local government unit concerned;
  - (8) Prepare a schedule of the fair market value for the different classes of real properties, in accordance with Title Two under Book II of this Code;
  - (9) Issue, upon request of any interested party, certified copies of assessment records of real property and all other records relative to its assessment, upon payment of a service charge or fee to the treasurer;
  - (10) Submit every semester a report of all assessments, as well as cancellations and modifications of assessments to the local chief executive and the sanggunian concerned;
  - (11) In the case of the assessor of a component city or municipality attend, personally or through an authorized representative, all sessions of the local board of assessment appeals whenever his assessment is the subject of the appeal, and present or submit any information or record in his possession as may be required by the board; and,
  - (12) In the case of the provincial assessor, exercise technical supervision and visitorial functions over all component city and municipal assessors, coordinate with component city or municipal assessors in the conduct of tax mapping operations and all other assessment activities, and provide all forms of assistance therefor: Provided, however, That, upon full provision by the component city or municipality concerned to its assessor's office of the minimum personnel , equipment, and funding requirements as may be prescribed by the Secretary of Finance, such functions shall be delegated to the said city or municipal assessor; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

**SECTION. 473. Assistant Assessor.** - (a) No person shall be appointed assistant assessor unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in civil or mechanical engineering, commerce, or any related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired experience in assessment or in any related field for at least three (3) years in the case of the city or provincial assistant assessor, and one (1) year in the case of the city or provincial assistant assessor.

The appointment of an assistant assessor shall be optional for provincial, city and municipal governments.

- (b) The assistant assessor shall assist the assessor and perform such other duties as the latter may assign to him. He shall have the authority to administer oaths on all declarations of real property for purposes of assessment.

#### **Article Four. - The Accountant**

**SECTION. 474. Qualifications, Powers and Duties.** - (a) No person shall be appointed accountant unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, and a certified public accountant. He must have acquired experience in the treasury or accounting service for at least five (5) years in the case of the provincial or city accountant, and three (3) years in the case of the municipal accountant.

The appointment of an accountant is mandatory for the provincial, city and municipal governments.

- (b) The accountant shall take charge of both the accounting and internal audit services of the local government unit concerned and shall:
  - (1) Install and maintain an internal audit system in the local government unit concerned;
  - (2) Prepare and submit financial statements to the governor or mayor, as the case may be, and to the sanggunian concerned;
  - (3) Apprise the sanggunian and other local government officials on the financial condition and operations of the local government unit concerned;

- (4) Certify to the availability of budgetary allotment to which expenditures and obligations may be properly charged;
  - (5) Review supporting documents before preparation of vouchers to determine completeness of requirements;
  - (6) Prepare statements of cash advances, liquidation, salaries, allowances, reimbursements and remittances pertaining to the local government unit;
  - (7) Prepare statements of journal vouchers and liquidation of the same and other adjustments related thereto;
  - (8) Post individual disbursements to the subsidiary ledger and index cards;
  - (9) Maintain individual ledgers for officials and employees of the local government unit pertaining to payrolls and deductions;
  - (10) Record and post in index cards details of purchased furniture, fixtures, and equipment, including disposal thereof, if any;
  - (11) Account for all issued requests for obligations and maintain and keep all records and reports related thereto;
  - (12) Prepare journals and the analysis of obligations and maintain and keep all records and reports related thereto; and
  - (13) Exercise such other powers and perform such other duties and functions as may be provided by law or ordinance.
- (c) The incumbent chief accountant in the office of the treasurer shall be given preference in the appointment to the position of accountant.

#### **Article Five. - The Budget Officer**

**SECTION. 475. Qualifications, Powers and Duties.** - (a) No person shall be appointed budget officer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in accounting, economics, public administration or any related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He must



have acquired experience in government budgeting or in any related field for at least five (5) years in the case of the provincial or city budget officer, and at least three (3) years in the case of the municipal budget officer.

The appointment of a budget officer shall be mandatory for the provincial, city, and municipal governments.

- (b) The budget officer shall take charge of the budget office and shall:
- (1) Prepare forms, orders, and circulars embodying instructions on budgetary and appropriation matters for the signature of the governor or mayor, as the case may be;
  - (2) Review and consolidate the budget proposals of different departments and offices of the local government unit;
  - (3) Assist the governor or mayor, as the case may be, in the preparation of the budget and during budget hearings;
  - (4) Study and evaluate budgetary implications of proposed legislation and submit comments and recommendations thereon;
  - (5) Submit periodic budgetary reports to the Department of Budget and Management;
  - (6) Coordinate with the treasurer, accountant, and the planning and development coordinator for the purpose of budgeting;
  - (7) Assist the sanggunian concerned in reviewing the approved budgets of component local government units;
  - (8) Coordinate with the planning and development coordinator in the formulation of the local government unit development plan; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.
- (d) The appropriations for personal services of the budget officer provided under the Department of Budget and Management shall, upon effectivity of this Code, be transferred to the local government unit concerned. Thereafter, the appropriations for personal services of the budget officer shall be provided for in full in the budget of the local government unit.

## **Article Six. - The Planning and Development Coordinator**

**SECTION. 476. Qualifications, Powers and Duties.** - (a) No person shall be appointed planning and development coordinator unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in urban planning, development studies, economics, public administration, or any related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired experience in development planning or in any related field for at least five (5) years in the case of the provincial or city planning and development coordinator, and three (3) years in the case of the municipal planning and development coordinator. The appointment of a planning and development coordinator shall be mandatory for provincial, city and municipal governments.

- (b) The planning and development coordinator shall take charge of the planning and development office and shall:
- (1) Formulate integrated economic, social, physical, and other development plans and policies for consideration of the local government development council;
  - (2) Conduct continuing studies, researches, and training programs necessary to evolve plans and programs for implementation;
  - (3) Integrate and coordinate all sectoral plans and studies undertaken by the different functional groups or agencies;
  - (4) Monitor and evaluate the implementation of the different development programs, projects, and activities in the local government unit concerned in accordance with the approved development plan;
  - (5) Prepare comprehensive plans and other development planning documents for the consideration of the local development council;
  - (6) Analyze the income and expenditure patterns, and formulate and recommend fiscal plans and policies for consideration of the finance committee of the local government unit concerned as provided under Title Five, Book II of this Code;
  - (7) Promote people participation in development planning within the local government unit concerned;

- (8) Exercise supervision and control over the Secretariat of the local development council; and
- (c) Exercise such other powers and perform such other functions and duties as may be prescribed by law or ordinance.

### **Article Seven. - The Engineer**

**SECTION. 477. Qualifications, Powers and Duties.** - (a) No person shall be appointed engineer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, and a licensed civil engineer. He must have acquired experience in the practice of his profession for at least five (5) years in the case of the provincial or city engineer, and three (3) years in the case of the municipal engineer.

The appointment of an engineer shall be mandatory for the provincial, city, and municipal governments. The city and municipal engineer shall also act as the local building official.

- (b) The engineer shall take charge of the engineering office and shall:
  - (1) Initiate, review and recommend changes in policies and objectives, plans and programs, techniques, procedures and practices in infrastructure development and public works in general of the local government unit concerned;
  - (2) Advise the governor or mayor, as the case may be, on infrastructure, public works, and other engineering matters;
  - (3) Administer, coordinate, supervise, and control the construction, maintenance, improvement, and repair of roads, bridges, and other engineering and public works projects of the local government unit concerned;
  - (4) Provide engineering services to the local government unit concerned, including investigation and survey, engineering designs, feasibility studies, and project management;
  - (5) In the case of the provincial engineer, exercise technical supervision over all engineering offices of component cities and municipalities; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

## Article Eight. - The Health Officer

**SECTION. 478. Qualifications, Powers and Duties.** - (a) No person shall be appointed health officer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, and a licensed medical practitioner. He must have acquired experience in the practice of his profession for at least five (5) years in the case of the provincial or city health officer, and three (3) years in the case of the municipal health officer.

The appointment of a health officer shall be mandatory for provincial, city and municipal governments.

- b) The health officer shall take charge of the office on health and shall:
- (1) Take charge of the office on health services, supervise the personnel and staff of said office, formulate program implementation guidelines and rules and regulations for the operation of the said office for the approval of the governor or mayor, as the case may be, in order to assist him in the efficient, effective and economical implementation of a health services program geared to implementation of health-related projects and activities;
  - (2) Formulate measures for the consideration of the sanggunian and provide technical assistance and support to the governor or mayor, as the case may be, in carrying out activities to ensure the delivery of basic services and provision of adequate facilities relative to health services provided under Section 17 of this Code;
  - (3) Develop plans and strategies and upon approval thereof by the governor or mayor as the case may be, implement the same, particularly those which have to do with health programs and projects which the governor or mayor, is empowered to implement and which the sanggunian is empowered to provide for under this Code;
  - (4) In addition to the foregoing duties and functions, the health officer shall :
    - (i) Formulate and implement policies, plans, programs and projects to promote the health of the people in the local government unit concerned;
    - (ii) Advise the governor or mayor, as the case may be, and the sanggunian on matters pertaining to health;

- (iii) Execute and enforce all laws, ordinances and regulations relating to public health;
  - (iv) Recommend to the sanggunian, through the local health board, the passage of such ordinances as he may deem necessary for the preservation of public health;
  - (v) Recommend the prosecution of any violation of sanitary laws, ordinances or regulations;
  - (vi) Direct the sanitary inspection of all business establishments selling food items or providing accommodations such as hotels, motels, lodging houses, pension houses, and the like, in accordance with the Sanitation Code;
  - (vii) Conduct health information campaigns and render health intelligence services;
  - (viii) Coordinate with other government agencies and non-governmental organizations involved in the promotion and delivery of health services; and
  - (ix) In the case of the provincial health officer, exercise general supervision over health officers of component cities and municipalities; and
- (5) Be in the frontline of health services delivery, particularly during and in the aftermath of man-made and natural disasters and calamities; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

### **Article Nine. - The Civil Registrar**

**SECTION. 479. Qualifications, Powers and Duties.** - (a) No person shall be appointed civil registrar unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired experience in civil registry work for at least five(5) years in the case of the city civil registrar and three (3) years in the case of the municipal civil registrar.

The appointment of a civil registrar shall be mandatory for city and municipal governments.

- (b) The civil registrar shall be responsible for the civil registration program in the local government unit concerned, pursuant to the

Civil Registry Law, the Civil Code, and other pertinent laws, rules and regulations issued to implement them.

- (c) The Civil Registrar shall take charge of the office of the civil registry and shall:
  - (1) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with civil registry programs and projects which the mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
  - (2) In addition to the foregoing duties and functions, the civil registrar shall:
    - (i) Accept all registrable documents and judicial decrees affecting the civil status of persons;
    - (ii) File, keep and preserve in a secure place the books required by law;
    - (iii) Transcribe and enter immediately upon receipt all registrable documents and judicial decrees affecting the civil status of persons in the appropriate civil registry books;
    - (iv) Transmit to the Office of the Civil Registrar- General, within the prescribed period, duplicate copies of registered documents required by law;
    - (v) Issue certified transcripts or copies of any certificate or registered documents upon payment of the prescribed fees to the treasurer;
    - (vi) Receive applications for the issuance of a marriage license and, after determining that the requirements and supporting certificates and publication thereof for the prescribed period have been complied with, issue the license upon payment of the authorized fee to the treasurer;
    - (vii) Coordinate with the National Statistics Office in conducting educational campaigns for vital registration and assist in the preparation of demographic and other statistics for the local government unit concerned; and
  - (3) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

## Article Ten. - The Administrator

**SECTION. 480. Qualifications, Term, Powers and Duties.** - (a) No person shall be appointed administrator unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in public administration, law, or any other related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired experience in management and administration work for at least five (5) years in the case of the provincial or city administrator, and three (3) years in the case of the municipal administrator.

The term of administrator is coterminous with that of his appointing authority.

The appointment of an administrator shall be mandatory for the provincial and city governments, and optional for the municipal government.

- (b) The administrator shall take charge of the office of the administrator and shall:
- (1) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same particularly those which have to do with the management and administration-related programs and projects which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
  - (2) In addition to the foregoing duties and functions, the administrator shall:
    - (i) Assist in the coordination of the work of all the officials of the local government unit, under the supervision, direction, and control of the governor or mayor, and for this purpose, he may convene the chiefs of offices and other officials of the local government unit;
    - (ii) Establish and maintain a sound personnel program for the local government unit designed to promote career development and uphold the merit principle in the local government service;
    - (iii) Conduct a continuing organizational development of the local government unit with the end in view of instituting effective administrative reforms;

- (3) Be in the frontline of the delivery of administrative support services, particularly those related to the situations during and in the aftermath of man-made and natural disasters and calamities;
- (4) Recommend to the sanggunian and advise the governor and mayor, as the case may be, on all other matters relative to the management and administration of the local government unit; and
- (5) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

### **Article Eleven. - The Legal Officer**

**SECTION. 481. Qualifications, Term, Powers and Duties.** - (a) No person shall be appointed legal officer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, and a member of the Philippine Bar. He must have practiced his profession for at least five (5) years in the case of the provincial and city legal officer, and three (3) years in the case of the municipal legal officer. The term of the legal officer shall be coterminous with that of his appointing authority. The appointment of legal officer shall be mandatory for the provincial and city governments and optional for the municipal government.

- (b) The legal officer, the chief legal counsel of the local government unit, shall take charge of the office of legal services and shall:
  - (1) Formulate measures for the consideration of the sanggunian and provide legal assistance and support to the governor or mayor, as the case may be, in carrying out the delivery of basic services and provisions of adequate facilities as provided for under Section 17 of this Code;
  - (2) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with programs and projects related to legal services which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code.
- (3) In addition to the foregoing duties and functions, the legal officer shall:
  - (i) Represent the local government unit in all civil actions and special proceedings wherein the local



- government unit or any official thereof, in his official capacity, is a party: Provided, That, in actions or proceedings where a component city or municipality is a party adverse to the provincial government or to another component city or municipality, a special legal officer may be employed to represent the adverse party;
- (ii) When required by the governor, mayor or sanggunian, draft ordinances, contracts, bonds, leases and other instruments, involving any interest of the local government unit; and provide comments and recommendations on any instruments already drawn;
  - (iii) Render his opinion in writing on any question of law when requested to do so by the governor, mayor, or sanggunian;
  - (iv) Investigate or cause to be investigated any local official or employee for administrative neglect or misconduct in office, and recommend appropriate action to the governor, mayor or sanggunian, as the case may be;
  - (v) Investigate or cause to be investigated any person, firm or corporation holding any franchise or exercising any public privilege for failure to comply with any term or condition in the grant of such franchise or privilege, and recommending appropriate action to the governor, mayor or sanggunian, as the case may be;
  - (vi) When directed by the governor, mayor, or sanggunian, initiate and prosecute in the interest of the local government unit concerned any civil action on any bond, lease or other contract upon any breach or violation thereof; and
  - (vii) Review and submit recommendations on ordinances approved and executive orders issued by component units;
- (3) Recommend measures to the sanggunian and advise the governor or mayor as the case may be on all other matters related to upholding the rule of law ;
  - (4) Be in the frontline of protecting human rights and prosecuting any violations thereof, particularly those which occur during and in the aftermath of man-made or natural disasters or calamities; and

- (5) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

### **Article Twelve. - The Agriculturist**

**SECTION. 482. Qualifications, Powers and Duties.** - (a) No person shall be appointed agriculturist unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree in agriculture or any related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have practiced his profession in agriculture or acquired experience in a related field for at least five (5) years in the case of the provincial and city agriculturist, and three (3) years in the case of the municipal agriculturist.

The position of the agriculturist shall be mandatory for the provincial government and optional for the city and municipal governments.

- (b) The agriculturist shall take charge of the office for agricultural services, and shall:
  - (1) Formulate measures for the approval of the sanggunian and provide technical assistance and support to the governor or mayor, as the case may be, in carrying out said measures to ensure the delivery of basic services and provision of adequate facilities relative to agricultural services as provided for under Section 17 of this Code;
  - (2) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with agricultural programs and projects which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
  - (3) In addition to the foregoing duties and functions, the agriculturist shall:
    - (i) Ensure that maximum assistance and access to resources in the production, processing and marketing of agricultural and aqua-cultural and marine products are extended to farmers, fishermen and local entrepreneurs;
    - (ii) Conduct or cause to be conducted location-specific agricultural researches and assist in making available the appropriate technology arising out of and

- disseminating information on basic research on crops, preventive and control of plant diseases and pests, and other agricultural matters which will maximize productivity;
  - (iii) Assist the governor or mayor, as the case may be, in the establishment and extension services of demonstration farms or aqua-culture and marine products;
  - (iv) Enforce rules and regulations relating to agriculture and aquaculture;
  - (v) Coordinate with government agencies and non-governmental organizations which promote agricultural productivity through appropriate technology compatible with environmental integrity;
- (4) Be in the frontline of delivery of basic agricultural services, particularly those needed for the survival of the inhabitants during and in the aftermath of man-made and natural disasters; (5) Recommend to the sanggunian and advise the governor or mayor, as the case may be, on all other matters related to agriculture and aqua-culture which will improve the livelihood and living conditions of the inhabitants; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

**Article Thirteen. - The Social Welfare and Development Officer**

**SECTION. 483. Qualifications, Powers and Duties.** - (a) No person shall be appointed social welfare and development officer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a duly licensed social worker or a holder of a college degree preferably in sociology or any other related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired experience in the practice of social work for at least five (5) years in the case of the provincial or city social welfare and development officer, and three (3) years in the case of the municipal social welfare and development officer.

The appointment of a social welfare and development officer is mandatory for provincial and city governments, and optional for municipal government.

- (b) The social welfare and development officer shall take charge of the office on social welfare and development services and shall:

- (1) Formulate measures for the approval of the sanggunian and provide technical assistance and support to the governor or mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and provision of adequate facilities relative to social welfare and development services as provided for under Section 17 of this Code;
- (2) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same particularly those which have to do with social welfare programs and projects which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
- (3) In addition to the foregoing duties, the social welfare and development officer shall:
  - (i) Identify the basic needs of the needy, the disadvantaged and the impoverished and develop and implement appropriate measures to alleviate their problems and improve their living conditions;
  - (ii) Provide relief and appropriate crisis intervention for victims of abuse and exploitation and recommend appropriate measures to deter further abuse and exploitation;
  - (iii) Assist the governor or mayor, as the case may be, in implementing the Barangay level program for the total development and protection of children up to six (6) years of age;
  - (iv) Facilitate the implementation of welfare programs for the disabled, elderly, and victims of drug addiction, the rehabilitation of prisoners and parolees, the prevention of juvenile delinquency and such other activities which would eliminate or minimize the ill-effects of poverty;
  - (v) Initiate and support youth welfare programs that will enhance the role of the youth in nation-building;
  - (vi) Coordinate with government agencies and non-governmental organizations which have for their purpose the promotion and the protection of all needy, disadvantaged, underprivileged or impoverished groups or individuals, particularly those identified to be vulnerable and high-risk to exploitation, abuse and neglect;

- (4) Be in the frontline of service delivery, particularly those which have to do with immediate relief during and assistance in the aftermath of man-made and natural disaster and natural calamities;
  - (5) Recommend to the sanggunian and advise the governor or mayor, as the case may be, on all other matters related to social welfare and development services which will improve the livelihood and living conditions of the inhabitants; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

#### **Article Fourteen. - The Environment and Natural Resources Officer**

**SECTION. 484. Qualifications, Powers and Duties.** - (a) No person shall be appointed environment and natural resources officer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in environment, forestry, agriculture or any related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired experience in environmental and natural resources management, conservation, and utilization, of at least five (5) years in the case of the provincial or city environment and natural resources officer, and three (3) years in the case of the municipal environment and natural resources officer.

The appointment of the environment and natural resources officer is optional for provincial, city, and municipal governments.

- (b) The environment and natural resources management officer shall take charge of the office on environment and natural resources and shall:
- (1) Formulate measures for the consideration of the sanggunian and provide technical assistance and support to the governor or mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and provision of adequate facilities relative to environment and natural resources services as provided for under Section 17 of this Code;
  - (2) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with environment

and natural resources programs and projects which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;

- (3) In addition to the foregoing duties and functions, the environment and natural resources officer shall:
  - (i) Establish, maintain, protect and preserve communal forests, watersheds, tree parks, mangroves, greenbelts and similar forest projects and commercial forest, like industrial tree farms and agro-forestry projects;
  - (ii) Provide extension services to beneficiaries of forest development projects and technical, financial and infrastructure assistance;
  - (iii) Manage and maintain seed banks and produce seedlings for forests and tree parks;
  - (iv) Provide extension services to beneficiaries of forest development projects and render assistance for natural resources-related conservation and utilization activities consistent with ecological balance;
  - (v) Promote the small-scale mining and utilization of mineral resources, particularly mining of gold;
  - (vi) Coordinate with government agencies and non-governmental organizations in the implementation of measures to prevent and control land, air and water pollution with the assistance of the Department of Environment and Natural Resources;
- (4) Be in the frontline of the delivery of services concerning the environment and natural resources, particularly in the renewal and rehabilitation of the environment during and in the aftermath of man-made and natural calamities and disasters;
- (5) Recommend to the sanggunian and advise the governor or mayor, as the case may be, on all matters relative to the protection, conservation, maximum utilization, application of appropriate technology and other matters related to the environment and natural resources; and

- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

### **Article Fifteen - The Architect**

**SECTION. 485. Qualifications, Powers and Duties.** - (a) No person shall be appointed architect unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a duly licensed architect. He must have practiced his profession for at least five (5) years in the case of the provincial or city architect, and three (3) years in the case of the municipal architect. The appointment of the architect is optional for provincial, city and municipal governments.

- (b) The architect shall take charge of the office on architectural planning and design and shall:
  - (1) Formulate measures for the consideration of the sanggunian and provide technical assistance and support to the governor or mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and provision of adequate facilities relative to architectural planning and design as provided for under Section 17 of this Code;
  - (2) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with architectural planning and design programs and projects which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
  - (3) In addition to foregoing duties and functions, the architect shall:
    - (i) Prepare and recommend for consideration of the sanggunian the architectural plan and design for the local government unit or a part thereof, including the renewal of slums and blighted areas, land reclamation activities, the greening of land, and appropriate planning of marine and foreshore areas;
    - (ii) Review and recommend for appropriate action of the sanggunian, governor or mayor, as the case may be, the architectural plans and design submitted by

governmental and non-governmental entities or individuals, particularly those for undeveloped, underdeveloped, and poorly-designed areas; and

- (iii) Coordinate with government and non-government entities and individuals involved in the aesthetics and the maximum utilization of the land and water within the jurisdiction of the local government unit, compatible with environmental integrity and ecological balance.
  - (4) Be in the frontline of the delivery of services involving architectural planning and design, particularly those related to the redesigning of spatial distribution of basic facilities and physical structures during and in the aftermath of man-made and natural calamities and disasters;
  - (5) Recommend to the sanggunian and advise the governor or mayor, as the case may be, on all other matters relative to the architectural planning and design as it relates to the total socioeconomic development of the local government unit; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

#### **Article Sixteen. - The Information Officer**

**SECTION. 486. Qualifications, Powers and Duties.** - (a) No person shall be appointed information officer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in journalism, mass communication or any related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have experience in writing articles and research papers, or in writing for print, television or broadcast media of at least three (3) years in the case of the provincial or city information officer, and at least one (1) year in the case of municipal information officer.

The appointment of the information officer is optional for the provincial, city and municipal governments.

The term of the information officer is co-terminous with that of his appointing authority.



- (b) The information officer shall take charge of the office on public information and shall:
- (1) Formulate measures for the consideration of the sanggunian and provide technical assistance and support to the governor or mayor, as the case may be, in providing the information and research data required for the delivery of basic services and provision of adequate facilities so that the public becomes aware of said services and may fully avail of the same;
  - (2) Develop plans and strategies and, upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with public information and research data to support programs and projects which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
  - (3) In addition to the foregoing duties and functions, the information officer shall:
    - (i) Provide relevant, adequate, and timely information to the local government unit and its residents;
    - (ii) Furnish information and data on local government units to government agencies or offices as may be required by law or ordinance; and non-governmental organizations to be furnished to said agencies and organizations;
    - (iii) Maintain effective liaison with the various Sectors of the community on matters and issues that affect the livelihood and the quality of life of the inhabitants and encourage support for programs of the local and national government;
  - (4) Be in the frontline in providing information during and in the aftermath of manmade and natural calamities and disasters, with special attention to the victims thereof, to help minimize injuries and casualties during and after the emergency, and to accelerate relief and rehabilitation;
  - (5) Recommend to the sanggunian and advise the governor or mayor, as the case may be, on all other matters relative to public information and research data as it relates to the total

socioeconomic development of the local government unit;  
and

- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

### **Article Seventeen. - The Cooperatives Officer**

**SECTION. 487. Qualifications, Powers and Duties.** - (a) No person shall be appointed cooperative officer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in business administration with special training in cooperatives or any related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have experience in cooperatives organization and management of at least five (5) years in the case of the provincial or city cooperatives officer, and three (3) years in the case of municipal cooperatives officer.

The appointment of the cooperatives officer is optional for the provincial and city governments.

- b) The cooperatives officer shall take charge of the office for the development of cooperatives and shall:
  - (1) Formulate measures for the consideration of the sanggunian, and provide technical assistance and support to the governor or mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and provision of facilities through the development of cooperatives, and in providing access to such services and facilities;
  - (2) Develop plans and strategies and, upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with the integration of cooperatives principles and methods in programs and projects which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
  - (3) In addition to the foregoing duties and functions, the cooperatives officer shall:
    - (i) Assist in the organization of cooperatives;

- (ii) Provide technical and other forms of assistance to existing cooperatives to enhance their viability as an economic enterprise and social organization;
  - (iii) Assist cooperatives in establishing linkages with government agencies and non-government organizations involved in the promotion and integration of the concept of cooperatives in the livelihood of the people and other community activities;
- (4) Be in the frontline of cooperatives organization, rehabilitation or viability-enhancement, particularly during and in the aftermath of man-made and natural calamities and disasters, to aid in their survival and, if necessary subsequent rehabilitation;
  - (5) Recommend to the sanggunian, and advise the governor or mayor, as the case may be, on all other matters relative to cooperatives development and viability- enhancement which will improve the livelihood and quality of life of the inhabitants; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

### **Article Eighteen. - The Population Officer**

**SECTION. 488. Qualifications, Powers and Duties.** - (a) No person shall be appointed population officer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree with specialized training in population development from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have experience in the implementation of programs on population development or responsible parenthood for at least five (5) years in the case of the provincial or city population officer and three (3) years in the case of the municipal population officer.

The appointment of a population officer shall be optional in the local government unit: Provided, however, That provinces and cities which have existing population offices shall continue to maintain such offices for a period of five (5) years from the date of effectivity of this Code, after which said offices shall become optional.

- (b) The population officer shall take charge of the office on population development and shall:

- (1) Formulate measures for the consideration of the sanggunian and provide technical assistance and support to the governor or mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and provision of adequate facilities relative to the integration of the population development principles and in providing access to said services and facilities;
  - (2) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with the integration of population development principles and methods in programs and projects which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
  - (3) In addition to the foregoing duties and functions, the population officer shall:
    - (i) Assist the governor or mayor, as the case may be, in the implementation of the Constitutional provisions relative to population development and the promotion of responsible parenthood;
    - (ii) Establish and maintain an updated data bank for program operations, development planning and an educational program to ensure the people's participation in and understanding of population development;
    - (iii) Implement appropriate training programs responsive to the cultural heritage of the inhabitants; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

### **Article Nineteen. - The Veterinarian**

**SECTION. 489. Qualifications, Powers and Duties.** - (a) No person shall be appointed veterinarian unless he is a citizen of the Philippines, a resident of the local government concerned, of good moral character, a licensed doctor of veterinary medicine. He must have practiced his profession for at least three (3) years in the case of provincial or city veterinarian and at least one (1) year in the case of the municipal veterinarian.

The appointment of a veterinarian officer is mandatory for the provincial and city governments.

- (b) The veterinarian shall take charge of the office for veterinary services and shall:
- (1) Formulate measures for the consideration of the sanggunian, and provide technical assistance and support to the governor or mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and provision of adequate facilities pursuant to Section 17 of this Code;
  - (2) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with the veterinary-related activities which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
  - (3) In addition to the foregoing duties and functions, the veterinarian shall:
    - (i) Advise the governor or the mayor, as the case may be, on all matters pertaining to the slaughter of animals for human consumption and the regulation of slaughterhouses;
    - (ii) Regulate the keeping of domestic animals;
    - (iii) Regulate and inspect poultry, milk and dairy products for public consumption;
    - (iv) Enforce all laws and regulations for the prevention of cruelty to animals; and
    - (v) Take the necessary measures to eradicate, prevent or cure all forms of animal diseases;
  - (4) Be in the frontline of veterinary related activities, such as in the outbreak of highly-contagious and deadly diseases, and in situations resulting in the depletion of animals for work and human consumption, particularly those arising from and in the aftermath of man-made and natural calamities and disasters;
  - (5) Recommend to the sanggunian and advise the governor or mayor, as the case may be, on all other matters relative to veterinary services which will increase the number and improve the quality of livestock, poultry and other domestic animals used for work or human consumption; and

- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

### **Article Twenty. - The General Services Officer**

**SECTION. 490. Qualifications, Powers and Duties.** - (a) No person shall be appointed general services officer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree on public administration, business administration and management from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired experience in general services, including management of supply, property, solid waste disposal, and general sanitation, of at least five (5) years in the case of the provincial or city general services officer, and at least three (3) years in the case of the municipal general services officer. The appointment of a general services officer is mandatory for the provincial and city governments.

- (b) The general services officer shall take charge of the office on general services and shall:
  - (1) Formulate measures for the consideration of the sanggunian and provide technical assistance and support to the governor or mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and provision of adequate facilities pursuant to Section 17 of this Code and which require general services expertise and technical support services;
  - (2) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with the general services supportive of the welfare of the inhabitants which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
  - (3) In addition to the foregoing duties and functions, the general services officer shall:
    - (i) Take custody of and be accountable for all properties, real or personal, owned by the local government unit and those granted to it in the form of donation, reparation, assistance and counterpart of joint projects;

- (ii) With the approval of the governor or mayor, as the case may be, assign building or land space to local officials or other public officials, who by law, are entitled to such space;
  - (iii) Recommend to the governor or mayor, as the case may be, the reasonable rental rates for local government properties, whether real or personal, which will be leased to public or private entities by the local government;
  - (iv) Recommend to the governor or mayor, as the case may be, reasonable rental rates of private properties which may be leased for the official use of the local government unit;
  - (v) Maintain and supervise janitorial, Security, landscaping and other related services in all local government public buildings and other real property, whether owned or leased by the local government unit;
  - (vi) Collate and disseminate information regarding prices, shipping and other costs of supplies and other items commonly used by the local government unit;
  - (vii) Perform archival and record management with respect to records of offices and departments of the local government unit; and
  - (viii) Perform all other functions pertaining to supply and property management heretofore performed by the local government treasurer; and enforce policies on records creation, maintenance, and disposal;
- (4) Be in the frontline of general services related activities, such as the possible or imminent destruction or damage to records, supplies, properties, and structures and the orderly and sanitary clearing up of waste materials or debris, particularly during and in the aftermath of man-made and natural calamities and disasters;
  - (5) Recommend to the sanggunian and advise the governor or mayor, as the case may be, on all other matters relative to general services; and
- (c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

## **TITLE SIX. - LEAGUES OF LOCAL GOVERNMENT UNITS AND ELECTIVE OFFICIALS**

### **CHAPTER I - LEAGUES OF LOCAL GOVERNMENT UNITS**

#### **Article One. - Liga ng Mga Barangay**

**SECTION. 491. Purpose of Organization.** - There shall be an organization of all Barangays to be known as the liga ng mga Barangay for the primary purpose of determining the representation of the Liga in the sanggunians, and for ventilating, articulating and crystallizing issues affecting Barangay government administration and securing, through proper and legal means, solutions thereto.

**SECTION. 492. Representation, Chapters, National Liga.** - Every Barangay shall be represented in said liga by the Punong Barangay, or in his absence or incapacity, by a sanggunian member duly elected for the purpose among its members, who shall attend all meetings or deliberations called by the different chapters of the liga. The liga shall have chapters at the municipal, city, provincial and metropolitan political subdivision levels. The municipal and city chapters of the liga shall be composed of the Barangay representatives of municipal and city Barangays, respectively. The duly elected presidents of component municipal and city chapters shall constitute the provincial chapter or the metropolitan political subdivision chapter. The duly elected presidents of highly-urbanized cities, provincial chapters, the Metropolitan Manila chapter and metropolitan political subdivision chapters shall constitute the National Liga ng mga Barangay.

**SECTION. 493. Organization.** - The liga at the municipal, city, provincial, metropolitan political subdivision, and national levels directly elect a president, a vice- president, and five (5) members of the board of directors. The board shall appoint its Secretary and treasurer and create such other positions as it may deem necessary for the management of the chapter. A Secretary-general shall be elected from among the members of the national liga and shall be charged with the overall operation of the liga on the national level. The board shall coordinate the activities of the chapters of the liga.

**SECTION. 494. Ex-Officio Membership in Sanggunians.** - The duly elected presidents of the liga at the municipal, city and provincial levels, including the component cities and municipalities of Metropolitan Manila, shall serve as ex-officio members of the Sangguniang Bayan, Sangguniang Panlungsod, Sangguniang Panlalawigan, respectively. They shall serve as such only during their term of office as presidents of the liga chapters,



which in no case shall be beyond the term of office of the sanggunian concerned.

**SECTION. 495. Powers, Functions and Duties of the Liga.** - The Liga shall:

- (a) Give priority to programs designed for the total development of the Barangays and in consonance with the policies, programs and projects of the national government ;
- (b) Assist in the education of Barangay residents for people's participation in local government administration in order to promote united and concerted action to achieve country-wide development goals;
- (c) Supplement the efforts of government in creating gainful employment within the Barangay;
- (d) Adopt measures to promote the welfare of Barangay officials;
- (e) Serve as a forum of the Barangays in order to forge linkages with government and non-governmental organizations and thereby promote the social, economic and political well-being of the Barangays; and
- (f) Exercise such other powers and perform such other duties and functions which will bring about stronger ties between Barangays and promote the welfare of the Barangay inhabitants.

**Article Two. - League of Municipalities**

**SECTION. 496. Purpose of Organization.** - There shall be an organization of all municipalities to be known as league of municipalities for the primary purpose of ventilating, articulating and crystallizing issues affecting municipal government administration, and securing, through proper and legal means, solutions thereto. The league shall form provincial chapters composed of the league presidents for all component municipalities of the province.

**SECTION. 497. Representation.** - Every municipality shall be represented in the league by the municipal mayor or in his absence, by the vice-mayor or a sanggunian member duly elected for the purpose by the members, who shall attend all meetings and participate in the deliberations of the league.

**SECTION. 498. Powers, Functions and Duties of the League of Municipalities.** - The league of municipalities shall:

- (a) Assist the national government in the formulation and implementation of the policies, programs and projects affecting municipalities as a whole;
- (b) Promote local autonomy at the municipal level;
- (c) Adopt measures for the promotion of the welfare of all municipalities and its officials and employees;
- (d) Encourage people's participation in local government administration in order to promote united and concerted action for the attainment of country-wide development goals;
- (e) Supplement the efforts of the national government in creating opportunities for gainful employment within the municipalities;
- (f) Give priority to programs designed for the total development of the municipalities in consonance with the policies, programs and projects of the national government;
- (g) Serve as a forum for crystallizing and expressing ideas, seeking the necessary assistance of the national government, and providing the private sector avenues for cooperation in the promotion of the welfare of the municipalities; and
- (h) Exercise such other powers and perform such other duties and functions as the league may prescribe for the welfare of the municipalities.

### **Article Three. - League of Cities**

**SECTION. 499. Purpose of Organization.** - There shall be an organization of all cities to be known as the League of Cities for the primary purpose of ventilating, articulating and crystallizing issues affecting city government administration, and securing, through proper and legal means, solutions thereto. The League may form chapters at the provincial level for the component cities of a province. Highly-urbanized cities may also form a chapter of the League. The National League shall be composed of the presidents of the league of highly-urbanized cities and the presidents of the provincial chapters of the league of component cities.

**SECTION. 500. Representation.** - Every city shall be represented in the league by the city mayor or in his absence, by the city vice-mayor or a sanggunian member duly elected for the purpose by the members, who shall attend all meetings and participate in the deliberations of the league.

**SECTION. 501. Powers, Functions and Duties of the League of City.** - The league of cities shall:

- (a) Assist the national government in the formulation and implementation of the policies, programs and projects affecting cities as a whole;
- (b) Promote local autonomy at the city level;
- (c) Adopt measures for the promotion of the welfare of all cities and its officials and employees;
- (d) Encourage people's participation in local government administration in order to promote united and concerted action for the attainment of country-wide development goals;
- (e) Supplement the efforts of the national government in creating opportunities for gainful employment the cities;
- (f) Give priority to programs designed for the total development of cities in consonance with the policies, programs and projects of the national government;
- (g) Serve as a forum for crystallizing and expressing ideas, seeking the necessary assistance of the national government and providing the private sector avenues for cooperation in the promotion of the welfare of the cities; and
- (h) Exercise such other powers and perform such other duties and functions as the league may prescribe for the welfare of the cities.

**Article Four. - League of Provinces**

**SECTION. 502. Purpose of Organization.** - There shall be an organization of all provinces to be known as the League of Provinces for the primary purpose of ventilating, articulating and crystallizing issues affecting provincial and metropolitan political subdivision government administration, and securing, through proper and legal means, solutions thereto. For this purpose, the Metropolitan Manila Area and any metropolitan political subdivision shall be considered as separate provincial units of the league.

**SECTION. 503. Representation.** - Every province shall be represented in the league by the provincial governor or in his absence, by the provincial vice-governor or a sanggunian member duly elected for the purpose by the members, who shall attend all meetings and participate in the deliberations of the league.

**SECTION. 504. Powers, Functions and Duties of the League of Provinces. -**

The league of provinces shall:

- (a) Assist the national government in the formulation and implementation of the policies, programs and projects affecting provinces as a whole;
- (b) Promote local autonomy at the provincial level;
- (c) Adopt measures for the promotion of the welfare of all provinces and its officials and employees;
- (d) Encourage peoples participation in local government administration in order to promote united and concerted action for the attainment of countrywide development goals;
- (e) Supplement the efforts of the national government in creating opportunities for gainful employment within the province;
- (f) Give priority to programs designed for the total development of the provinces in consonance with the policies, programs and projects of the national government;
- (g) Serve as a forum for crystallizing and expressing ideas, seeking the necessary assistance of the national government and providing the private sector avenues for cooperation in the promotion of the welfare of the provinces; and
- (h) Exercise such other powers and perform such other duties and functions as the league may prescribe for the welfare of the provinces and metropolitan political subdivisions.

**Article Five. - Provisions Common to all Leagues**

**SECTION. 505. Funding.** (a) All leagues shall derive its funds from contributions of member local government units and from fund-raising projects and activities without the necessity of securing permits therefor: Provided, That the proceeds from said fund-raising projects and activities shall be used primarily to fund the projects for which the said proceeds have been raised, subject to the pertinent provision of this Code and the pertinent provisions of the Omnibus Election Code.

- (b) All funds of leagues shall be deposited as trust funds with its treasurer and shall be disbursed in accordance with the board of director's resolutions, subject to pertinent accounting and auditing

rules and regulations: Provided, That the treasurer shall be bonded in an amount to be determined by the board of directors. The funds of a chapter shall be deposited as chapter funds and funds of the national league shall be deposited as national funds.

**SECTION. 506. Organizational Structure.** - To ensure the effective and efficient administration, the leagues for municipalities, cities and provinces shall elect chapter- level and national-level boards of directors and a set of officers headed by the president. A secretary-general shall be chosen from among the national league members to manage the day to day operation and activities of the national league. The board of directors on the chapter or national level may create such other positions as may be deemed necessary for the management of the chapters and of the national league. The national board of directors of the leagues for municipalities, cities or provinces shall coordinate programs, projects and activities of chapter and the national-level league.

**SECTION. 507.- Constitution and By-laws of the Liga and the Leagues.** - All other matters not herein otherwise provided for affecting the internal organization of the leagues of local government units shall be governed by their respective constitution and by-laws which are hereby made suppletory to the provision of this Chapter: Provided, That said Constitution and By-laws shall always conform to the provisions of the Constitution and existing laws.

## **CHAPTER 2 - LEAGUES AND FEDERATIONS OF LOCAL ELECTIVE OFFICIALS**

**SECTION. 508. - Organization** - (a) Vice-governor, vice-mayors, sanggunian members of Barangays, municipalities, component cities, highly-urbanized cities and provinces, and other elective local officials of local government units, including those of the Metropolitan Manila area and any metropolitan political subdivisions, may form their respective leagues or federation, subject to applicable provisions of this Title and pertinent provisions of this Code;

- (b) Sanggunian members of component cities and municipalities shall form a provincial federation and elect a board of directors and a set of officers headed by the president. The duly elected president of the provincial federation of sanggunian members of component cities and municipalities shall be an ex-officio member of the Sangguniang Panlalawigan concerned and shall serve as such only during his term of office as president of the provincial federation of sanggunian members of component cities and municipalities, which in no case shall be beyond the term of office of the Sanggunian Panlalawigan concerned.

**SECTION. 509. Constitution and By-laws.** - The leagues or federations shall adopt a Constitution and by-laws which shall govern their internal organization and operation: Provided, That said Constitution and by-laws shall always conform to the provision of the Constitution and existing laws.

**SECTION. 510. Funding.** - The leagues and federations may derive their funds from contributions of individual league or federation members or from fund-raising projects or activities. The local government unit concerned may appropriate funds to support the leagues or federation organized pursuant to this Section, subject to the availability of funds.

# **BOOK IV**

## **MISCELLANEOUS AND FINAL PROVISIONS**

### **TITLE ONE. – PENAL PROVISIONS**

#### **SECTION 511. Posting and Publication of Ordinances with Penal Sanctions.**

- (a) ordinances with penal sanctions shall be posted at prominent places in the provincial capitol, city, municipal or Barangay hall, as the case may be, for a minimum period of three (3) consecutive weeks. Such ordinances shall also be published in a newspaper of general circulation, where available, within the territorial jurisdiction of the local government unit concerned, except in the case of Barangay ordinances. Unless otherwise provided therein, said ordinances shall take effect on the day following its publication, or at the end of the period of posting, whichever occurs later.

(b) Any public officer or employee who violates an ordinance may be meted administrative disciplinary action, without prejudice to the filing of the appropriate civil or criminal action.

(c) The secretary to the Sanggunian concerned shall transmit official copies of such ordinances to the chief executive officer of the Official Gazette within seven (7) days following the approval of the said ordinance for publication purposes. The Official Gazette may publish ordinances with penal sanctions for archival and reference purposes.

#### **SECTION 512. Withholding of Benefits Accorded to Barangay Officials. -**

Willful and malicious withholding of any of the benefits accorded to Barangay officials under Section 393 hereof shall be punished with suspension or dismissal from office of the official or employee responsible therefor.

#### **SECTION 513. Failure to Post and Publish the Itemized Monthly Collections and Disbursements. -**

Failure by the local treasurer or the local chief accountant to post the itemized monthly collections and disbursements of the local government unit concerned within ten (10) days following the end of every month and for at least two (2) consecutive weeks at prominent places in the main office building of the local government unit concerned, its plaza and main street, and to publish said itemization in a newspaper of general circulation, where available, in the territorial jurisdiction of such unit, shall be punished by a fine not exceeding Five hundred pesos

(Php500.00) or by imprisonment not exceeding one (1) month, or both such fine and imprisonment, at the discretion of the court.

**SECTION 514. Engaging in Prohibited Business Transactions or Possessing Illegal Pecuniary Interest.** - Any local official and any person or persons dealing with him who violate the prohibitions provided in Section 89 of Book I hereof, shall be punished with imprisonment for six months and one day to six years, or a fine of not less than Three thousand pesos (P=3,000.00) nor more than Ten thousand pesos (P=10,000.00), or both such imprisonment and fine, at the discretion of the court.

**SECTION 515. Refusal or Failure of Any Party or Witness to Appear before the Lupon or Pangkat.** - Refusal or willful failure of any party or witness to appear before the lupon or pangkat in compliance with a summons issued pursuant to the provisions on the Katarungang PamBarangay under Chapter 7, Title One of Book III of this Code may be punished by the city or municipal court as for indirect contempt of court upon application filed therewith by the lupon chairman, the pangkat chairman, or by any of the contending parties. Such refusal or willful failure to appear shall be reflected in the records of the lupon secretary or in the minutes of the pangkat secretary and shall bar the complainant who fails to appear, from seeking judicial recourse for the same cause of action, and the respondent who refuses to appear, from filing any counterclaim arising out of, or necessarily connected with the complaint.

A pangkat member who serves as such shall be entitled to an honorarium, the amount of which is to be determined by the Sanggunian concerned, subject to the provisions in this Code cited above.

**SECTION 516. Penalties for Violation of Tax ordinances.** - The Sanggunian of a local government unit is authorized to prescribe fines or other penalties for violation of tax ordinances but in no case shall such fines be less than One thousand pesos (Php1,000.00) nor more than Five thousand pesos (Php5000.00), nor shall imprisonment be less than one (1) month nor more than six (6) months. Such fine or other penalty, or both, shall be imposed at the discretion of the court. The Sangguniang Barangay may prescribe a fine of not less than One hundred pesos (Php100.00) nor more than One thousand pesos (Php1,000.00).

**SECTION 517. Omission of Property from Assessment or Tax Rolls by Officers and Other Acts.** - Any officer charged with the duty of assessing real property who willfully fails to assess, or who intentionally omits from the assessment or tax roll any real property which he knows to be taxable, or who willfully or negligently underassesses any real property, or who intentionally violates or fails to perform any duty imposed upon him by law relating to the assessment of taxable real property shall, upon conviction,



be punished by a fine of not less than One thousand pesos (Php1,000.00) nor more than Five thousand pesos (Php5000.00), or by imprisonment of not less than one (1) month nor more than six (6) months, or both such fine and imprisonment, at the discretion of the court.

The same penalty shall be imposed upon any officer charged with the duty of collecting the tax due on real property who willfully or negligently fails to collect the tax and institute the necessary proceedings for the collection of the same.

Any other officer required by this Code to perform acts relating to the administration of the real property tax or to assist the assessor or treasurer in such administration, who willfully fails to discharge such duties shall, upon conviction be punished by a fine of not less than Five hundred pesos (Php500.00) nor more than Five thousand pesos (Php5000.00) or imprisonment of not less than one (1) month nor more than six (6) months, or both such fine and imprisonment, at the discretion of the court.

**SECTION 518. Government Agents Delaying Assessment of Real Property and Assessment Appeals.** - Any government official who intentionally and deliberately delays the assessment of real property or the filing of any appeal against its assessment shall, upon conviction, be punished by a fine of not less than Five hundred pesos (Php500.00) nor more than Five thousand pesos (Php5000.00), or by imprisonment of not less than one (1) month nor more than six (6) months, or both such fine and imprisonment, at the discretion of the court.

**SECTION 519. Failure to Dispose of Delinquent Real Property at Public Auction.** - The local treasurer concerned who fails to dispose of delinquent real property at public auction in compliance with the pertinent provisions of this Code, and any other local government official whose acts hinder the prompt disposition of delinquent real property at public auction shall, upon conviction, be subject to a fine of not less than One thousand pesos (Php1000.00) nor more than Five thousand pesos (Php5000.00), or imprisonment of not less than one (1) month nor more than six (6) months, or both such fine and imprisonment, at the discretion of the court.

**SECTION 520. Prohibited Acts Related to the Award of Contracts Under the Provisions on Credit Financing.** - It shall be unlawful for any public official or employee in the provincial, city, or municipal government, or their relatives within the fourth civil degree of consanguinity or affinity, to enter into or have any pecuniary interest in any contract for the construction, acquisition, operation, or maintenance of any project awarded pursuant to the provisions of Title Four in Book II hereof, or for the procurement of any supplies, materials, or equipment of any kind to be

used in the said project. Any person convicted for violation of the provisions of said Title shall be removed from office and shall be punishable by imprisonment of not less than one (1) month, nor more than two (2) years, at the discretion of the court, without prejudice to prosecution under other laws.

## **TITLE TWO. - PROVISIONS FOR IMPLEMENTATION**

**SECTION 521. Mandatory Review Every Five Years.** - Congress shall undertake a mandatory review of this Code at least once every five (5) years and as often as it may deem necessary, with the primary objective of providing a more responsive and accountable local government structure.

**SECTION 522. Insurance Coverage.** - The Government Service Insurance System (GSIS) shall establish and administer an appropriate system under which the Punong Barangay, the members of the Sangguniang Barangay, the Barangay secretary, the Barangay treasurer, and the members of the Barangay tanod shall enjoy insurance coverage as provided in this Code and other pertinent laws. For this purpose, the GSIS is hereby directed to undertake an actuarial study, issue rules and regulations, determine the premiums payable, and recommend to Congress the amount of appropriations needed to support the system. The amount needed for the implementation of the said insurance system shall be included in the annual General Appropriations Act.

**SECTION 523. Personnel Retirement and/or Benefits.** - An official or employee of the national government or local government unit separated from the service as a result of reorganization effected under this Code shall, if entitled under the laws then in force, receive the retirement and other benefits accruing thereunder: Provided, however, That such benefits shall be given funding priority by the Department of Budget and Management in the case of national officials and employees, and the local government unit concerned in the case of local officials and employees.

Where the employee concerned is not eligible for retirement, he shall be entitled to a gratuity from the national government or the local government unit concerned, as the case may be, equivalent to an amount not lower than one (1) month salary for every year of service over and above the monetary value of the leave credits said employee is entitled to receive pursuant to existing laws.

**SECTION 524. Inventory of Infrastructure and Other Community Facilities.** -  
(a) Each local government unit shall conduct a periodic inventory of infrastructure and other community facilities and undertake the maintenance, repair, improvement, or reconstruction of these facilities

through a closer cooperation among the various agencies of the national government operating within the province, city, or municipality concerned.

- (b) No infrastructure or community project within the territorial jurisdiction of any local government unit shall be undertaken without informing the local chief executive and the Sanggunian concerned.

**SECTION 525. Records and Properties.** - All records, equipment, buildings, facilities, and other properties of any office or body of a local government unit abolished or reorganized under this Code shall be transferred to the office or body to which its powers, functions, and responsibilities are substantially devolved.

### **TITLE THREE. - TRANSITORY PROVISIONS**

**SECTION 526. Application of this Code to Local Government Units in the Autonomous Regions.** - This Code shall apply to all provinces, cities, municipalities and Barangays in the autonomous regions until such time as the regional government concerned shall have enacted its own local government code.

**SECTION 527. Prior Approval or Clearance on Regular and Recurring Transactions.** - Six (6) months after effectivity of this Code, prior approval of or clearance from national agencies or offices shall no longer be required for regular and recurring transactions and activities of local government units.

**SECTION 528. Deconcentration of Requisite Authority and Power.** - The national government shall, six (6) months after the effectivity of this Code, effect the deconcentration of requisite authority and power to the appropriate regional offices or field offices of national agencies or offices whose major functions are not devolved to local government units.

**SECTION 529. Tax Ordinances or Revenue Measures.** - All existing tax ordinances or revenue measures of local government units shall continue to be in force and effect after the effectivity of this Code unless amended by the Sanggunian concerned, or inconsistent with, or in violation of, the provisions of this Code.

**SECTION 530. Local Water Districts.** - All powers, functions, and attributes granted by Presidential Decree Numbered One hundred ninety-eight (P.D. No. 198), otherwise known as "The Provincial Water Utility Act of 1973," to the Local Water Utilities Administration (LWUA) may be devolved in toto to the existing local water districts should they opt or choose to exercise, in writing, such powers, functions and attributes: Provided, That all

obligations of the local government unit concerned to the LWUA shall first be settled prior to said devolution.

**SECTION 531. Debt Relief for Local Government Units.** - (a) Unremitted national collections and statutory contributions. - All debts owed by local government units to the national government in unremitted contributions to the Integrated National Police Fund, the Special Education Fund, and other statutory contributions as well as in unremitted national government shares of taxes, charges, and fees collected by the local government units, are hereby written off in full.

(b) Program loans. - (1) Program loans secured by local government units which were relented to private persons, natural or juridical, shall likewise be written off from the books of the local government units concerned: Provided, however, That the national government agency tasked with the implementation of these programs shall continue to collect from the debtors belonging to the private sector concerned.

(2) Program loans granted to local government units by national government agencies and which were utilized by the local units for community development, livelihood, and other small-scale projects are hereby written off in full.

(c) Settlement of debts due to government financing institutions (GFIs), government-owned and controlled corporations (GOCCs), and private utilities. The national government shall assume all debts incurred or contracted by local government units from GFIs, GOCCs, and private utilities that are outstanding as of December 31, 1988, in accordance with the following schemes:

(1) Debts due GFIs. - The national government may buy outstanding obligations incurred by local government units from government financing institutions at a discounted rate.

(2) Debts due GOCCs. - The national government may settle such obligations at discounted rate through offsetting, only to the extent of the obligations of local governments against the outstanding advances made by the National Treasury in behalf of the government-owned and controlled corporations concerned.

(3) Debts Due Private Utilities. - The national government may settle these obligations at a discounted rate by offsetting against the outstanding obligations of such private utilities to government-owned corporations. GOCCs may in turn offset

these obligations against the outstanding advances made by the National Treasury in their behalf.

In the case of obligations owed by local government units to private utilities which are not indebted to any GOCC or national government agency, the national government may instead buy the obligations of the local government units from the private utilities at a discounted rate, upon concurrence by the private utilities concerned.

- (d) Limitations. - Obligations to the Home Development and Mutual Fund (Pag-ibig), Medicare, and those pertaining to premium contributions and amortization payments of salary and policyloans to the Government Service Insurance System are excluded from the coverage of this Section.
- (e) Recovery schemes for the national government . - Local government units shall pay back the national government whatever amounts were advanced or offset by the national government to settle their obligations to GFIs, GOCCs, and private utilities. The national government shall not charge interest or penalties on the outstanding balance owed by the local government units.

These outstanding obligations shall be restructured and an amortization schedule prepared, based on the capability of the local government unit to pay, taking into consideration the amount owed to the National Government .

The National Government is hereby authorized to deduct from the quarterly share of each local government unit in the internal revenue collections an amount to be determined on the basis of the amortization schedule of the local unit concerned: Provided, That such amount shall not exceed five percent (5%) of the monthly internal revenue allotment of the local government unit concerned.

As incentive to debtor-local government units to increase the efficiency of their fiscal administration, the national government shall write off the debt of the local government unit concerned at the rate of five percent (5%) for every one percent (1%) increase in revenues generated by such local government unit over that of the preceding year. For this purpose, the annual increase in local revenue collection shall be computed starting from the year 1988.

- (f) Appropriations. - Such amount as may be necessary to implement the provisions of this Section shall be included in the annual General Appropriations Act.

**SECTION 532. Elections for the Sangguniang Kabataan.** - (a) The first elections for the Sangguniang kabataan to be conducted under this Code shall be held thirty (30) days after the next local elections: Provided, That, the regular elections for the Sangguniang kabataan shall be held one hundred twenty (120) days after the Barangay elections thereafter.

- (b) The amount pertaining to the ten percent (10%) allocation for the kabataang Barangay as provided for in Section 103 of Batas Pambansa Blg. 337 is hereby reappropriated for the purpose of funding the first elections mentioned above. The balance of said funds, if there be any after the said elections, shall be administered by the Presidential Council for Youth Affairs for the purpose of training the newly elected Sangguniang kabataan officials in the discharge of their functions.
- (c) For the regular elections of the Sangguniang kabataan, funds shall be taken from the ten percent (10%) of the Barangay funds reserved for the Sangguniang kabataan, as provided for in Section 328 of this Code.
- (d) All seats reserved for the pederasyon ng mga Sangguniang kabataan in the different Sanggunians shall be deemed vacant until such time that the Sangguniang kabataan chairmen shall have been elected and the respective pederasyon presidents have been selected: Provided, That, elections for the kabataang Barangay conducted under Batas Pambansa Blg. 337 at any time between January 1, 1988 and January 1, 1992 shall be considered as the first elections provided for in this Code. The term of office of the kabataang Barangay officials elected within the said period shall be extended correspondingly to coincide with the term of office of those elected under this Code.

**SECTION 533. Formulation of Implementing Rules and Regulations.** - (a) Within one (1) month after the approval of this Code, the President shall convene the Oversight Committee as herein provided for. The said Committee shall formulate and issue the appropriate rules and regulations necessary for the efficient and effective implementation of any and all provisions of this Code, thereby ensuring compliance with the principles of local autonomy as defined under the Constitution.

- (b) The Committee shall be composed of the following:
  - (1) The Executive Secretary, who shall be the Chairman;

- (2) Three (3) members of the Senate to be appointed by the President of the Senate, to include the Chairman of the Committee on Local Government;
  - (3) Three (3) members of the House of Representatives to be appointed by the Speaker, to include the Chairman of the Committee on Local Government;
  - (4) The Cabinet, represented by the following:
    - (i) Secretary of the Interior and Local Government;
    - (ii) Secretary of Finance;
    - (iii) Secretary of Budget and Management; and
  - (5) One (1) representative from each of the following:
    - (i) The League of Provinces;
    - (ii) The League of Cities;
    - (iii) The League of Municipalities; and
    - (iv) The Liga ng mga Barangay.
- (c) The Committee shall submit its report and recommendation to the President within two (2) months after its organization. If the President fails to act within thirty (30) days from receipt thereof, the recommendation of the Oversight Committee shall be deemed approved. Thereafter, the Committee shall supervise the transfer of such powers and functions mandated under this Code to the local government units, together with the corresponding personnel, properties, assets and liabilities of the offices or agencies concerned, with the least possible disruptions to existing programs and projects. The Committee shall likewise recommend the corresponding appropriations necessary to effect the said transfer.
- For this purpose, the services of a technical staff shall be enlisted from among the qualified employees of Congress, the government offices, and the leagues constituting the Committee.
- (d) The funding requirements and the secretariat of the Committee shall be provided by the Office of the Executive Secretary.
  - (e) The sum of Five million pesos (P5,000,000), which shall be charged against the Contingent Fund, is hereby allotted to the Committee to fund the undertaking of an information campaign on this Code. The Committee shall formulate the guidelines governing the conduct of said campaign, and shall determine the national agencies or offices to be involved for this purpose.

## **TITLE FOUR. - FINAL PROVISIONS**

**SECTION 534. Repealing Clause.** - (a) Batas Pambansa Blg. 337, otherwise known as the Local Government Code, Executive Order No. 112 (1987), and Executive Order No. 319 (1988) are hereby repealed.

(b) Presidential Decrees Nos. 684, 1191, 1508 and such other decrees, orders, instructions, memoranda and issuances related to or concerning the Barangay are hereby repealed.

(c) The provisions of Sections 2, 3, and 4 of Republic Act No. 1939 regarding hospital fund; Section 3, a (3) and b (2) of Republic Act No. 5447 regarding the Special Education Fund; Presidential Decree No. 144 as amended by Presidential Decrees Nos. 559 and 1741; Presidential Decree No. 231 as amended; Presidential Decree No. 436 as amended by Presidential Decree No. 558; and Presidential Decrees Nos. 381, 436, 464, 477, 526, 632, 752, and 1136 are hereby repealed and rendered of no force and effect.

(d) Presidential Decree No. 1594 is hereby repealed insofar as it governs locally-funded projects.

(e) The following provisions are hereby repealed or amended insofar as they are inconsistent with the provisions of this Code: Sections 2, 16, and 29 of Presidential Decree No. 704; Section 12 of Presidential Decree No. 87, as amended; Sections 52, 53, 66, 67, 68, 69, 70, 71, 72, 73, and 74 of Presidential Decree No. 463, as amended; and Section 16 of Presidential Decree No. 972, as amended, and

(f) All general and special laws, acts, city charters, decrees, executive orders, proclamations and administrative regulations, or part or parts thereof which are inconsistent with any of the provisions of this Code are hereby repealed or modified accordingly.

**SECTION 535. Separability Clause.** - If, for any reason or reasons, any part or provision of this Code shall be held to be unconstitutional or invalid, other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

**SECTION 536. Effectivity Clause.** - This Code shall take effect on January first, nineteen hundred ninety-two, unless otherwise provided herein, after its complete publication in at least one (1) newspaper of general circulation.





Department of Environment and Natural Resources  
Regional Office No. 10

FILE

January 19, 2009

**HON. CONSTANTINO G. JARAULA**  
City Mayor  
Cagayan de Oro City



**Attn.: Hon. Reynaldo N. Advincula**  
City Councilor  
Chair, Comm. On Subd. & Landed Estate

**Sir:**

We are pleased to furnish you herewith the recommendations of the Steering Committee of this Office relative to the City Resolution No. 7733-2006 pertaining to the ownership of the land within the existing islets along the Cagayan de Oro River.

Relative thereto, the Committee recommended that the entry of new inhabitants and construction of new units on the accretionary islets, including those areas, such as at the edge of the riverbanks, river channels and abandoned river sections (oxbows) i.e., at Sitios Cala-cala, Biasong and within Roa Quarry, Upper Balulang and portions of Sitio Tibasak and Brgy. Consolacion, should **STRICTLY BE PROHIBITED** and that the existing residents in those areas should be programmed for relocation to a safer site. In addition, the Committee further recommended that the islets could be utilized as a forest park, with minimal investment, that would harmonize with the other developments along the banks of the Cagayan de Oro River.

Thank you and best regards,

Very truly yours,

  
**ATTY. ERNESTO D. ADOBO, JR., CESO III**  
Regional Executive Director



**MEMORANDUM**

**FOR :** THE REGIONAL EXECUTIVE DIRECTOR  
DENR, Region-10, Macabalan Cagayan de Oro City

**FROM :** THE STEERING COMMITTEE  
Created under RSO No. 2008-486  
This Region


**SUBJECT :** CAGAYAN DE ORO CITY RESOLUTION NO. 7733-2006  
RE: OWNERSHIP OF THE LAND WITHIN THE EXISTING  
ISLETS ALONG THE CAGAYAN DE ORO RIVER

**DATE :** JANUARY 19, 2009


This is in reference to the official position of the Office relative to its final recommendation with regards to the City Resolution No. 7733-2006 pertaining to the ownership of the land within the existing islets along the Cagayan de Oro River. It has been discussed and agreed upon in the meeting of all concerned offices that considering the very unstable nature of the accretionary islets and its proneness to riverine floods, the islets are not suitable for residential use. Further, prior geo-scientific studies conducted by this Office confirmed the active and dynamic nature of this fluvial system and it would be prudent to avoid construction of houses or habitation at the edge of the riverbanks, river channels and abandoned river sections (oxbows) i.e., Sitios Cala-cala, Biasong and within Roa Quarry, Upper Balulang and portions of Sitio Tibasak and Brgy. Consolacion, to avert potential catastrophic events.

In view of the foregoing, the DENR-10 Committee created under RSO No. 2008-486 (photocopy hereto attached) that assessed the flooding which affected different areas of this region, hereby recommends to the City Government of Cagayan de Oro that entry of new inhabitants and construction of new units on the accretionary islets, including in those areas described in the above, should STRICTLY BE PROHIBITED and that those existing residents in those areas should be programmed for relocation to a safer site. In addition, the islets are hereby recommended to be utilized as a forest park, with minimal investment, that would harmonize with the other developments along the banks of the Cagayan de Oro River.

For information and further endorsement of the Regional Executive Director.

  
**JUANITO A. MANZANO, JR.**  
OIC, Regional Director, MGB-X

  
**CORAZON B. GALINATO, DM**  
Regional Technical Director, FMS

  
**SABDULLAH ABUBACAR, DM**  
Regional Director, EMB-10

  
**DANILO C. CACANINDIN**  
Regional Technical Director, ERDS

  
**PAQUITO D. MELICOR, JR.**  
Regional Technical Director, LMS

  
**BELEK O. DABA**  
Regional Technical Director, PAWCZS

**WATER CODE OF THE PHILIPPINES**  
**Implementing Rules and Regulations**

Pursuant to the Water Code of the Philippines (the “Water Code”) vesting upon the National Water Resources Board (the NWRB) the administration and enforcement of the provisions thereof, the following rules and regulations are hereby promulgated:

**RULE I**

**APPROPRIATION AND UTILIZATION OF WATERS**

**Section 1. Water may be appropriated for the following descending purposes and uses:**

- a. **Domestic**
- b. **Municipal**
- c. **Irrigation**
- d. **Power generation**
- e. **Fisheries**
- f. **Livestock raising**
- g. **Industrial**
- h. **Recreational, and**
- i. **Other purposes**

**Use of water for domestic purposes is the utilization of water directly drawn from a source by a household for drinking, washing, bathing, cooking, watering of gardens or animals and other domestic uses.**

**Use of water for municipal purposes is the utilization of water for supplying the water requirements of a community, whether by piped or bulk distribution for domestic use, direct consumption, the drawer or abstractor of which being the national government, its subsidiary agencies, local government units, private persons, cooperatives or corporations.**

**Use of water for irrigation is the utilization of water for producing agricultural crops.**

**Use of water for power generation is the utilization of water for producing electrical or mechanical power.**

**Use of water for fisheries is the utilization of water for the propagation and culture of fish as a commercial enterprise or any other aqua-culture ventures.**

**Use of water for livestock raising is the utilization of water for large herds or flocks of animals raised as a commercial enterprise.**

**Use of water for industrial purposes is the utilization of water in factories, industrial plants and mines including the use of water as an ingredient of a finished product.**

**Use of water for recreational purposes is the utilization of water for swimming pools, bath**

**houses, boating, water skiing, golf courses and other similar facilities in resorts and other places of recreation.**

**Section 2. When Permit/Authority from the National Water Resources Board Must be Secured.** – As required under the provisions of P. D. 1067, a permit/authority shall be secured from the Board in the following instances:

- a) **Appropriation of water for any purpose stated under Section 1, except for “Purely Domestic purpose”, provided that such use shall be registered with the Board. “Purely domestic purpose” as used in these rules is defined as the use of water by a single household;**
- b) Change in purpose of the appropriation;
- c) Amendment of an existing permit, such as change in point or nature of diversion, amount of appropriation, period of use, etc;
- d) **Transfer or lease of water right, as evidenced by a water permit;**
- e) **Temporary permit to appropriate and use of water;**
- f) Developing a stream, lake or spring for recreational purposes;
- g) Lowering or raising the level of the water of a lake, river or marsh, or draining the same;
- h) Transbasin diversion;
- i) Dumping of mine tailings or wastes into a river or a waterway;
- j) Such other instances that will require a permit as determined by the Board.

**In the following instances the granting of permit required under the provisions of P.D. 1067, is delegated by the Board to the corresponding agencies indicated and permit pertaining to any of these instances shall be secured from such agency:**

- a) Excavation for the emission of a hot spring – **Department of Energy (DOE)**;
- b) Cloud seeding to induce rainfall – **subject to other requirements by the Board in coordination with Philippine Atmospheric Geophysical and Astronomical Service Administration (PAGASA).**
- c) Recharging ground water supplies – **Department of Environment and Natural Resources (DENR)**

Whenever necessary the Board may exercise any of the above delegated authorities.

**Section 3. Qualification of Applicants for Permit/Authority.** – Only the following may file an application with the Board for permit/authority:

- a) Citizens of the Philippines;
- b) Associations, duly registered cooperatives or corporations organized under the laws of the Philippines, at least 60 percent of the capital of which is owned by citizens of the Philippines;
- c) Government entities and instrumentalities, including government-owned and controlled corporations.

**Section 4. *Place of Filing Applications.* – Except as otherwise provided in these rules, application for water permit under Section 2 and permits to drill shall be filed directly with the Board or its deputized agents designated by the Board in the province where the point of diversion or abstraction is situated in the case of appropriation of waters or where the project is located in all other cases.**

**Section 5. *Form and Requirements of Application.* – All applications shall be filed in the prescribed form, sworn to by the applicant and supported by the following:**

**A. Water Permit for Domestic Use**

1. **Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;**
2. **Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;**
3. **Well Drilling Data (in case of existing groundwater source authenticated by the well driller) including Physical and Chemical Analysis of water; as well as Bacteriological Analysis; and**
4. **Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR -Regional Office.**

**B. Water Permit for Municipal Use**

1. **Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;**
2. **Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative and Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;**
3. **Certificate of Conformance from LWUA (for Water Districts only);**

4. Certificate of Registration (if Barangay Waterworks Association, Rural Waterworks and Sanitation Association);
5. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
6. Subdivision Plan (if applicable);
7. Well Drilling Data (in case of existing groundwater source authenticated by the well driller) including Physical and Chemical analysis of water;
8. Sangguniang Bayan/Regional Development Council endorsement (for LGU-managed water supply facilities);
9. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR -Regional Office; and
10. Such other documents that may be required by the Board.

#### C. Water Permit for Irrigation Use

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative and Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:50,000 showing the exact location of the point of diversion;
4. General layout of the system, including delineation of area indicating hectareage for which water will be used and adjoining lands and their corresponding owners duly indicated relative to the point of diversion;
5. Well Drilling Data (in case of existing groundwater source);
6. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR -Regional Office; and
7. Such other documents that may be required by the Board.

#### D. Water Permit for Power Generation

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative and Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
4. Brief Description of the project stating among others, how water will be used, amount of water needed, power to be generated, etc.;
5. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR-Regional Office; and
6. Initial Permit from DOE per R.A. 7156.
7. Such other documents that may be required by the Board.

E. Water Permit for Fisheries

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative and Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
4. Brief Description of the project stating among others, how water will be used, amount of water needed, etc.;
5. Clearance from Laguna Lake Development Authority (LLDA), in case within watershed of Laguna Lake;
6. Well Drilling Data (in case of existing groundwater source);
7. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR -Regional Office.

8. Clearance from existing dam/reservoir operated by NIA, NPC and other government entities (for fisheries located upstream not within of said existing dam/reservoir); and
9. Such other documents that may be required by the Board.

F. Water Permit for Livestock Raising

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative and Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
4. Well Drilling Data (in case of existing groundwater source);
5. Brief Description of the project stating among others, how water will be used, amount of water needed, etc.
6. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR-Regional Office; and
7. Such other documents that may be required by the Board.

G. Water Permit for Industrial Use

1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative and Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
3. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
4. Brief Description of the project stating among others, how water will be used, amount of water needed, etc.;



5. Well Drilling Data (in case of existing groundwater source);
  6. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR-Regional Office.; and
  7. Such other documents that may be required by the Board.
- H. Water Permit for Other Uses (Recreation, Commercial, Memorial Parks, Environmental etc.)
1. Proof of land ownership of, legal title to, or right to use, the property on which the water source is situated;
  2. Certificate of Registration from relevant agencies i.e Department of Trade and Industry (DTI), Cooperative and Development Authority (CDA), Securities and Exchange Commission (SEC) with Articles of Incorporation (for Corporation or Association) including Corporate Secretary's Certification on present capital structure stating the citizenship and the number of shares of each stockholder;
  3. Vicinity Map/Location Plan with scale 1:10,000 or 1:50,000 showing the exact location of the point of diversion;
  4. Brief Description of the project stating among others, how water will be used, amount of water needed, etc.;
  5. Well Drilling Data (in case of existing groundwater source);
  6. Certificate of Potability (including Physical and Chemical Analysis of water); (if applicable);
  7. Environmental Compliance Certificate (for projects considered as Environmentally Critical Projects or projects located in Environmentally Critical Areas) or Certificate of Non-Coverage from DENR-Regional Office;
  8. Such other documents that may be required by the Board.

Section 6. *Other Requirements.* – In addition to the requirements under Section 5, the following are required in the specific instances indicated:

- A. For Well Drilling – All applications involving extraction of groundwater shall include the name of a duly registered well driller who will undertake the drilling.
- B. For Transfer of a Water Permit – A verified petition for the transfer of a water permit shall state the reasons for the transfer and shall attach the contract or agreement for the transfer.
- C. For Lease of a Water Right – A verified petition for the lease of a water permit shall

**be accompanied by a duly executed contract of lease, *Provided that no contract of lease shall be for a continuous period exceeding five (5) years, otherwise the contract shall be treated as a transfer of permit in favor of the lessee.***

**Section 7. *Filing Fee.* – A filing fee, as may be fixed by the Board, shall be imposed and collected for all applications and petitions filed with the Board, which shall be paid directly to the Board or thru its duly authorized collecting agents.**

**Section 8. *Water Fees or Charges.* – Except when the appropriation is for purely domestic purpose as defined in Section 2 (a) hereof, all appropriators shall pay to the Board water fees or charges for water resources development as reflected in Annex A of these rules.**

The Board may revise the said water fees or charges or impose special water rates as the need arises, taking into consideration, among others, the following:

- a) Intended use of water;
- b) Quantity/rate of water withdrawal vis-à-vis other users taking into account the water bearing potential of the source;
- c) Environmental effects;
- d) Extent to which water withdrawal will affect the source; and
- e) Development cost of bringing water from the source.

**The foregoing notwithstanding, the Board may decide to impose raw water charges based on the maximum volume of water that may be withdrawn using the facilities installed or on the actual volume withdrawn as reflected in the water abstraction meter in lieu of the existing water extraction charges.**

**Section 9. *Processing, Posting and Sending of Notices of Applications /Petitions.* – Upon receipt of an application or a petition, the Board shall process the same to determine completeness of the requirements prescribed in Section 5 hereof. Once completed, and upon payment of the filing fee, notices of the application/petition shall be posted in a conspicuous place in the office of the Board for a period of thirty (30) days. The Board shall also send notices to the following offices for posting in conspicuous places for the same period:**

- a) Barangay Chairman of the place where the point of diversion is located;
- b) City or Municipal Secretary of the city or town where the point of diversion is located;
- c) The Secretary of the Sangguniang Panlalawigan of the province where the point of diversion is located;
- d) **DPWH District Engineer or NIA Provincial Irrigation Officer as the case may be.**

**Copies of the notice of application shall, likewise, be furnished to concerned Regional Offices of the Department of Public Works and Highways, National Irrigation Administration,**

**National Power Corporation, Department of Environment and Natural Resources, and Local Water District Office, if there is one and such other agencies as may be specified by the Board.**

**Section 10. Action After Posting of Notices for Appropriation of Surface Waters.**

**A. Investigation and Studies**

After seven (7) days from the first day of posting of notice at the office where the application is filed, the office concerned shall determine:

1. The approximate seasonal discharge of the water sources;
2. The amount of water already appropriated for beneficial use;
3. The water requirement of the applicant as determined from standards of beneficial use prescribed by the Board;
4. Possible adverse effects on existing grantees/permittees or public/private interest including mitigating measures;
5. Environmental effects;
6. Land-use economics;
7. Whether the area to be irrigated can be integrated with that of an existing or proposed irrigation association for common irrigation facilities, if the purpose is for irrigation only;

**8. Climate conditions and changes**

9. Other relevant factors.

**B. Protest on Applications – Any person who may be adversely affected by the proposed appropriation may file a verified protest with the Board within thirty (30) days after the last day of posting of Notice.**

Protests to an application for water permit shall be governed by the rules prescribed for resolving water use controversies.

**C. Action on Application**

**1. For applications filed directly with the Board**

- a. **Upon receipt of an application for water permit, the Board shall process the same in accordance with Section 9 hereof.**

**The Board shall then require interested parties including the concerned water district, private water company or franchisee, or registered irrigation association,**

company or cooperative to comment on the application within fifteen (15) working days from receipt of a copy of the water permit application which shall be furnished by the Board.

- b. If no protest or comment on the application is filed within the prescribed period, the Board shall immediately decide to approve or deny the permit within sixty (60) days from the date of application provided all the requirements under these rules are complied with.

If a protest has been filed within the above period, a hearing should immediately be set in accordance with the rules and procedures herein provided. Unless restrained by a competent court, protests shall be immediately resolved within sixty (60) days from the date of submission for resolution.

2. For applications filed with deputized agencies

Upon receipt of an application for water permit, the deputized agency concerned shall process the same in accordance with Section 9 hereof.

The deputized agency shall require interested party including the concerned water district, private water company or franchisee, or registered irrigation association, company or cooperative to comment on the application within fifteen (15) working days from receipt of a copy of the water permit application which shall be furnished by the Board.

Within fifteen (15) days from the last day of posting of notice, the deputized agency before which the application was filed shall transmit the application to the Board together with all the records, findings of facts, comments of other government agencies, and recommendations. Upon receipt of the records, the Board shall proceed to act on the application in accordance with Section 10 (c) (1) (b).

In cases of application for irrigation, the report shall be coursed by the NIA Regional Director to the Board or any regional office that may be established by the Board.

In cases of application for hydraulic power, the DPWH Regional Director shall transmit the application and all the records to the National Power Corporation Central Office, which shall forward the same to the Board with its comments and recommendations within thirty (30) days from receipt thereof.

Section 11. Registration of Water Wells used for Single Household Purposes - Households using a water source for single household purpose shall register the same with the Board. .

In case of conflict involving any right on a well used for domestic purpose, the same shall be resolved in accordance with the provisions of the Local Government Code.

**Section 12. Action After Posting of Notices for Appropriation of Groundwater.**

- A. Permit to Drill – The application to appropriate groundwater shall be processed for adherence to requirements and shall be investigated in the field to determine any adverse effect to public or private interest. Protests on the application shall be governed by Section 10-B hereof. If the application meets the requirements and has been found not to be prejudicial to public or private interest, a permit to drill shall be issued by the Board subject to the following conditions:**
1. Drilling operations shall be in accordance with the rules provided herein;
  2. The rate of water withdrawal to be approved shall be determined after pumping tests and shall in no case exceed the rate stated in the application;
  3. A permit to drill shall remain valid for six (6) months, unless a longer period is allowed by the Board for reasonable grounds; and
  4. The permit to drill shall be regarded as a temporary permit, and the regular permit shall be issued after the rate of water withdrawal has been determined.
- B. Result of Drilling Operations – A report on the result of the drilling operations shall be submitted to the Board within the 6-month period stated in the preceding section. The report shall include a description of each drilling site, the drilling log, the yield of the well and the assessment of the data obtained.**
- C. Investigation and Studies – Upon receipt of the report on drilling operations, the investigating office shall consider the proposed withdrawal of groundwater in relation to the following:**
1. Safe yield of the source, reasonable or feasible pumping lift;
  2. Beneficial use;
  3. Adverse effects on existing lawful users of water or to public or private interest;
  4. Effects on the environment;
  5. Danger of contamination of aquifers, deterioration of water quality or salt water intrusion;
  6. Adequacy of proposed well, works, plans and specifications towards meeting prescribed standards; and
  7. Comments and/or recommendations of other agencies.
- D. Final Action on Application – Within fifteen (15) days from receipt of the report of well drilling operations, the investigating office shall be submit the records of the application directly to the Board .**

**Section 13. Board's Action.** – The Board shall approve or disapprove applications for water permits within thirty (30) days after receipt of the recommendation, of the Board Secretariat, unless a longer period is needed for the disposition of protests .

**Failure to claim any approved water permit within 6 months from notice of its approval by the Board shall cause the automatic revocation of the approved water permit.**

**Section 14. Water Permit.** – Approved applications shall be issued water permits subject to such conditions as the Board may impose. Such permit must bear the seal of the Board and the signature of the Executive Director. Disapproved applications shall be returned to applicants through the office where the same was filed within fifteen (15) days of such disapproval stating the reasons therefor.

**Section 15. Conditions in Permits.** - Water permits issued by the Board shall be subject to such terms, restrictions and limitations as it may deem proper to impose, and including any, or all of the following conditions:

- a) Within one (1) year from the receipt of the permit, the applicant shall submit to the Board for approval, the plans and specifications for the diversion works, pump structure, water measuring device, and other required structures, and the implementing schedules of construction for private sector projects. No construction work or private sector projects shall commence until the plans, specifications and implementing schedules are duly approved. When the diversion dam is temporary and less than two (2) meters high, the submission of plans for the dam may not be required.
- b) The construction of the necessary structures and diversion works shall begin within ninety (90) days from the date of receipt of the approved plans, specifications and implementing schedules and shall be completed within the approved schedule unless extended by the Board for valid or justifiable reasons, provided, that water shall not be diverted, pumped or withdrawn until after such structures and works shall have been inspected and approved by the Board, unless otherwise allowed. Except in cases of emergency to save life or property or repairs in accordance with the plans originally approved, the alteration or repair of these structures shall not be undertaken without the approval of the Board.
- c) The right of a permittee to the amount of water allowed in the permit is only to the portion or extent that he can use beneficially for the purpose stated therein. The diversion of the water shall be from the source and only for the purpose indicated in the permit. In no case should the said use exceed the quantity and period indicated therein. In gravity diversions, regulating gates of the canal shall be closed when water is not needed.
- d) **The Board may, after due notice and hearing, reduce the quantity of water or adopt a system of apportionment, distribution, or rotation thereof, subject to payment of compensation in proper cases, to serve the interest of the public.**
- e) The Board may, after due notice and hearing, revoke the permit in favor of projects for greater beneficial use or for multi-purpose development, subject to compensation in proper cases.

- f) **The Board shall revoke or suspend the permit if the permittee violates effluent/water quality standards as determined by the Department of Environment and Natural Resources.**
- g) **Non-use of the water for the purpose stipulated in the permit for a period of three consecutive years from date of issuance or completion of diversion works and necessary structures, shall render said permit null and void, except as the Board may otherwise allow for reasons beyond the control of the permittee.**
- h) Any person in control of a well shall prevent the water waste therefrom and shall prevent water from flowing onto the surface of the land or into any surface water without being beneficially used, or any porous stratum underneath the surface.
- i) Any person in control of a well shall prevent water containing mineral or other substances injurious to the health of humans or animals or to agriculture and vegetation from flowing onto the surface of the land or into any surface or into any other aquifer or porous stratum.
- j) **Wells which are no longer being used shall, be properly plugged before abandonment to avoid contamination of the aquifer.**

**Section 16. *Periodic and Final Inspection of Project.*** – The Board, in coordination with its deputized agents who investigated the application/petition, may conduct inspection of the project during their construction, alteration, or repair or upon completion thereof to ascertain whether or not they are in accordance with approved plans and specifications.

**A report of the inspection shall be submitted to the Board by the deputized agents within ten (10) days from the date of inspection.**

**Section 17. *Notice of Completed Structures/Diversion Works.*** – The permittee shall inform the Board or its deputy concerned, that the necessary structures and diversion works required have been completed in accordance with approved plans and specifications.

In cases of appropriation of groundwater, the permittee shall also inform the Board as to the depth and diameter of the well, the drilling log, the specifications and location of a casings, cementing, screens and perforations, and the results of tests of capacity, flow, drawdown, and shut-in pressure.

**Section 18. *Inspection of Works.*** – Inspection of the premises shall be conducted by the Board or its deputized agents to determine compliance with the conditions imposed in the permit and such other order, rule or regulation that the Board may issue.

**Section 19. *Certificate of Compliance.*** – The Board shall issue a certificate of compliance to the permittee/grantee after being satisfied that the construction of the necessary structures in connection with the water permit have been duly complied with. Such certificate shall bear the signature of the Executive Director.

**Section 20. *Revocation of Permit.*** – Any permit issued pursuant to the rules may be revoked by the Board, after due notice and hearing, for any of the grounds provided herein or in the Code.

**Section 21. Recurrent Water Shortage.** – For purpose of Articles 22 and 26 of the Code, recurrent water shortage shall mean the natural diminution of water in a source of supply to a volume or rate of flow insufficient to meet the water requirements of all legal appropriators.

**To prevent recurrent water shortage, the Board, shall instruct the concerned appropriators to develop other source/s of water. In such case, the Board may recommend to the President to fast track the development of the identified source/s. Pending the development of the identified source/s, the Board may recommend to the President, necessary measures to augment/optimize the water supply to satisfy the demand, including the possible declaration of a water shortage or crisis.**

**Section 22. Basic Diversion Requirements for Irrigation Use.** – Except when otherwise justified by the type of irrigation system, soil conditions, kind of crop, topography and other factors, water permits for irrigation use shall be granted on the basis of not exceeding **1.5 liters per second per hectare** of land to be irrigated.

**Section 23. Construction/Repair of Other Structures.** – Apart from the structures required under Section 15, and except in cases of emergency to save life or property or repairs in accordance with plans previously approved, the construction or repair of the following structures shall be undertaken only after the plans and specifications therefore are approved by the Administrator of the National Irrigation Administration when the structure is for an irrigation project, or by the Secretary of the Department of Public Works and Highways **or appropriate local government units** in all other cases enumerated hereunder:

- a) Off-stream water impounding structures except earth-fill embankments less than ten (10) meters high from the natural ground surface;
- b) Barrages across natural waterways except temporary dams for irrigation less than two (2) meters high from the stream bed; and
- c) Dikes, levees, revetments, bulkheads, piers, breakwaters and other similar structures or devices that affect the direction or level of materials in rivers, lakes and in maritime waters.

Other structures not included in the above enumeration shall be approved by the proper government agencies as may be designated by the Board.

The approving officials shall prescribe the procedure for filing, processing and approval of the plans and specifications. Structures required in water permits shall be approved as prescribed under Section 15 hereof.

**Section 24. Establishment of Easements.** – Actions for the establishment of easements under Article 25 of the Code shall be governed by the Rules of Court.

**Section 25. Establishment of Control Areas.** – When the Board deems it necessary to declare a control area, it shall publish the same in three (3) newspapers of general circulation setting forth the purpose for the declaration, the geographic limits of the control areas, and the regulations necessary to achieve its objectives.



**Section 26. *Coordinated Use of Waters in Control Areas.*** – In control areas so declared for the coordinated development, protection and utilization of ground and surface waters, the appropriation of surface water shall, in general, have preference over that of groundwater and, except as otherwise allowed by the Board, a permit for the appropriation of groundwater is valid only to the extent that it does not prejudice any surface water supply.

**Section 27. *Registration of Wells in Control Areas.*** – In declared control areas, all wells without water permits, including those for domestic use, shall be registered with the Board within two (2) years from the declaration. Otherwise any claim to a right on a well is considered waived and use of water therefrom shall be allowed only after a water permit is secured in accordance with Rule 1 hereof.

**Section 28. *Temporary Permits.*** – The Board may grant temporary permits for the appropriation and use of water in situations such as the following:

- a) Irrigation of an area pending the construction of a larger system to be operated either by the government or by any irrigation association which will serve said area. Such permit shall automatically expire when water becomes available for the area from the larger system. In cases where the supply from the larger system is not adequate, the permit may be modified accordingly;
- b) When there is need to use water for municipal purposes in emergency situations pending the availability of an alternative source of supply as provided in Article 22 of the Code;
- c) For special research projects requiring the use of water for certain periods of time;
- d) For temporary use of water needed for the construction of roads, dikes, buildings and other infrastructures; and
- e) When there are unforeseen delays in the approval of the application and appropriation of water is necessary pending the issuance of a water permit, unless the application is protested.

Temporary permits shall be granted by the Board on a case-to-case basis specifying the conditions under and the period within which the permit is valid. The Board may delegate the issuance of temporary permits for a period of not exceeding six (6) months and a quantity of not more than 200 liters per second.

## RULE II

### CONTROL, CONSERVATION AND PROTECTION OF WATERS, WATERSHEDS AND RELATED LAND RESOURCES

**Section 29. *Watershed Management, Protection and Rehabilitation-* The NWRB, DENR and other appropriate agencies involved in watershed management shall undertake watershed conservation, protection and rehabilitation and shall adopt appropriate soil and water conservation, and protection measures to safeguard the hydrological integrity of**

**watersheds and help sustain the protection of water for various purposes and uses. (i.e. DENR/FMB, BSWM, LGUs, WD, private sector, etc.)**

**Section 30. *Prohibited Construction on Navigable or Floatable Waterways.*** – Except when allowed under these rules, **the Board shall recommend to the DPWH, DILG or appropriate government agency or local government unit the removal of**, dams, dikes, or any structure or works or devices that encroach into any public navigable or floatable rivers, streams, coastal waters, waterways, bodies of water, or obstruct or impede the free passage of water or cause inundation.

The rules and regulations of the Philippine Coast Guards pertaining to navigation shall be suppletory to these rules. Rivers, lakes and lagoons may be declared by the Board as navigable in whole or in part upon recommendation of the Philippine Coast Guard.

**Section 31. *Determination of Easements.*** – For purposes of Article 51 of the Code, all easements of public use prescribed for the banks or rivers and the shores of seas and lakes shall be reckoned from the line reached by the highest flood which does not cause inundation or the highest equinoctial tide whichever is higher.

**Any construction or structure that encroaches into such easement shall be ordered removed or cause to be removed by the Board in coordination with DPWH, LGU or appropriate government agency or local government unit.**

**Section 32. *When Permit/Authority from the Department of Public Works and Highways is Required.*** – A permit/authority shall be secured from the Department of Public Works and Highways in the following instances:

- a) Construction of dams, bridges and other structures in navigable or floatable waterways;
- b) Cultivation of river beds, sand bars and tidal flats upon clearance from DENR;**
- c) Construction of private levees, revetments and other flood control and river training works; and
- d) Restoration of river courses to former beds.

**Section 33. *Place of Filing Applications of Permit/Authority.*** – Applications for permit/authority under the next preceding section may be filed with the Department of Public Works and Highways District Engineering Office in the province where the project is to be undertaken.

**Section 34. *Form and Contents of Applications.*** – All applications shall be filed in a prescribed form sworn to by the applicant and supported by the following:

- A. For Cultivation of River Beds, Sand Bars and Tidal Flats
  - 1) Location plan showing the river bed, delineation of the area to be cultivated, the adjoining areas and the corresponding lessees/permittees; and

- 2) Information showing the crops to be planted and the cropping period.

B. For Private Flood Control Works

- 1) Location plan showing the river channel, proposed control works and existing works, if any, in the vicinity;
- 2) Cross-sections of the river channel in the site;
- 3) Plans and specifications of control structures;
- 4) Construction schedule; and
- 5) Articles of Incorporation or Articles of Partnership in case applicant is a private corporation or partnership, or Certificate of Registration in case of cooperatives.

C. For Restoration of River Courses to Former Beds

- 1) Affidavits of two disinterested persons attesting to the circumstances of the changes in the course of the river or stream, including the date when such change occurred;
- 2) Certified copies of the cadastral plans and technical description of the lots affected by the river or stream, showing the former course to which the river will be restored;
- 3) A recent survey map of the area affected undertaken by a licensed geodetic engineer indicating the present river course as well as the old cadastral stream boundaries;
- 4) Articles of Incorporation or Articles of Partnership in case applicant is a private corporation or partnership, or Certificate of Registration in case of cooperatives; and
- 5) Scheme and schedule of restoration.

E. For Construction of Dams, Bridges, and Other Structures in Navigable or Floatable Waterways

- 1) Vicinity map and location plan showing the river and the proposed structure;
- 2) Cross-section of the structure with cross-section of the river at the location of the structure showing minimum water level, maximum flood level without structure, and maximum flood level with structure;
- 3) Plan showing extent of maximum flooded area without structure and maximum flooded area with structure;
- 4) Schemes and details of provisions for passage of watercraft;
- 5) Construction schedule; and
- 6) Articles of Incorporation or Articles of Partnership in case applicant is a private corporation

or partnership, or Certificate of Registration in case of cooperatives.

**Section 35. Action on Application.** – In relation to Section 32, the DPWH District Engineer shall investigate each application filed with the District’s Engineering Office, and if necessary, conduct public hearings thereon and shall transmit his report and recommendation to the DPWH Regional Director who, after proper review, shall transmit the application with its supporting documents and recommendations to the DPWH Secretary for appropriate action.

**Section 36. Limitation on Permits to Cultivate River Beds, Sand Bars and Tidal Flats.** – A permit to cultivate river beds, sand bars and tidal flats shall be non-transferable and shall not be construed as authorizing reclamation of the area covered by the permit, or as conferring upon the permittee a right of ownership thereof by acquisitive prescription.

**Section 37. Construction and Completion of Work.** – The construction of private flood control works and dams, bridges and other structures in navigable rivers or streams shall be undertaken within the approved construction schedule; otherwise, the permit shall automatically be cancelled unless a longer period is allowed.

Work for the restoration of a river or stream to its former bed shall be commenced within the two (2) years from the date of change in the course of the river or stream and completed within one (1) year from start of construction.

**Section 38. Establishment of Flood Control Areas.** – Whenever the DPWH Secretary deems it necessary to declare flood control areas for the protection of flood plain lands, he shall publish the same in three (3) newspapers of general circulation setting forth the purpose of the declaration, the geographic limits of the declared control area, and the regulations necessary to achieve the objectives.

**Section 39. National Flood Management Committee.** – **The Secretary of DPWH shall form an Inter-agency National Flood Management Committee for each flood plain declared as flood control area, the members of which shall include, but not limited to, representatives from the following:**

- a) Department of Public Works and Highways, **its Secretary seating as Chairman:**
- b) **Department of Environment and Natural Resources; its Secretary acting as Co-Chair**
- c) **National Disaster Coordinating Council through the Office of Civil Defense;**
- d) Department of the Interior and Local Government;
- e) **National Economic and Development Authority;**
- f) **National Hydraulics and Research Center;**
- g) National Irrigation Administration;
- h) **Philippine Atmospheric, Geophysical and Astronomical Services Administration;**

- i) **Philippine Institute of Volcanology and Seismology;**
- j) **Union of Local Authorities of the Philippines;**
- k) **National Power Corporation**
- l) **National Water Resources Board**

**The functions of this Committee shall be:**

- a) **To lead all agencies and people for flood disaster mitigation;**
- b) **To integrate all efforts and investments to be effective for flood disaster mitigation;**
- c) **To coordinate all activities related to flood and water resources;**
- d) **To formulate and promulgate the National Flood Management Guidelines to promote the best interest of country and the coordinated protection of flood and sediment-related disaster prone areas;**
- e) **To provide necessary arrangement for technical and administrative supports of the central government to the local government units on the flood management;**
- f) **To direct and monitor the activities of the Regional Flood Management Committee;**
- g) **To coordinate with the members for the smooth implementation of flood management projects; and**
- h) **To perform such other functions as the Secretary may direct.**

**Section 40. *Storage and Rafting of Logs.*** – The Board, through its deputies, may prohibit or control the rafting or storage of logs and other objects on rivers and lakes when:

- a) It causes pollution of waters used for domestic municipal purposes; and
- b) It causes danger to structures such as those for irrigation, power and flood control.

**Section 41. *Prohibitions and Requirements on Water Impoundment.*** – The Board shall, upon recommendation of the Department of Health, prohibit the impounding of water in ponds or reservoirs when:

- a) The water is found to contain excessive pollutants;
- b) It will degrade its quality;
- c) Public health is endangered; and
- d) Such other similar situations.

Existing ponds or reservoirs falling under the aforementioned cases shall be ordered drained by the Board or controlled by other approved methods.

**Section 42. Reservoir Operations.** – Owners or persons in control of a reservoir shall submit to the Board the proposed reservoir operation rule curve together with all pertinent data for approval which shall be followed except during periods of extreme drought and when public interest so requires, wherein the Board may change the operation during the period after due notice and hearing.

The Board shall review periodically or whenever necessary the rule curve for possible revisions.

A rule curve is a diagram showing the minimum water level requirement in the reservoir at a specific time to meet the particular needs for which the reservoir is designed.

Furthermore anyone who operates a reservoir shall submit to the Board his plan for handling maximum discharges with a view to avoiding damage to life and property.

**Section 43. Employment of Engineer in Dam Operations.** – All operators of storage dams exceeding 10 meters high or overflow dams exceeding 2 meters high from the stream bed shall make arrangements for the periodic inspection of said structures and its operating equipment by a registered engineer (civil/structural/dam).

A multipartite monitoring team shall be formed to monitor activities such as status/conditions of dam structure for the purpose of identifying conditions which may adversely affect the safety of the structures in giving advice to the operator on the proper maintenance and operation thereof

**Section 44. Qualifications and Requirements of Well Drillers.** – No person or entity shall be permitted to undertake well drilling work unless he is duly registered with the Board as a well driller. No person or entity (including for domestic family use) shall be registered by the Board as a well driller unless he has at least any of the following qualifications:

**I. For Manual Well Drillers:**

- a) Three (3) years experience in manual well drilling, as certified by a duly registered well driller;
- b) Certificate of Registration of Business Name issued by DTI or business permit issued by the local government unit;

**II. For Mechanized Well Drillers:**

- a) Certificate of Registration of Business Name issued by Department of Trade and Industry (DTI) or certificate of registration from Securities and Exchange Commission (SEC);

- b) **Name/s of personnel with three (3) years experience in mechanized well drilling work as certified by duly registered mechanized well driller; or a holder of a bachelor's degree in geology, civil, mechanical, or other related engineering courses with one (1) year experience in actual drilling work;**
- c) **Contractor's license issued by the Philippine Contractor's Accreditation Board (PCAB), if available;**
- d) **Financial Statement**
- e) **List of completed and on-going projects**

**Section 45. Permit to Drill a Well. – Except for drilling of wells intended for single family domestic use, no person shall drill any well for the extraction of ground water or make any alteration to any existing well without securing a permit from the Board.**

For this purpose, only wells with casings not exceeding 75 millimeters in diameter may be allowed for **single family** domestic use.

**Section 46. Requirements for Drilled Wells.** – Drilling of deep wells for the extraction of groundwater shall conform with the following requirements:

- a) The well shall be so designed and constructed that it will seal off contaminated water-bearing formations or formations which have undesirable characteristics;
- b) **There shall be no unsealed openings around the well which may channel surface water or contaminated or undesirable groundwater vertically to the intake portion of the well;**
- c) All parts of a permanent well shall be of durable materials;
- d) Wells constructed in a sand or gravel aquifer shall be provided with a water-tight casing to a depth of 1.5 meters or more below the lowest expected pumping level, provided that where the pumping level is less than ten (10) meters from the surface, the casing shall extend three (3) meters below the lowest pumping level;
- e) Casing of wells constructed in sandstone aquifers where the overburden consists of unconsolidated materials shall be grouted to a minimum depth of ten (10) meters, provided, that should there be an additional overlying formation of creviced or fractured rock, the casing shall be grouted to its full depth;
- f) Casings of wells constructed in limestone, granite or quartzite where the overburden consists of drift materials shall be extended to a depth of at least fifteen (15) meters, and firmly seated in rock formation, provided, that where the overburden is less than fifteen (15) meters, the casing shall be extended three (3) meters into uncreviced rock, provided, finally, that in no case shall the casing be less than 15 meters;
- g) Wells for domestic and municipal water supply shall be constructed in accordance with

sound public health engineering practice;

- h) The extent of pumping and extraction of groundwater shall take into consideration the possibility of salt water intrusion, land subsidence and mining of groundwater;
- i) An abandoned well shall be properly plugged or sealed to prevent pollution of groundwater, to conserve aquifer yield and artesian head, and to prevent poor-quality water from one aquifer entering another.
- j) Free-flowing wells shall be provided with control valves or other similar devices to control and regulate the flow of water from such wells for conservation purposes;
- k) Well sites shall be provided with drainage facilities for the proper disposal/conveyance of surface water flow from the site;
- l) In general, spacing requirements except for wells less than 30 meters deep, shall be in accordance with the table below:

RATE OF WITHDRAWAL  
IN LITERS PER SECOND  
MINIMUM DISTANCE BETWEEN WELLS IN METERS

|           |         |      |
|-----------|---------|------|
|           | 2 – 10  | 200  |
| More than | 10 – 20 | 400  |
| More than | 20 – 40 | 600  |
| More than | 40      | 1000 |

The Board may increase or decrease the above spacing requirements under any of the following circumstances:

- a) for low-income housing development projects where home lot size will limit available spacing between homeowners’ wells;
- b) where the geologic formation may warrant closer or farther spacing between wells; and
- c) where assessment of pumping test records on yields, drawdown, circle of influence, seasonal fluctuations in water table and other technical data on groundwater wells, drilling and operation indicate possible closer or farther spacing between wells.

In modifying the spacing requirements the following criteria shall be applied:

- a) No new well shall cause more than 2 meters of additional drawdown to any existing well;
- b) If the rate of withdrawal applied for a well will cause additional drawdown of more than 2 meters to any existing well the rate of withdrawal applied for shall be reduced to satisfy the drawdown limit.
- c) The Board shall prescribe the maximum pump size and horsepower in the water permit so



that the rate of withdrawal shall not exceed that authorized;

- d) Groundwater mining may be allowed provided that the life of the groundwater reservoir system is maintained for at least 50 years.

**Section 47. *Minimum Stream Flows and Water Levels.*** – When the Board deems it necessary to establish minimum stream flows for rivers and streams and/or minimum water levels for lakes as provided under Article 66 of the Code, it shall notify the public through newspapers that a public hearing shall be conducted for such purpose. In the conduct of the hearing, the following shall be considered:

- a) Adverse effects on legal appropriators;
- b) Priorities that may be altered on the basis of greater beneficial use and/or multi-purpose use;
- c) Protection of the environment, control of pollution, navigation, prevention of salt water damage and general public use; and
- d) Other factors relevant to the situation.

In general, the Board shall consider the following criteria in the establishment of minimum stream flows of rivers and streams and minimum water levels of lakes:

- a) **For water quality and environmental protection the minimum stream flow or lake water level shall be estimated based on the threshold concentration of pollutant and environmental requirements in cooperation with the DENR.**
- b) For navigation purposes, the minimum flow or water level to be provided shall be such that the resulting stream flow or water level shall remain navigable to the existing vessels that ply the river or lake;
- c) For fish conservation, consideration shall be made such that the resulting streamflow or lake level will not adversely affect the existing fish habitat. The minimum flow/water level to be provided shall be determined by the Board in consultation with BFAR.
- d) In any case the minimum requirement shall be the observed or estimated absolute minimum stream flow or lake level.

**Section 48. *Protection of Water Supply Sources.*** – No person shall discharge into any source of water supply any domestic sewage, industrial waste, or pollutant not meeting the effluent standards set by the Department of Environment and Natural Resources.

**Section 49. *Mine Tailings Disposal.*** – Water discharged with mine tailings or wastes shall not contain minerals or other substances injurious to man, animal, aquatic life, agriculture or vegetation in concentrations exceeding the maximum prescribed by the Department of Environment and Natural Resources.

Tailing dams, ponds or similar control structures located along the river beds whenever required

shall be strong enough to withstand the forces in the river during typhoons and flash floods.

Mine operators shall undertake appropriate erosion control measures in their mining areas to minimize the amount of sediments therein that will be carried to river systems.

**Section 50. *Complaint on Drainage System Construction.*** – Any complaint pertaining to the construction of a drainage system under the provisions of Article 44 of the Code shall be treated under Rule III thereof.

### **RULE III**

#### **ADMINISTRATION AND ENFORCEMENT**

**Section 51. *General Guidelines for Water Resources Development Projects/Programs.*** – As a general rule, a water resources project/program, may be implemented if it is in accordance with the national socio-economic development goals and objectives or necessary for the national security or protection of life and property. Any project/program involving the appropriation of water shall be directed towards the optimum single and/or multi-purpose utilization thereof. Whenever practicable, projects shall be conceived and viewed according to multi-purpose water resources planning concepts within the area unit of a river basin. In the case of small scale water development projects not readily covered by large-scale water development projects, development planning of the latter shall proceed alongside the implementation of the former.

**Section 52. *Specific Guidelines.*** – The size and time phase of projects/programs shall satisfy appropriate socio-economic indicators, more particularly the benefit-cost and/or cost-effectiveness criteria, their supplementary and complementary roles to the projects/program of other government sectoral plans, and their ecological effects.

**Section 53. *Water Resources Projects/Programs By Government Sector.*** – **Government water resources and related projects/programs shall, prior to its implementation, be submitted by the proponent agencies to the Board for evaluation and approval in accordance with the above guidelines. If necessary, the Board may refer the matter to NEDA Board's Investment Coordination Committee (ICC) and other concerned agencies for comment.**

**Section 54. *Water Resources Projects/Programs By Private Sector.*** – Any private interested party may propose any water resources project to the **Board** or through appropriate government agencies who shall forward the same to the **Board** with their comments. The **Board**, before approving the project, may, if necessary, refer or consult with other appropriate government agencies.

**Section 55. *Requirements of Water Resources Projects/Programs.*** – Project/program proposals shall contain indicators of socio-economic justification, relationship to the National Development Plan, impact statement on the sector's project/program supports and complement, regional impact statement, environmental impact statement, and such as other information as the Board may require, including the submission of a project study or pre-feasibility study for that matter. Projects, such as artesian wells, spring development and barangay waterworks for purely domestic and municipal use, and such other small-scale projects as the Board may determine, shall be exempted from this requirement.

**Section 56. Resolution of Conflict Arising from Project.** – Any conflict involving the use of water that may arise from the project/program proposal shall be resolved on the basis of national/regional priority and needs, e.g., need for power generation in multipurpose project shall be reckoned on the quantity and time of such need on a grid basis rather than on a single project basis alone.

**Any conflict which adversely affects a particular segment of society, group of individuals or small community, may be resolved after a public hearing/consultation has been conducted by the Board or its proper deputies.**

**Section 57. Deputies.** – The Board may appoint a deputy for each or a combination of the following functional areas related to water resources:

- a) hydrologic and meteorologic data;
- b) flooding areas and inland waterways;
- c) lakes and marshes;
- d) watersheds;
- e) water supply and sewerage;
- f) water accounting within watersheds;
- g) other water resources activities

Each deputy shall gather and organize data in accordance with their assigned functions for submission to the Board. The Board shall determine the frequency and type of data to be gathered.

**Section 58. Information Assessment.** – The Board shall collate and analyze technical data. It shall also develop an indexing system for all its publications indicating the date published, water resource basin involved, basic environmental indicator, and such other related indices.

Studies based on data retrieved from and/or submitted by the deputies may be undertaken by any party provided that he shall furnish the Board the result of such studies.

The Board shall undertake a study of the manpower requirements of a water resource sector which may be considered in setting up and implementing appropriate manpower development measures.

It shall also establish a position classification system for employment purposes in coordination with water-oriented agencies and the Compensation and Position Classification Board.

The Board shall initiate and undertake studies of water consumption patterns along the different purposes provided in the Code particularly that of industry.

**Section 59. Agents.** – The Board may appoint agents to perform specific functions such as investigation of water permit applications, water rights controversies and other activities as it may assign.

**Section 60. Committee on Arbitration.** – The Board may create and authorize a Committee on Arbitration for purposes of determining the rate of just compensation in instances provided under the Code. Such committee shall be composed of the Board’s Deputy/Agent who must be a professional technical man as Chairman, the Provincial/City Assessor and the Provincial/City Development Officer of the province/city where the subject premises is situated together with the representative of each of the parties involved, as members.

The Committee shall take action on any claim referred to it by the Board for evaluation and submit report thereon within thirty (30) days from receipt of notice of formation of the Committee unless a longer period is required, in which case extension maybe granted upon authority of the Board.

**Section 61. Review and Approval of Rules and Regulations Involving Water.** – Rules and regulations issued by other government agencies involving policies on the utilization, exploitation, development, control, conservation or protection of water resources shall be reviewed and approved by the Board, unless the charter of such agency provides that the same shall be approved by the President, in which case the proposed rules shall first be referred to the Board for comment.

**Section 62. Agreements Involving Water.** – Any agreement involving the use of water for irrigation, hydro-power, industrial, domestic and municipal water supply shall, in all cases, be subject to review and approval of the Board. In the review of such agreements, the Board may consult the parties and other government agencies concerned.

**Section 63. Disposition of Funds Collected.** – All income of the Board from fees and charges shall be remitted to the National Treasury and treated as a special account under the General Fund to the credit of the Board. The operational and maintenance expenses of the deputies and agents of the Board shall be financed under this account in accordance with a special budget to be submitted to the Department of Budget and Management. Any generated surplus shall be invested for water resources development purposes including but not limited to the purposes envisioned under Article 81 as may be recommended by the Board.

#### **RULE IV**

#### **PROCEDURE IN CONFLICT RESOLUTION**

**Section 64. Parties in Water Use Conflicts/Controversies.** – The complaining party shall be referred to as Complainant/Protestant and the party against whom the complaint is filed shall be referred to as Respondent/Protestee.

**Section 65. Complaints.** – All complaints shall be in writing, sworn to by the complainant/protestant and must contain the following:

- a) Name, postal address and personal circumstances of complainant/protestant;
- b) Name, postal address of respondent/protestee;

- c) Substance of the complaint;
- d) Grounds or causes of action;
- e) Brief and concise statement of the pertinent facts and circumstances;
- f) Relief sought; and
- g) Names and postal address of witness to be summoned, if any.

All complaints shall be accompanied by affidavits of witnesses as well as supporting documents, if any.

**However, complaints/protests filed solely on the ground of adverse effects on the privileges to use water from any source shall not be entertained unless the complainant/protestant has a legal right over the water source as recognized under existing laws.**

**Section 66. *Place of Filing.* – All complaints/protests regarding utilization, exploitation, allocation and all other aspects of water resource management may be filed directly to the Board.**

**Section 67. *Filing Fee.* – There shall be imposed and collected a filing fee, as may be determined by the Board from every complainant/protestant except from pauper litigants in accordance with the Rules of Court.**

**Section 68. *Answer.* – Upon receipt of a complaint/protest, the Board shall furnish the respondent/protestee with a copy of the complaint/protest and such accompanying documents and require him to answer in writing within ten (10) days from receipt thereof.**

Should respondent/protestee fail to answer within the period provided herein, the Board shall proceed ex-parte to receive the evidence and testimony of the complainant/protestant and his witnesses

**Section 69. *Preliminary Conference.* – Upon receipt of respondent/protestees' answer, the Hearing Officer shall direct the parties and their attorneys to appear before him for conference to consider the possibility of an amicable settlement, or arriving at stipulation of facts to simplify the issues.**

The proceedings during the preliminary conference shall be summary in nature and shall be conducted informally without the Hearing Officer being bound to follow strictly the technical rules of evidence. He shall take appropriate steps towards a peaceful and equitable settlement of the dispute.

**Should a formal hearing pursue, the proceedings shall be properly recorded and transcript of stenographic notes taken.**

**Section 70. *Amicable Settlement.* – Amicable settlement shall be reduced in writing and signed by the parties. Within fifteen (15) days from submission thereof, the Board shall issue a resolution based on the amicable settlement unless the same is contrary to law or public policy.**

**Section 71. *Venue of Hearings.*** – **Hearings shall be conducted in the office of the Board or in the place where the controversy is located as may be agreed upon by the parties.**

**Section 72. *Order of Proceedings.*** – The **Hearing Officer** shall hear first the testimony of the complainant/protestant and his witnesses and next the testimony of the respondent/protestee and his witnesses. During the proceedings, the parties shall have the right to cross-examine the **witnesses presented.** After the presentation of the evidence by the parties, they may at their option submit memorandum/memoranda in support of their claim/defense in lieu of oral argument.

**Insofar as it is applicable, hearings may be conducted in accordance with the Rules of Summary Procedure as established under the Rules of Court. The parties may be allowed to present affidavits in lieu of oral testimony, subject to the right to cross examination by the other party.**

**Section 73. *Authority/Functions of Hearing Officer*** – The Hearing Officer shall be duly authorized to administer oath to witnesses, and secure the attendance of witnesses and/or production of relevant documents through the compulsory process of subpoena and/or subpoena duces tecum. The contending parties may avail of such processes by filing a formal written request with the Hearing Officer.

The proceedings shall be duly recorded and shall include a physical or ocular inspection of the premises and for the purpose, the Hearing Officer and the parties shall have authority to enter upon private property with previous notice to owners thereof.

**If any party fails to appear despite due notice the Hearing Officer may proceed with the reception of evidence in the absence of such party.**

**Section 74. *Orders/Rulings.*** – Interlocutory orders/rulings made during the proceedings are not appealable.

**Motions for postponements or continuance shall be based on valid and reasonable grounds and the grant or denial thereof rests upon the sound discretion of the Hearing Officer, provided that not more than three (3) postponements may be given to either party or a total of six (6) postponements in a given case, regardless of the number of parties and provided further, that in no case shall any postponement last for more than thirty (30) calendar days.**

**Section 75. *Investigation Report.*** – The hearing officer shall transmit to the Board **within thirty (30) days** from the date of termination of the proceedings, his report with the complete record of the case and a comprehensive sketch of the premises involved. The report shall contain the following:

- a) Names and postal addresses of the parties;
- b) Nature of the controversy;
- c) Summary of the allegations and proofs presented by parties;

- d) Clear and concise statement of the findings of facts borne by the evidence and/or revealed in the ocular inspections;
- e) The law and rules involved; and
- f) Conclusion, comment and recommendation.

**Section 76. Decision.** – All disputes shall be decided within sixty days (60) days after the parties submit the same for decision or resolution. Decisions shall be in writing, stating clearly and concisely the cause or causes of action, findings of facts and the law or rules upon which they are based.

The Board shall have the power to issue writs of execution and enforce its decisions with the assistance of national or local law enforcement agencies subject to prior notice to the party concerned in accordance with Article 84 of the Code.

**Section 77. Proof of Service.** – Decisions, resolutions or orders of the Board shall be furnished to the contending parties thru their counsel if represented, or by personal/substituted service or registered mail with return card. Personal/substituted service to the parties shall be acknowledged in writing, indicating the date or receipt and the name of the person receiving. Should any person refuse to receive the decision, resolution or order, a written statement to such effect duly signed by the person serving shall be submitted. Decisions, resolutions or orders coursed through the deputies/agents of the Board, shall in all cases, be served upon counsel, if represented, or to the party within five (5) days from the date of receipt by the Office concerned.

**Section 78. Appeal/Motion for Reconsideration and/or Reinvestigation.**

- A. Appeal from the decision of the Board in accordance with Article 89 of the Code shall be made by the party adversely affected by filing a Notice of Appeal with the Board and payment of appeal fee in an amount to be prescribed by the Board within fifteen (15) days from receipt of the decision unless a motion for reconsideration or reinvestigation is filed with the Board within the same period. The filing of said motion suspends the running of the 15-day period within which to file an appeal with the Court.
- B. Motion for reconsideration/reinvestigation shall be based on any of the following grounds:
  - a) Fraud, accident, mistake or excusable negligence which ordinary prudence could not have guarded against and by reason of which the aggrieved party has probably been impaired in his rights;
  - b) Newly discovered evidence which petitioner could not, with reasonable diligence, have discovered, and produced at the investigation and which if presented would probably alter the result; and
  - c) Palpable errors in the findings of facts and conclusions of law or decisions that are

not supported by the evidence adduced in the investigation.

Only one motion for reconsideration/ reinvestigation accompanied by proof of service upon the other party shall be entertained. Resolution of motion for reconsideration/ reinvestigation shall be served upon the parties concerned in accordance with Section 76 hereof.

Section 79. *Stay of Execution.* – The filing of motion for reconsideration and/or reinvestigation under the preceding section or an appeal with the Regional Trial Court under Article 89 of the Code shall not stay the execution of the decision, resolution or order of the Board unless a bond as provided for in Article 88 shall have been posted.

## RULE V

### FINES AND PENALTIES

Section 80. *Light Offenses.* – A fine of not more than Five Hundred (P500.00) Pesos per day of violation and/or suspension of the permit/grant for a period of not more than sixty (60) days shall be imposed for any of the following violations:

- a) appropriation of subterranean or groundwater for domestic use by an overlying landowner without the registration when required by the Board;
- b) failure of the appropriator to keep a record of water withdrawal;
- c) repair without permission of hydraulic works or structures involving alteration of its hydraulic or structural features as originally approved;
- d) violation of or non-compliance with any order, rule or regulation of the Board;
- e) failure to comply with any of the terms or conditions in a water permit or water rights grant not covered by the succeeding sections;

Section 81 *Less Grave Offenses* – A fine of more than Five Hundred (P500.00) Pesos but not exceeding Eight Hundred (P800.00) Pesos per day of violation and/or suspension of the water permit/grant for a period of one hundred twenty (120) days shall be imposed for the following violations:

- a) illegal taking or diversion of water in an open canal or reservoir;
- b) unauthorized utilization of an existing well or ponding or spreading of water for recharging subterranean or groundwater supplies;

Section 82. *Grave Offenses* – A fine of more than Eight Hundred (P800.00) Pesos but not exceeding One Thousand (P1,000.00) Pesos per day of violation and/or revocation of the water permit/grant of any other right to the use of water shall be imposed for any of the following violations:

- a) unauthorized sale, lease or transfer of water permits and/or water rights;



- b) **failure to install a regulating and measuring device for the control of the volume of water appropriated when required;**
- c) **drilling of a well without permit or with expired permit;**
- d) **failure to provide adequate facilities to prevent or control disease whenever required in the construction of any work for the storage, diversion, distribution and utilization of water;**
- e) **construction of any hydraulic work or structure without duly approved plans and specifications;**
- f) **non-observance of any standard for the beneficial use of water and/or schedule of water distribution;**
- g) **use of water for a purpose other than that for which a right or permit was granted;**
- h) **malicious destruction of hydraulic works or structures**
- i) **unauthorized sale of water in violation of the permit; and**
- j) **abandonment of wells without proper plugging. In this case, the owner of the property where the abandoned well is located shall be presumed to be the owner of the abandoned well unless proven otherwise.**
- k) **Unauthorized construction within the legal easements as provided under Section 31 of the Code.**

**Section 83. Non-Payment of Annual Water Charge – A fine/penalty of fifty percent (50%) of due per year or fraction thereof plus additional interest for delinquency under Section 84 shall be imposed.**

**Section 84. Penalties for Delinquency.** – Where the penalty imposed is a fine and the offender fails to pay the same within the given period, he shall be liable, in addition, **to pay a penalty interest equivalent to two (2) percent per month of delay or a fraction thereof until fully paid.**

**Section 85. Violation by Juridical Persons.** – In cases where the offender is a corporation, firm, partnership or association, the penalty shall be imposed upon the guilty officers mentioned in Article 92 of the Code.

**Section 86. Violation of Non-Permittees.** – In cases where the violators is not a permittee or grantee or has no right to use the water whatsoever, the **Board** through its deputies or authorized representatives shall, **in addition to the imposition of appropriate fines and penalties,** cause the stoppage of the use of water either by plugging or sealing of the well if the same involves groundwater appropriation or demolition of the dam or hydraulic structures if the same involves surface water, without prejudice to the institution of a criminal/civil action as the facts and

circumstances may warrant.

**Section 87. *Violations by Non-Owners.*** – In cases where the violator is not the owner of the well or structure, he shall be penalized twice as much as the fine imposed on the owner of such well or structure without prejudice to the inclusion of his name as a party defendant in any action filed. Proper representations in this regard shall be made with the appropriate agency for the cancellation or suspension of his license/certificates of registration.

**Section 88. *Offer of Compromise.*** – In cases where offender, at any time after the issuance of notice of violation/s but before the execution of the order or decision, offers in writing to pay the fine imposed instead of having his/her permit/grant suspended, the Board may, if the circumstances so warrant, accept such offer of compromise. However, if the penalty imposed is both fine and suspension of the permit, the offer shall necessarily include the amount of the fine imposed as well as such amount as may be determined by the Board corresponding to the period of which the permit should have been suspended.

**Section 89. *Summary Revocation/Suspension.*** – Water permits or other rights to use the water may be revoked or suspended summarily by the Board if any of the following facts and/or conditions exists:

- a) That the suspension/revocation will redound to greater public interest, public health and safety;
- b) That the acts complained of are grossly illegal per se;
- c) That the violative act is the second offense on record involving the same infraction;
- d) That the non-observance of or non-compliance with the rules, order or regulation is willful and deliberate;
- e) When there is a prima facie showing that the non-observance of any standard for the beneficial use of water or non-compliance with any of the terms or conditions in a water permit or water rights grant is prejudicial to the life and property of third person;
- f) When the suspension or revocation thereof is sought by an injured party, provided he files a bond to cover any damage which maybe sustained by the permittee or grantee arising from such summary revocation/suspension;
- g) In times of emergency, where there is a prima facie showing that the use of water by the permittee/grantee is wasteful;
- h) When health authorities so recommend to prevent or control the spread of disease due to inadequate facilities;
- i) When in a decision of a competent court the revocation or suspension of the water permit or grant is ordered or recommended; and
- j) Such other serious offenses or gross violations and infractions as the Board may decide.

**Section 90. Applicability of the New Rules of Court and Related Laws.** – The provisions of the New Rules of Court, Presidential Decree Nos. 77 and 911 on preliminary investigation shall have suppletory effect on matters not specifically covered by these rules.

**Section 91. Appeal of Board Decisions.** – The decisions of the Board concerning policies on the utilization, exploitation, development, control, conservation and protection of water resources may be appealed to the President.

**Section 92. Services of DOJ/OSG Lawyers and prosecutor – The Board may secure the services of Department of Justice (DOJ)/Office of the Solicitor General (OSG) lawyers and prosecutor to assist in the prosecution of violations of the Water Code.**

**Section 93. The Board may from time to time pass resolutions amending specific provisions of these rules, which shall take effect 15 days after its publication in a national newspaper of general circulation.**

**Section 94.** These rules shall take effect fifteen (15) days after publication in three (3) newspapers of general circulation.

\* \* \*

UNANIMOUSLY ADOPTED AT THE \_\_\_\_\_ MEETING OF THE NATIONAL WATER RESOURCES BOARD ON \_\_\_\_\_.

MICHAEL T. DEFENSOR  
Chairman

**Note:** All bold and underline words, phrases and paragraphs represent the revisions made in the subject section/s.



**IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT No. 10121, ALSO KNOWN AS "AN ACT STRENGTHENING THE PHILIPPINE DISASTER RISK REDUCTION AND MANAGEMENT SYSTEM, PROVIDING FOR THE NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT FRAMEWORK AND INSTITUTIONALIZING THE NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT PLAN, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES"**

**RULE 1 – GENERAL PROVISIONS**

**Section 1. Title** - These Rules shall be known and cited as the Implementing Rules and Regulations of Republic Act No. 10121 also known as the Philippine Disaster Risk Reduction and Management Act of 2010 (PDRRM Act of 2010).

**Section 2. Purpose** - These Rules are hereby promulgated to prescribe the manner, procedures and guidelines for the implementation of the PDRRM Act of 2010, to facilitate compliance therewith, and achieve the objectives thereof.

**Section 3. Declaration of Policy** - It is the policy of the State to:

- (a) Uphold the people's constitutional rights to life and property by addressing the root causes of vulnerabilities to disasters, strengthening the country's institutional capacity for disaster risk reduction and management, and building the resilience of local communities to disasters including climate change impacts;
- (b) Adhere to and adopt the universal norms, principles, and standards of humanitarian assistance such as the Universal Declaration of Human Rights, UN Guiding Principles and Guidelines on Internal Displacement and Durable Solutions, Convention on the Elimination of Discrimination Against Women (CEDAW), Convention on the Rights of the Child and the global effort on risk reduction as concrete expression of the country's commitment to overcome human sufferings due to recurring disasters;
- (c) Incorporate internationally accepted principles and guidelines of disaster risk management in the creation and implementation of national, regional and local sustainable development and poverty reduction strategies, policies, plans and budgets;
- (d) Adopt a disaster risk reduction and management approach that is holistic, comprehensive, integrated, and proactive in lessening the socioeconomic and environmental impacts of disasters including climate change, and promote the involvement and participation of all sectors and all stakeholders concerned, at all levels, especially the local community;
- (e) Develop, promote, and implement a comprehensive National Disaster Risk Reduction and Management Plan (NDRRMP) that aims to strengthen the capacity of the national government and the local government units (LGUs), together with partner stakeholders, to build the disaster resilience of communities, and - to institutionalize arrangements and measures for reducing disaster risks, including projected climate risks, and enhancing disaster preparedness and response capabilities at all levels;

- (f) Adopt and implement a coherent, comprehensive, integrated, efficient and responsive disaster risk reduction program incorporated in the development plan at various levels of government adhering to the principles of good governance such as transparency and accountability within the context of poverty alleviation and environmental protection;
- (g) Mainstream disaster risk reduction and climate change adaptation and mitigation in development processes such as policy formulation, socioeconomic development planning, budgeting, and governance, particularly in the areas of environment, agriculture, water, energy, health, education, poverty reduction, land-use and urban planning, and public infrastructure and housing, among others;
- (h) Institutionalize the policies, structures, coordination mechanisms and programs with continuing budget appropriation on disaster risk reduction from national down to local levels towards building a disaster-resilient nation and communities;
- (i) Mainstream disaster risk reduction into the peace process and conflict resolution approaches in order to minimize loss of lives and damage to property, and ensure that communities in conflict zones including Internally Displaced Persons (IDPs) can immediately go back to their normal lives during periods of intermittent conflicts;
- (j) Ensure that disaster risk reduction and climate change measures are gender responsive, sensitive to indigenous knowledge systems and cultures, and respectful of human rights;
- (k) Recognize the local risk patterns across the country and strengthen the capacity of LGUs for disaster risk reduction and management through decentralized powers, responsibilities, and resources at the regional and local levels;
- (l) Recognize and strengthen the capacities of LGUs and communities in mitigating and preparing for, responding to, and recovering from the impact of disasters;
- (m) Engage the participation of civil society organizations (CSOs), the private sector and volunteers in the government's disaster risk reduction programs towards complementation of resources and effective delivery of services to the citizenry;
- (n) Develop and strengthen the capacities of vulnerable and marginalized groups to mitigate, prepare for, respond to, and recover from the effects of disasters;
- (o) Enhance and implement a program where humanitarian aid workers, communities, health professionals, government aid agencies, donors, and the media are educated and trained on how they can actively support breastfeeding before and during a disaster and/or an emergency; and
- (p) Provide maximum care, assistance and services to individuals and families affected by disaster, implement emergency rehabilitation projects to lessen the impact of disaster, and facilitate resumption of normal social and economic activities.

**Section 4. - Scope of Application** - These Rules provide for the development of policies and plans and the implementation of actions and measures pertaining to all aspects of disaster risk reduction and management, including good governance, risk assessment and early warning, knowledge building and awareness raising, reducing underlying risk factors, and preparedness for effective response and early recovery. These shall apply to all levels of government, civil societies, private sectors and all other DRM stakeholders.

## **RULE 2 - DEFINITION OF TERMS**

**Section 1** – Whenever used in these Rules, the following shall refer to:

- (a) "Adaptation" - the adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities.
- (b) "Capacity" - a combination of all strengths and resources available within a community, society or organization that can reduce the level of risk, or effects of a disaster. Capacity may include infrastructure and physical means, institutions, societal coping abilities, as well as human knowledge, skills, tools, systems, processes, appropriate technologies and collective attributes such as social relationships, leadership and management. Capacity may also be described as capability.
- (c) "Civil Defense" – disaster preparedness and prevention activities, other than military actions, geared towards the reduction of loss of life and property brought about by natural and human-induced disasters. Civil Defense may also be referred to as Civil Protection.
- (d) "Civil Society Organizations" or "CSOs" - non-state actors whose aims are neither to generate profits nor to seek governing power. CSOs unite people to advance shared goals and interests. They have a presence in public life, expressing the interests and values of their members or others, and are based on social, ethical, cultural, scientific, religious or philanthropic and other considerations. CSOs include non-government organizations (NGOs), professional associations, foundations, independent research institutes, community-based organizations (CBOs), faith-based organizations, people's organizations, social movements, and labor unions.
- (e) "Climate Change" - a change in climate that can' be identified by changes in the mean and/or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity.
- (f) "Community-Based Disaster Risk Reduction and Management" or "CBDRRM" - a process of disaster risk reduction and management in which at risk communities are actively engaged in the identification, analysis, treatment, monitoring and evaluation of disaster risks in order to reduce their vulnerabilities and enhance their capacities, and where the people are at the heart of decision-making and implementation of disaster risk reduction and management activities.
- (g) "Complex Emergency" - a form of human-induced emergency in which the cause of the emergency as well as the assistance to the afflicted is complicated by intense level of political considerations.
- (h) "Contingency Planning" - a management process that analyzes specific potential events or emerging situations that might threaten society or the environment and establishes arrangements in advance to enable timely, effective and appropriate responses to such events and situations.
- (i) "Disaster" - a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts,

which exceeds the ability of the affected community or society to cope using its own resources. Disasters are often described as a result of the combination of: the exposure to a hazard; the conditions of vulnerability that are present; and insufficient capacity or measures to reduce or cope with the potential negative consequences. Disaster impacts may include loss of life, injury, disease and other negative effects on human, physical, mental and social well being, together with damage to property, destruction of assets, loss of services, social and economic disruption and environmental degradation.

- (j) "Disaster Mitigation" - the lessening or limitation of the adverse impacts of hazards and related disasters. Mitigation measures include but not limited to the engineering techniques and hazard-resistant construction but includes as well as improved environmental policies and programs and public awareness.
- (k) "Disaster Preparedness" - the knowledge and capacities developed by governments, professional response and recovery organizations, communities and individuals to effectively anticipate, respond to, and recover from - the impacts of likely, imminent or current hazard events or conditions. Preparedness action is carried out within the context of disaster risk reduction and management and aims to build the capacities needed to efficiently manage all types of emergencies and achieve orderly transitions from response to sustained recovery. Preparedness is based on a sound analysis of disaster risk, and good linkages with early warning systems, and includes such activities as contingency planning, stockpiling of equipment and supplies, the development of arrangements for coordination, evacuation and public information, and associated training and field exercises. These must be supported by formal institutional, legal and budgetary capacities.
- (l) "Disaster Prevention" - the outright avoidance of adverse impacts of hazards and related disasters. It expresses the concept and intention to completely avoid potential adverse impacts through action taken in advance such as construction of dams or embankments that eliminate flood risks, land-use regulations that do not permit any settlement' in high-risk zones, and seismic engineering designs that ensure the survival and function of a critical building in any likely earthquake.
- (m) "Disaster Response" - the provision of emergency services and public assistance during or immediately after a disaster in order to save lives, reduce health impacts, ensure public safety and meet the basic subsistence needs of the people affected. Disaster response is predominantly focused on immediate and short-term needs and is sometimes called "disaster relief".
- (n) "Disaster Risk" - the potential disaster losses in lives, health status, livelihood, assets and services, which could occur to a particular community or a Society over some specified future time period.
- (o) "Disaster Risk Reduction" - the concept and practice of reducing disaster risks through systematic efforts to analyze and manage the causal factors of disasters, including through reduced exposures to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events.
- (p) "Disaster Risk Reduction and Management" - the systematic process of using administrative directives, organizations, and operational skills and capacities to implement strategies, policies and improved coping capacities in order to lessen the adverse impacts of hazards and the possibility of disaster. Prospective disaster risk reduction and management refers to risk reduction and management activities that

address and seek to avoid the development of new or increased disaster risks, especially if risk reduction policies are not put in place.

- (q) "Disaster Risk Reduction and Management Information System" - a specialized database which contains, among others, information on disasters and their human material, economic and environmental impact, risk assessment and mapping and vulnerable groups.
- (r) Disaster Victims – persons or group of persons who have been adversely affected by a natural or human-induced hazard who have to leave their habitual places of residence due to exiting or impending threats, damaged shelter units, with casualty among immediate family members or those who remained in their habitual places of origin when still habitable but whose main source of income or livelihood had been damaged and are experiencing hopelessness and difficulty in coping or responding to the onslaught of the hazardous events on their own resources.
- (s) "Early Recovery" – multidimensional process of recovery that begins in a humanitarian setting. It is guided by development principles that seek to build on humanitarian programmes and catalyze sustainable development opportunities. It aims to generate self-sustaining, nationally-owned, resilient processes for post-crisis recovery. It encompasses the restoration of basic services, livelihoods, shelter, governance, security and rule of law, environment and social dimensions, including reintegration of displaced populations.
- (t) "Early Warning System" - the set of capacities needed to generate and disseminate timely and meaningful warning information to enable individuals, communities and organizations threatened by a hazard to prepare and to act appropriately and in sufficient time to reduce the possibility of harm or loss. A people-centered early warning system necessarily comprises four (4) key elements: knowledge of the risks; monitoring, analysis and forecasting of the hazards; communication or dissemination of alerts and warnings; and local capabilities to respond to the warnings received. The expression "end-to-end warning system" is also used to emphasize that warning systems need to span all steps from hazard detection to community response.
- (u) "Emergency" - unforeseen or sudden occurrence, especially danger, demanding immediate action.
- (v) "Emergency Management" - the organization and management of resources such as volunteers, funds, donations, food and non food items, temporary/evacuation centers, and responsibilities for addressing all aspects of emergencies, in particular preparedness, response and initial recovery steps.
- (w) "Exposure" - the degree to which the elements at risk are likely to experience hazard events of different magnitudes.
- (x) "Geographic Information System" - a database which contains, among others, geo-hazard assessments, information on climate change, and climate risk reduction and management.
- (y) "Hazard" - a dangerous phenomenon, substance, human activity or condition that may cause loss of life, injury or other health impacts property damage, loss of livelihood and services, social and economic disruption, or environmental damage.
- (z) Internally Displaced Persons (IDPs) or Persons Displaced by the Disaster – are persons or groups of persons who have been forced or obliged to flee or to leave their homes



or places of habitual residence, in particular as a result of or in order to avoid the effects of natural or human-induced disasters, and who have not crossed an internationally recognized State border.

- (aa) "Land-Use Planning" - the process undertaken by public authorities to identify, evaluate and decide on different options for the use of land including consideration of long-term economic, social and environmental objectives and the implications for different communities and interest groups, and the subsequent formulation and promulgation of plans that describe the permitted or acceptable uses.
- (bb) "Mitigation" - structural and non-structural measures undertaken to limit the adverse impact of natural hazards, environmental degradation, and technological hazards and to ensure the ability of at-risk communities to address vulnerabilities aimed at minimizing the impact of disasters. Such measures include, but are not limited to, hazard-resistant construction and engineering works, the formulation and implementation of plans, programs, projects and activities, awareness raising, knowledge management, policies on land-use and resource management, as well as the enforcement of comprehensive land-use planning, building and safety standards, and legislation.
- (cc) "National Disaster Risk Reduction and Management Framework" or "NDRRM Framework" - provides for comprehensive, all hazards, multi-sectoral, inter-agency and community-based approach to disaster risk reduction and management.
- (dd) "National Disaster Risk Reduction and Management Plan" or "NDRRMP" - the document to be formulated and implemented by the Office of Civil Defense (OCD) that sets out goals and specific objectives for reducing disaster risks together with related actions to accomplish these objectives.

The NDRRMP shall provide for the identification of hazards, vulnerabilities and risks to be managed at the national level; disaster risk reduction and management approaches and strategies to be applied in managing said hazards and risks; agency roles, responsibilities and lines of authority at all government levels; and vertical and horizontal coordination of disaster risk reduction and management in the pre-disaster and post-disaster phases and the budgetary resources to implement the plan. It shall be in conformity with the NDRRM Framework.

- (ee) "Post-Disaster Recovery" - the restoration and improvement where appropriate, of facilities, livelihood and living conditions of disaster-affected communities, including efforts to reduce disaster risk factors, in accordance with the principles of "build back better"
- (ff) "Preparedness" - pre-disaster actions and measures being undertaken within the context of disaster risk reduction and management and are based on sound risk analysis as well as pre-disaster activities to avert or minimize loss of life and property such as, but not limited to, community organizing, training, planning, equipping, stockpiling, hazard mapping, insuring of assets, and public information and education initiatives.
- (gg) "Private Sector" - the key actor in the realm of the economy where the central social concern and process are the mutually beneficial production and distribution of goods and services to meet the physical needs of human beings. The private sector comprises private corporations, households and nonprofit institutions serving households.

- (hh) "Public Sector Employees" - all persons in the civil service.
- (ii) "Rehabilitation" - measures that ensure the ability of affected communities/areas to restore their normal level of functioning by rebuilding livelihood and damaged infrastructures and increasing the communities' organizational capacity.
- (jj) "Resilience" - the ability of a system, community or society exposed to hazards to resist, absorb, accommodate and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions.
- (kk) "Response" - any concerted effort by two (2) or more agencies, public or private, to provide assistance or intervention during or immediately after a disaster to meet the life preservation and basic subsistence needs of those people affected and in the restoration of essential public activities and facilities.
- (ll) "Risk" - the combination of the probability of an event and its negative consequences. Also, the probability of harmful consequences, or expected losses (deaths, injuries, properties, livelihoods, economic activity disruption or environment damage) resulting from interactions between natural, human-induced hazards and vulnerable conditions.
- (mm) "Risk Assessment" - a methodology to determine the nature and extent of risk by analyzing potential hazards and evaluating existing conditions of vulnerability that together could potentially harm exposed people, property, services, livelihood and the environment on which they depend. Risk assessments with associated risk mapping include: a review of the technical characteristics of hazards such as their location, intensity, frequency and probability; the analysis of exposure and vulnerability including the physical, social, health, economic and environmental dimensions; and the evaluation of the effectiveness of prevailing and alternative coping capacities in respect to likely risk scenarios.
- (nn) "Risk Management" - the systematic approach and practice of managing uncertainty to minimize potential harm and loss. It comprises risk assessment and analysis, and the implementation of strategies and specific actions to control, reduce and transfer risks. It is widely practiced by organizations to minimize risk in investment decisions and to address operational risks such as those of business disruption, production failure, environmental damage, social impacts and damage from fire and natural hazards.
- (oo) "Risk Transfer" - the process of formally or informally shifting the financial consequences of particular risks from one party to another whereby a household, community, enterprise or state authority shall obtain resources from the other party after a disaster occurs, in exchange for ongoing or compensatory social or financial benefits provided to that other party.
- (pp) "State of Calamity" - a condition involving mass casualty and/or major damages to property, disruption of means of livelihoods, roads and normal way of life of people in the affected areas as a result of the occurrence of natural or human-induced hazard.
- (qq) "Sustainable Development" - development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two (2) key concepts: (1) the concept of "needs", in particular, the essential needs of the world's poor, to which overriding priority should be given; and (2) the idea of limitations imposed by the state of technology and social organizations on the environment's ability to meet present and future needs. It is the harmonious integration of a sound and viable economy, responsible governance, social cohesion

and harmony, and ecological integrity to ensure that human development now and through future generations is a life-enhancing process.

- (rr) "Volunteer" – individual/person or group who for reasons arising from their socio-developmental, business and corporate orientation, commitment or conviction, contribute time, service, and resources whether full time or part time base to a just and essential social development cause, mission or endeavor in the belief that their activity is mutually meaningful and beneficial to public interest as well as to themselves.
- (ss) "Vulnerability" - the characteristics and circumstances of a community, system or asset that make it susceptible to the damaging effects of a hazard. Vulnerability may arise from various physical, social, economic, and environmental factors such as poor design and construction of buildings, inadequate protection of assets, lack of public information and awareness, limited official recognition of risks and preparedness measures, and disregard for wise environmental management.
- (tt) "Vulnerable and Marginalized Groups" – includes individuals or groups of people that face higher exposure to disaster risk and poverty including, but not limited to, women, especially pregnant women, youth, children especially orphans and unaccompanied children, elderly, differently-abled people, indigenous people, the disadvantaged families and individuals living in high risk areas and danger zones, and those living in the road right-of-ways and highly congested areas vulnerable to industrial, environmental, health hazards and road accidents. Included into the exposures of poverty are the marginalized farmers and fisher folks.

### **RULE 3 – THE NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCIL**

**Section 1. National Disaster Risk Reduction and Management Council** - The present National Disaster Coordinating Council or NDCC shall henceforth be known as the National Disaster Risk Reduction and Management Council, hereinafter referred to as the NDRRMC or the National Council.

**Section 2. Composition** - The National Council shall be headed by the Secretary of the Department of National Defense (DND) as Chairperson with the Secretary of the Department of the Interior and Local Government (DILG) as Vice Chairperson for Disaster Preparedness, the Secretary of the Department of Social Welfare and Development (DSWD) as Vice Chairperson for Disaster Response, the Secretary of the Department of Science and Technology (DOST) as Vice- Chairperson for Disaster Prevention and Mitigation, and the Director-General of the National Economic and Development Authority (NEDA) as Vice Chairperson for Disaster Rehabilitation and Recovery. Other members of the Council are:

- (a) Secretary of the Department of Health (DOH);
- (b) Secretary of the Department of Environment and Natural Resources (DENR);
- (c) Secretary of the Department of Agriculture (DA);
- (d) Secretary of the Department of Education (DepEd);
- (e) Secretary of the Department of Energy (DOE);
- (f) Secretary of the Department of Finance (DOF);
- (g) Secretary of the Department of Trade and Industry (DTI);
- (h) Secretary of the Department of Transportation and Communications (DOTC);
- (i) Secretary of the Department of Budget and Management (DBM);
- (j) Secretary of the Department of Public Works and Highways (DPWH);
- (k) Secretary of the Department of Foreign Affairs (DFA);

- (l) Secretary of the Department of Justice (DOJ);
- (m) Secretary of the Department of Labor and Employment (DOLE);
- (n) Secretary of the Department of Tourism (DOT);
- (o) The Executive Secretary;
- (p) Secretary of the Office of the Presidential Adviser on the Peace Process (OPAPP);
- (q) Chairperson, Commission on Higher Education (CHED);
- (r) Chief of Staff, Armed Forces of the Philippines (AFP);
- (s) Chief, Philippine National Police (PNP);
- (t) The Press Secretary or his equivalent;
- (u) Secretary General of the Philippine Red Cross (PRC);
- (v) Commissioner of the National Anti-Poverty Commission-Victims of Disasters and Calamities Sector (NAPC-VDC);
- (w) Chairperson, National Commission on the Role of Filipino Women which is known today as the Philippine Commission on Women (PCW);
- (x) Chairperson, Housing and Urban Development Coordinating Council (HUDCC);
- (y) Executive Director of the Climate Change Office of the Climate Change Commission;
- (z) President, Government Service Insurance System (GSIS);
- (aa) President, Social Security System (SSS);
- (bb) President, Philippine Health Insurance Corporation (PhilHealth);
- (cc) President of the Union of Local Authorities of the Philippines (ULAP);
- (dd) President of the League of Provinces of the Philippines (LPP);
- (ee) President of the League of Cities of the Philippines (LCP);
- (ff) President of the League of Municipalities of the Philippines (LMP);
- (gg) President of the Liga ng Mga Barangay (LMB);
- (hh) Four (4) representatives from the CSOs;
- (ii) One (1) representative from the private sector; and
- (jj) Administrator of the OCD.

In case of the CSO and private sector representatives, the National Council shall provide for the guidelines of selection and screening thereof.

**Section 3. Powers and Functions** - The National Council, being empowered with policy making, coordination, integration, supervision, monitoring and evaluation functions, shall have the following responsibilities:

- (a) Develop a NDRRM Framework which shall provide for comprehensive, all-hazards, multi-sectoral, inter-agency and community-based approach to disaster risk reduction and management. The Framework shall serve as the principal guide to disaster risk reduction and management efforts in the country and shall be reviewed on a five (5)-year interval, or as may be deemed necessary, in order to ensure its relevance to the times;
- (b) Ensure that the NDRRM Plan is consistent with the NDRRM Framework;
- (c) Advise the President on the status of disaster preparedness, prevention, mitigation, response and rehabilitation operations being undertaken by the government, CSOs, private sector, and volunteers; recommend to the President the declaration of a state of calamity in areas extensively damaged; and submit proposals to restore normalcy in the affected areas, to include calamity fund allocation;
- (d) Ensure a multi-stakeholder participation in the development, updating, and sharing of a Disaster Risk Reduction and Management Information System and Geographic Information System-based national risk map as policy, planning and decision-making tools;

- (e) Establish and/or strengthen a comprehensive, all hazards national early warning and emergency alert system to provide accurate and timely advice to national or local emergency response organizations and to the general public through diverse mass media to include digital and analog broadcast, cable, satellite television and radio, wireless communications, and landline communications;
- (f) Develop appropriate risk transfer mechanisms that shall guarantee social and economic protection and increase resiliency in the face of disaster;
- (g) Monitor the development and enforcement by agencies and organizations of the various laws, guidelines, codes or technical standards required by the Act;
- (h) Manage and mobilize resources for disaster risk reduction and management including the National Disaster Risk Reduction and Management Fund;
- (i) Provide necessary guidelines and procedures, and monitor the Local Disaster Risk Reduction and Management Fund (LDRRMF) releases as well as utilization, accounting and auditing thereof;
- (j) Develop assessment tools on the existing and potential hazards and risks brought about by climate change to vulnerable areas and ecosystems in coordination with the Climate Change Commission;
- (k) Develop vertical and horizontal coordination mechanisms for a more coherent implementation of disaster risk reduction and management policies and programs by sectoral agencies and LGUs;
- (l) Formulate a national institutional capability building program for disaster risk reduction and management to address the specific weaknesses of various government agencies and LGUs, based on the results of a biennial baseline assessment and studies.
- (m) Formulate, harmonize, and translate into policies a national agenda for research and technology development on disaster risk reduction and management;
- (n) In coordination with the Climate Change Commission, formulate and implement a framework for climate change adaptation and disaster risk reduction and management from which all policies, programs, and projects shall be based;
- (o) Constitute a technical management group composed of representatives of the abovementioned departments, offices, and organizations, that shall coordinate and meet as often as necessary to effectively manage and sustain national efforts on disaster risk reduction and management;
- (p) Task the OCD to conduct periodic assessment and performance monitoring of the member-agencies of the NDRRMC, and the Regional Disaster Risk Reduction and Management Councils (RDRRMCs), as defined in the NDRRMP;
- (q) Coordinate or oversee the implementation of the country's obligations with disaster management treaties to which it is a party and see to it that the country's disaster management treaty obligations be incorporated in its disaster risk reduction and management frameworks, policies, plans, programs and projects; and
- (r) Coordinate or oversee the implementation of the country's obligations with disaster management treaties to which it is a party such as the ASEAN Agreement on Disaster Management and Emergency Response (AADMER), which came into force on 24

December 2009, and see to it that the country's disaster management treaty obligations be incorporated in its disaster risk reduction and management frameworks, policies, plans, programs and projects.

**Section 4. Authority of the Chairperson** - The Chairperson of the NDRRMC may call upon other instrumentalities or entities of the government and non-government, civic and private organizations for assistance in terms of the use of their facilities and resources for the protection and preservation of life and properties in the whole range of disaster risk reduction and management. This authority includes the power to call on the reserve force as defined in Republic Act No. 7077 to assist in relief and rescue during disasters or calamities.

**Section 5. Duties & Responsibilities of the National Council members**

- 5.1 The Chairperson, assisted by the four (4) Vice-chairpersons, shall provide the overall direction, exercise supervision and effect coordination of relevant DRRM programs, projects and activities consistent with respective National Council Member Departments or Agency mandates.
- 5.2 Every member agency shall be assigned functions relevant to their mandates, programs, geographic jurisdiction and special constituencies to be indicated in the NDRRMP. Each agency shall formulate its own DRRM Implementing Plan and their manual of operations. A copy of DRRM Implementing Plan shall be submitted to the National Council for adoption.
- 5.3 Every member agency of the NDRRMC shall establish their respective Emergency Operations Center (EOC), subject to exemptions granted by the National Council, and shall likewise designate a focal officer for DRRM.

**Section 6. Meetings of the National Council** - The National Council shall meet regularly every quarter on dates and place to be determined by the said council. The Chairperson of the Council may call for a special meeting as the need arises. The Council shall formulate internal rules for its meetings.

**RULE 4- REGIONAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCIL**

**Section 1. Regional Disaster Risk Reduction and Management Councils** -The current Regional Disaster Coordinating Councils shall henceforth be known as the Regional Disaster Risk Reduction and Management Councils (RDRRMCs).

**Section 2. Composition** - The Civil Defense Officers of the OCD who are or may be designated as Regional Directors of the OCD shall serve as chairpersons of the RDRRMCs. Its Vice Chairpersons shall be the Regional Directors of the DSWD, the DILG, the DOST, and the NEDA. The RDRRMCs shall be composed of the executives of regional offices and field stations [at the regional level] of [the] government agencies that are members of the National Council.

**Section 3. Functions and responsibilities**- Except for the policy making function of the NDRRMC, the RDRRMCs shall likewise carry out coordination, integration, supervision, monitoring and evaluation functions covering Regional Council Member Agencies and the Local Disaster Risk Reduction Management Councils (LDRRMCs) within their jurisdictions. The RDRRMC shall also be responsible in ensuring risk-sensitive regional development plans, and in case of emergencies, shall convene the different regional line agencies and concerned institutions and authorities.

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- 3.1. The RDRRMC Chairperson may tap the facilities and resources of other government agencies and private sectors, for the protection of life and properties in pursuit of disaster risk reduction and management.
- 3.2. The RDRRMCs shall constitute a technical working group composed of representatives of the member agencies that shall coordinate and meet as often as necessary to effectively manage and sustain regional efforts on disaster risk reduction and management.

**Section 4. Meetings and Secretariat** - The RDRRMC shall meet regularly every quarter on dates and place to be determined by the Regional Council. The Chairperson of the Council may call for a special meeting as the need arises. The existing regional offices of OCD shall serve as secretariat of the RDRRMCs. The Council shall formulate internal rules for its meetings.

**Section 5. Operations Center** - The RDRRMCs shall establish an operating facility on a 24-hour basis, to be known as the Regional Disaster Risk Reduction and Management Operations Center (RDRRMOC).

Every member agency of the RDRRMC shall establish its respective Emergency Operations Center (EOC), subject to exemptions granted by the Regional Council, and shall designate a focal officer for DRRM.

**Section 6. Metro Manila Disaster Risk Reduction and Management Council (MMDRRMC)** - In keeping with the provisions of Republic Act No. 7924 designating Metro Manila as a special administrative region, the MMDRRMC shall be chaired by the Chairperson of the Metro Manila Development Authority (MMDA). It shall also have an organizational structure similar to that of the RDRRMCs to be composed of the executives of MMDA departments or offices and/or regional offices or field stations operating in the National Capital Region. OCD Civil Defense Officer designated as Regional Director of the National Capital Region shall serve as the RDRRMC's Vice-Chairperson on Disaster Preparedness or such other functions as may be determined by the MMDRRMC Chair.

All other national government agencies operating in NCR shall be members of the MMDRRMC.

**Section 7. Autonomous Region in Muslim Mindanao (ARMM)** - In the case of the ARMM, the Regional Governor shall be the RDRRMC Chairperson. The RDRRMC - ARMM may likewise have four (4) Vice Chairpersons comprising of the Secretaries of the DSWD-ARMM for Disaster Response, the DILG-ARMM for Disaster Preparedness, and the DOST-ARMM for Disaster Mitigation and Prevention, and the Executive Director of the Regional Planning and Development Office (RPDO) for Disaster Rehabilitation and Recovery. The RDRRMC-ARMM shall formulate internal rules for its meetings.

**Section 8. Other entities** - RDRRMCs may invite other concerned institutions, organizations, agencies and instrumentalities in the private and public sector when deemed necessary to perform their mandate.

## **RULE 5 – LOCAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCILS**

**Section 1. Local Disaster Risk Reduction and Management Councils-** The existing Provincial, City, and Municipal Disaster Coordinating Councils shall henceforth be known as the Provincial, City, and Municipal Disaster Risk Reduction and Management Councils. The Barangay Disaster Coordinating Councils shall cease to exist and its powers and functions shall henceforth be assumed by the existing Barangay Development Councils (BDCs) which shall serve as the LDRRMCs in every barangay.

**Section 2. Composition** - As may be determined by the LDRRMC, it shall be composed of, but not limited to, the following:

- (1) The Local Chief Executive, Chairperson;
- (2) The Local Planning and Development Officer, member;
- (3) The Head of the LDRRMO, member;
- (4) The Head of the Local Social Welfare and Development Office, member;
- (5) The Head of the Local Health Office, member;
- (6) The Head of the Local Agriculture Office, member;
- (7) The Head of the Gender and Development Office, member;
- (8) The Head of the Local Engineering Office, member;
- (9) The Head of the Local Veterinary Office, member;
- (10) The Head of the Local Budget Office, member;
- (11) The Division Head/Superintendent of Schools/District Supervisor of the DepED, member;
- (12) The highest-ranking officer of the Armed Forces of the Philippines (AFP) assigned in the area, member;
- (13) The Provincial /City Director/Component City/Municipal Chief of the Philippine National Police (PNP), member;
- (14) The Provincial Director/City Municipal Fire Marshall of the Bureau of Fire Protection (BFP), member;
- (15) The President of the Liga ng mga Barangay, member;
- (16) The Philippine Red Cross (PRC), member;
- (17) Four (4) accredited CSOs, member; and
- (18) One (1) private sector representative, member.

2.1. The LDRRMC is encouraged to include the following as its members:



- (1) The Provincial Director/City/Municipal Officer of the Department of Interior and Local Government;
- (2) The Provincial Director/City/Municipal Officer of the Department of Environment and Natural Resource;
- (3) The appropriate official of the Philippine Coast Guard or Forest Guard in the locality, where applicable;
- (4) A Representative of the Sanggunian.

**Section 3. Criteria for CSOs and private sector representative** - The criteria for the selection of CSOs and the private sector representation in the LDRRMC shall adhere with the guidelines to be issued by the National Council for said purpose, including accreditation and operational mechanisms or processes.

**Section 4. Functions**-The LDRRMCs shall have the following functions:

- (1) Approve, monitor and evaluate the implementation of the LDRRMPs and annually review, test and develop the plan consistent with other national and local planning programs;
- (2) Ensure the integration of disaster risk reduction and climate change adaptation into local development plans, programs and budgets as a strategy in sustainable development and poverty reduction;
- (3) Recommend the implementation of forced or preemptive evacuation of local residents, if necessary; and
- (4) Convene the local council as provided by the Act and these Rules.

**Section 5. Meetings and Quorum** - The meetings of the Local Councils shall be held once every three months on dates and place to be determined by the body. The Chairperson of the Local Council may call for a special meeting as he may deem necessary. The Local Councils shall promulgate their respective internal rules for their meetings. The Local Disaster Risk Reduction and Management Office (LDRRMO), referred to in the succeeding Rule, shall serve as the Secretariat.

## **RULE 6 - LOCAL DISASTER RISK REDUCTION AND MANAGEMENT OFFICE (LDRRMO)**

**Section 1. Establishment of an Office** - There is hereby created an LDRRMO in every province, city and municipality under the Office of the Governor, City or Municipal Mayor, respectively, and a Barangay Disaster Risk Reduction and Management Committee (BDRRMC) in every barangay to be headed by the Punong Barangay.

**Section 2. Composition and Structure** - The LDRRMOs shall be initially organized and composed of a DRRMO to be assisted by three (3) staff responsible for: (1) administration and training; (2) research and planning; and (3) operations and warning.

- 2.1. The budgetary source, compensation and hiring procedure for the DRRMO shall conform to the rules and policies of the CSC and the DBM, among others.

✓ **Section 3. Qualifications of the DRRM Officer** – The DRRM Officer provided under Section 12 (b) of the Act shall have the following qualifications:

- (a) Must be civil service eligible;
- (b) Must have a Civil Defense/DRM experience.

**Section 4. Functions** - The provincial, city and municipal DRRMOs or BDRRMCs, in coordination with concerned national agencies and instrumentalities, shall perform the following functions with impartiality, given the emerging challenges brought by disasters of our times:

- ✓ (1) Set the direction, development, implementation and coordination of disaster risk management programs within their territorial jurisdiction.
- (2) Design, program, and coordinate disaster risk reduction and management activities consistent with the National Council's standards and guidelines;
- (3) Facilitate and support risk assessments and contingency planning activities at the local level;
- (4) Consolidate local disaster risk information which includes natural hazards, vulnerabilities, and climate change risks, and maintain a local risk map;
- (5) Organize and conduct training, orientation, and knowledge management activities on disaster risk reduction and management at the local level;
- (6) Operate a multi-hazard early warning system, linked to disaster risk reduction to provide accurate and timely advice to national or local emergency response organizations and to the general public, through diverse mass media, particularly radio, landline communications, and technologies for communication within rural communities;
- (7) Formulate and implement a comprehensive and integrated LDRRMP in accordance with the national, regional and provincial framework, and policies on disaster risk reduction in close coordination with the local development councils (LDCs);
- (8) Prepare and submit to the local sanggunian through the LDRRMC and the LDC the annual LDRRMO Plan and budget, the proposed programming of the LDRRMF, other dedicated disaster risk reduction and management resources, and other regular funding source/s and budgetary support of the LDRRMO/BDRRMC;
- (9) Conduct continuous disaster monitoring and mobilize instrumentalities and entities of the LGUs, CSOs, private groups and organized volunteers, to utilize their facilities and resources for the protection and preservation of life and properties during emergencies in accordance with existing policies and procedures;
- (10) Identify, assess and manage the hazards vulnerabilities and risks that may occur in their locality;
- (11) Disseminate information and raise public awareness about those hazards, vulnerabilities and risks, their nature, effects, early warning signs and counter-measures;
- (12) Identify and implement cost-effective risk reduction measures/strategies;
- (13) Maintain a database of human resource, equipment, directories, and location of critical infrastructures and their capacities such as hospitals and evacuation centers;



- (14) Develop, strengthen and operationalize mechanisms for partnership or networking with the private sector, CSOs, and volunteer groups;
- (15) Take all necessary steps on a continuing basis to maintain, provide, or arrange the provision of or to otherwise make available, suitably-trained and competent personnel for effective civil defense and disaster risk reduction and management in its area;
- (16) Organize, train, equip and supervise the local emergency response teams and the ACDVs, ensuring that humanitarian aid workers are equipped with basic skills to assist mothers to breastfeed;
- (17) Respond to and manage the adverse effects of emergencies and carry out recovery activities in the affected area, ensuring that there is an efficient mechanism for immediate delivery of food, shelter and medical supplies for women and children, endeavor to create a special place where internally-displaced mothers and children can find help with breastfeeding, feed and care for their babies and give support to each other;
- (18) Within its area, promote and raise public awareness of and compliance with the Act and legislative provisions relevant to the purpose of the Act;
- (19) Serve as the secretariat and executive arm of the LDRRMC;
- (20) Coordinate other disaster risk reduction and management activities;
- (21) Establish linkage/network with other LGUs for disaster risk reduction and emergency response purposes;
- (22) Recommend through the LDRRMC the enactment of local ordinances consistent with the requirements of this Act;
- (23) Implement policies, approved plans and programs of the LDRRMC consistent with the policies and guidelines laid down in the Act;
- (24) Establish a Provincial/City/Municipal/Barangay Disaster Risk Reduction and Management Operations Center;
- (25) Prepare and submit, through the LDRRMC and the LDC, the report on the utilization of the LDRRMF and other dedicated disaster risk reduction and management resources to the local Commission on Audit (COA) for provincial/city level and internal audit for municipal and component city level, copy furnished the regional director of the OCD and the Local Government Operations Officer of the DILG; and
- (26) Act on other matters that may be authorized by the LDRRMC.

**Section 5. The BDRRMC** - It shall be a regular committee of the existing BDC and shall be subject thereto. The punong barangay shall facilitate and ensure the participation of at least two (2) CSO representatives from existing and active community-based people's organizations representing the most vulnerable and marginalized groups in the barangay.

**Section 6. Local Ordinance**- The local sanggunian concerned shall enact the appropriate ordinance to create the DRRMO including the allocation of necessary staffing/personnel and budget.

**Section 7. Information and Public Awareness on Hazards, Vulnerabilities and Risks-**

Each LGU shall provide an area within its jurisdiction where hazard maps and contingency plans for major hazards are prominently displayed. In addition, information shall also be disseminated through the internet and printed materials such as newsletters, brochures and pamphlets.

Public awareness shall also be undertaken through conduct of drills by the LDRRMO on a regular basis.

**Section 8. Linking Local Database with the National Database** - The local databases on human resources, equipment, directories and location of critical infrastructures and their capacities, developed and compiled by the NDRRMOs shall be linked with the national database maintained by the OCD.

**Section 9. Access to Database** - The database shall be accessible and available to everyone subject to reasonable restrictions arising from legal and security requirements, if any. Specific information may be obtained provided that a written request is submitted and under the condition that proper citation and reference is made.

**RULE 7 - THE OFFICE OF CIVIL DEFENSE**

**Section 1. Mandate** - The Office of Civil Defense (OCD), as the implementing arm of the National Council, shall have the primary mission of administering a comprehensive national civil defense and disaster risk reduction and management program by providing leadership in the continuous development of strategic and systematic approaches as well as measures to reduce the vulnerabilities and risks to hazards and manage the consequences of disasters.

**Section 2. The Administrator** - The Administrator of the OCD shall also serve as Executive Director of the National Council and, as such, shall have the same duties and privileges of a department undersecretary. The Administrator shall be a universally acknowledged expert in the field of disaster risk reduction management and of proven honesty and integrity.

**Section 3. Powers and Functions** - The OCD shall have the following powers and functions in partnership and in coordination with member agencies and in consultation with key stakeholders, as maybe applicable.

- (a) Advise the National Council on matters relating to disaster risk reduction and management consistent with the policies and scope as defined in these Rules;
- (b) Formulate the NDRRMP within six (6) months from the affectivity of these Rules and provide leadership in the implementation of the Plan. It shall ensure that the physical framework, social, economic and environmental plans of communities, cities, municipalities and provinces are consistent with such plan. The Strategic National Action Plan (SNAP) for Disaster Risk Reduction (DRR) adopted through Executive Order No. 888 shall be used as the strategic foundation and building block for the NDRRMP. The National Council shall approve the NDRRMP;
- (c) Identify, assess and prioritize hazards and risks in consultation with key stakeholders;
- (d) Develop and ensure the implementation of national standards and standard operating procedures (SOP) in carrying out disaster risk reduction programs including preparedness, mitigation, prevention, response and rehabilitation works, from data collection and analysis, planning, implementation, monitoring and evaluation. These national standards and SOPs shall be developed alongside the NDRRMP;



- (e) Review and evaluate the local Disaster Risk Reduction and Management Plans (LDRRMPs), in coordination with concerned agencies and or instrumentalities, to facilitate the integration of disaster risk reduction measures into the local Comprehensive Development Plan (CDP) and Comprehensive Land-Use Plan (CLUP).
- (f) Ensure that the LGUs, through the Local Disaster Risk Reduction and Management Offices (LDRRMOs) are properly informed and adhere to the national standards and programs;
- (g) Formulate standard operating procedures for the deployment of rapid damage assessment and needs analysis (DANA) teams, information sharing among different government agencies, and coordination before and after disasters at all levels;
- (h) Establish an incident command system (ICS) as part of the country's existing on-scene disaster response system, to ensure effective consequence management of disasters or emergencies;
- (i) Establish standard operating procedures on the communication system among provincial, city, municipal, and barangay disaster risk reduction and management councils, for purposes of warning and alerting them and for gathering information on disaster areas before, during and after disasters;
- (j) Establish Disaster Risk Reduction and Management Training Institutes in such suitable location as may be deemed appropriate, in accordance with Rule 8 herein;
- (k) Ensure that all disaster risk reduction programs, projects and activities requiring regional and international support shall be in accordance with duly established national policies and aligned with international agreements;
- (l) Ensure that government agencies and LGUs give top priority and take adequate and appropriate measures in disaster risk reduction and management;
- (m) Create an enabling environment for substantial and sustainable participation of CSOs, private groups, volunteers and communities, and recognize their contributions in the government's disaster risk reduction efforts;
- (n) Conduct early recovery and post-disaster needs assessment institutionalizing gender analysis as part of it;
- (o) Establish an operating facility to be known as the National Disaster Risk Reduction and Management Operations Center (NDRRMOC) that shall be operated and staffed on a twenty-four (24) hour basis;
- (p) Prepare the criteria and procedure for the enlistment of accredited community disaster volunteers (ACDVs). It shall include a manual of operations for the volunteers which shall be developed by the OCD in consultation with various stakeholders;
- (q) Provide advice and technical assistance and assist in mobilizing necessary resources to increase the overall capacity of LGUs, specifically the low income and in high-risk areas;
- (r) Create the necessary offices to perform its mandate as provided under this Act;
- (s) Perform secretariat functions of the National Council; and

- (t) Perform such other functions as may be necessary for effective operations and implementation of the Act.

**Section 4. Staffing requirements** - The Office of Civil Defense, in coordination with the Department of Budget and Management and Civil Service Commission, shall come up with relevant staffing pattern within thirty (30) days from approval of these Rules. The enhanced OCD organization shall be composed of competent and qualified technical personnel of relevant offices as may be deemed necessary to effectively carry out its functions and duties prescribed herein, subject to the approval of the Department of Budget and Management and existing civil service rules and regulations

**Section 5. Compliance with Salary Standardization Law** - The compensation and emoluments of the officials and employees of OCD shall be in accordance with the Salary Standardization Law and other applicable laws under the National Compensation and Classification Plan.

## **RULE 8 - NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT TRAINING INSTITUTES**

**Section 1. Purpose** - Pursuant to Section 9 (i) of the RA10121, NDRRM Training Institutes shall be established for the following purposes:

- (a) Train public and private individuals, both local and national, in such subject as disaster risk reduction and management, including emergency response, capacity-building programs for the implementation of Section 14 of this Act;
- (b) Consolidate and prepare training materials and publications of disaster risk reduction and management books and manuals to assist disaster risk reduction and management workers in the planning and implementation of this program and projects;
- (c) Conduct research programs to upgrade knowledge and skills and document best practices on disaster risk reduction and management; and
- (d) Conduct periodic awareness and education programs to accommodate new elective officials and members of the LDRRMCs.

**Section 2. Training Programs** - The OCD may engage the expertise of the other National Council member agencies and other training organizations accredited by the National Council. It shall be inclusive in conducting, designing and developing the training programs, materials and syllabus of the Institute, to ensure that the training programme and resource materials are supportive of the mandated tasks of the NDRRMC.

**Section 3. Location** - Suitable locations for the establishment of said institutes shall be determined in consultation with concerned stakeholders and with the approval of the National Council.

**Section 4. Organizational Structure** - The organizational structure of the NDRRM Training Institutes shall be developed by the OCD, subject to the approval of the National Council, in accordance with the existing laws, rules and regulations.

## **RULE 9 - ACCREDITATION, MOBILIZATION, AND PROTECTION OF DISASTER VOLUNTEERS AND NATIONAL SERVICE RESERVE CORPS, CSOs AND THE PRIVATE SECTOR**

**Section 1. Accreditation** - The government agencies, CSOs, private sector and LGUs may mobilize individuals or organized volunteers to augment their respective personnel complement and logistical requirements in the delivery of disaster risk reduction programs and activities. The agencies, CSOs, private sector, and LGUs concerned shall take full responsibility for the enhancement, welfare and protection of their volunteers, and shall submit the list of volunteers to the OCD, through the LDRRMOs, for accreditation and inclusion in the database of community disaster volunteers.

A national roster of Accredited Community Disaster Volunteers (ACDVs), National Service Reserve Corps (NSRC) under RA 9163 or the National Service Training Program Act of 2001, CSOs and the private sector shall be maintained by the OCD through the LDRRMOs. Accreditation of volunteers and issuance of their identification cards shall be done at the municipal or city level.

**Section 2. Mobilization** - Mobilization of volunteers shall be in accordance with the guidelines to be formulated by the NDRRMC consistent with the provisions of the Act.

**Section 3. Capacity Building** - Training for volunteers shall form part of the volunteer mobilization activities of the N/R/LDRRMC and the BDC.

**Section 5. Insurance for the ACDVs** - Any volunteer who incurs death or injury while engaged in any of the activities defined under the Act shall be entitled to compensatory benefits and individual personnel accident insurance. The government agency, CSO, private sector or LGU which mobilizes the ACDVs shall be responsible for providing the latter with insurance and necessary benefits.

**Section 6. Guidelines on Mobilization, Accreditation, Capacity-Building and Protection of ACDVs from Various Sectors** - The NDRRMC, through the OCD, shall formulate, promulgate and issue within three (3) months from the effectivity of these Rules the guidelines on the mobilization, accreditation, capacity-building and protection of ACDVs from the government agencies, CSOs, private sector and LGUs.

## **RULE 10 - INTEGRATION OF DISASTER RISK REDUCTION EDUCATION INTO THE SCHOOL CURRICULA AND SANGGUNIANG KABATAAN (SK) PROGRAM AND MANDATORY TRAINING FOR THE PUBLIC SECTOR EMPLOYEES**

**Section 1. Integration into the school curricula** - The DepED, the CHED, the Technical Education and Skills Development Authority (TESDA), in coordination with the OCD, the National Youth Commission (NYC), the DOST, the DENR, the DILG-BFP, the DOH, the DSWD and other relevant agencies, shall integrate disaster risk reduction and management education in the school curricula of secondary and tertiary level of education, including the - National Service Training Program (NSTP), whether private or public, including formal and non-formal, technical-vocational, indigenous learning, and out-of-school youth courses and programs.

**Section 2. Community Education and Training**- The NDRRMC, the RDRRMCs, the LDRRMCs, the LDRRMOs, the BDRRMCs and the SK councils, in coordination with the National Youth Commission (NYC), shall encourage community, specifically the youth, participation in

disaster risk reduction and management activities, such as organizing quick response groups, particularly in identified disaster-prone areas, as well as the inclusion of disaster risk reduction and management programs as part of the SK programs and projects. In the same manner, they shall likewise encourage and involve the community, specifically the youth, in the Disaster Risk Reduction Training either through actual conduct or as participant to the said training.

**Section 3. Education and Training of Employees of the Public Sector** -The public sector employees shall be trained in emergency response and preparedness with strong focus on gender responsiveness, sensitivity to indigenous knowledge systems and respect for human rights. Towards this end, the following guidelines are hereby established to ensure its effective implementation and compliance:

- (a) The Civil Service Commission shall issue a directive requiring all heads of government departments and agencies, including government financing institutions and local government units to conduct training on DRRM for their respective personnel.
- (b) A Train-the-Trainers approach shall be adopted for this purpose whereby member agencies of the NDRRMC, including other government agencies and local government units, shall organize and train their respective DRRM Core of Trainers who shall be responsible in cascading the training to their regional/field level and/or LGU staff.
- (c) A standard training design and instructional materials on DRRM shall be developed by the DRRM Training Institute in accordance with Rule 8, section 1(b) of these Rules and shall be implemented by the CSC.
- (d) Members of the National Council which already conduct specialty and highly technical skill courses may continue with the conduct of said training programs.

## **RULE 11 - COORDINATION DURING EMERGENCIES**

**Section 1. Lead Agency during emergency** - The LDRRMCs shall take the lead in preparing for, responding to, and recovering from the effects of any disaster based on the following criteria:

- (a) The BDC, if a barangay is affected;
- (b) The city/municipal DRRMCs, if two (2) or more barangays are affected;
- (c) The provincial DRRMC, if two (2) or more cities/ municipalities are affected;
- (d) The regional DRRMC, if two (2) or more provinces are affected; and
- (e) The NDRRMC, if two (2) or more regions are affected.

The NDRRMC and intermediary LDRRMCs shall always act as support to LGUs which have the primary responsibility as first disaster responders. Private sector and civil society organizations shall work in accordance with the coordination mechanism and policies set by the NDRRMC and concerned LDRRMCs.

**Section 2. The National Disaster Risk Reduction and Management Operations Center (NDRRMOC)** - The present NDCC Operations Center based in Camp General Emilio Aguinaldo shall henceforth be known as the National Disaster Risk Reduction and Management Operations Center or the NDRRMOC, which shall serve as the Operating Facility of the



NDRRMC. It shall be operated and maintained on a twenty-four (24) hour basis by OCD staff during normal situation to be complemented by NDRRMC member agency representatives whenever blue and red alert status are raised or as may be determined by the National Council through OCD.

**Section 3. The NDRRMOC Core Functions** - The NDRRMOC shall serve as the nerve center for alert and monitoring, multi-agency and multi-level operational coordination, response and resource mobilization and information management. To carry out its core functions, the Center shall utilize support systems such as early warning and emergency broadcast system, geographic information system and other space-based technologies, incident command system, rapid damage assessment and needs analysis, emergency logistics management, public-private partnerships for emergency response, and humanitarian assistance coordination mechanism.

**Section 4. Sovereignty and Territorial Integrity** - The sovereignty and territorial integrity of the State shall be respected at all times. In this context, the Philippines shall have the primary responsibility to respond to disasters, occurring within its territory and external assistance and offers of assistance shall only be provided upon its request or consent.

## **RULE 12 - DECLARATION OF STATE OF CALAMITY**

**Section 1. Declaration and Lifting of State of Calamity by the President** - The National Council shall recommend to the President of the Philippines the declaration of a cluster of barangays, municipalities, cities, provinces, and regions under a state of calamity, and the lifting thereof, based on the criteria set by the National Council. The President's declaration may warrant international humanitarian assistance as deemed necessary.

**Section 2. Declaration and lifting of State of Calamity by the Local Sanggunian** - The declaration and lifting of the state of calamity may also be issued by the local sanggunian, upon the recommendation of the LDRRMC, based on the results of the damage assessment and needs analysis.

**Section 3. Criteria in Recommending the Declaration and Lifting of a State of Calamity** - The National Council shall determine the criteria for the declaration and lifting of a state of calamity, including epidemics.

## **RULE 13 - REMEDIAL MEASURES**

**Section 1. Mandatory remedial measures** - The declaration of a state of calamity shall make mandatory the immediate undertaking of the following remedial measures by the member-agencies concerned as defined in the Act:

- (a) Imposition of price ceiling on basic necessities and prime commodities by the President upon the recommendation of the implementing agency as provided for under Republic Act No. 7581, otherwise known as the "Price Act", or the National Price Coordinating Council;
- (b) Monitoring, prevention and control by the Local Price Coordination Council of overpricing/profitteering and hoarding of prime commodities, medicines and petroleum products;
- (c) Programming/reprogramming of funds for the repair and safety upgrading of public infrastructures and facilities; and

- (d) Granting of no-interest loans by government financing or lending institutions to the most affected section of the population through their cooperatives or people's organizations.

## **RULE 14 - MECHANISM FOR INTERNATIONAL HUMANITARIAN ASSISTANCE**

**Section 1. Request for International Assistance** - A call for international assistance may be issued by the President of the Philippines upon the recommendation of the Chairman, NDRRMC, depending on the scope, magnitude of damage or implications of the adverse effects of the disaster. As Party to the ASEAN Agreement on Disaster Management and Emergency Response (AADMER), the request for assistance may be sent directly to other ASEAN Member States or through the ASEAN Humanitarian Assistance (AHA) Centre in Jakarta, Indonesia. It may also request assistance from other entities where appropriate.

For purposes of ensuring a concerted effort abroad, the Department of Foreign Affairs, through the embassies or consulates of the Philippines, may facilitate the call for international assistance and closely coordinate with the NDRRMC for this purpose

**Section 2. Request for assistance by the LDRRMC** - The LDRRMCs may directly submit or request for assistance abroad in accordance with the Section 23 of the Local Government Code of 1991.

**Section 3. Authorized importation and donation** - The importation and donation of food, clothing, medicine and equipment for relief and recovery and other disaster management and recovery-related supplies is hereby authorized in accordance with Section 105 of the Tariff and Customs Code of the Philippines, as amended, and the prevailing provisions of the General Appropriations Act covering national internal revenue taxes and import duties of national and local government agencies; and

Any importation and donation intended for the operation of the NDRRMC and its member agencies shall be treated as importations by and/or donations to the NDRRMC, subject to the rules and regulations of the Tariff and Customs Code or special facilities created by the Office of the President for the purpose. Payment of duties and taxes by concerned member agencies, if any, shall be subject to deferred payment scheme.

Foreign donations and importations for humanitarian assistance and disaster relief shall also be guided with the International Disaster Response Law (IDRL) and other related guidelines, as may be deemed appropriate.

## **RULE 15- INVENTORY AND MONITORING OF ALL RELIEF GOODS**

**Section 1. Inventory and Monitoring of All Relief Goods** - The National Council shall provide for the guidelines on the inventory and disposition and utilization and monitoring of all relief goods, including donations, within a reasonable period, in order to ensure the proper disposition and use thereof.

## **RULE 16 - PROHIBITED ACTS**

**Section 1. Prohibited acts** - Any person, group or corporation who commits any of the following prohibited acts shall be held liable and be subjected to the penalties as prescribed in Section 20 of the Act and Rule 17 hereunder:

- (a) Dereliction of duties which leads to destruction, loss of lives, critical damage of facilities and misuse of funds;
- (b) Preventing the entry and distribution of relief goods in disaster-stricken areas, including appropriate technology such as Geographic Information System, Information and Communication Technology Database/System Management for Relief Inventory; System for Management of the Dead/Casualty and the like, tools, equipment, accessories, disaster teams/experts;
- (c) Buying, for consumption or resale, from disaster relief agencies such as the DSWD, NFA, PRC, International Committee of the Red Cross (ICRC), World Food Program (WFP) and other such private organizations, any relief goods, equipment or other aid commodities which are intended for distribution to disaster affected communities;
- (d) Buying, for consumption or resale, from the recipient disaster affected persons any relief goods, equipment or other aid commodities received by them;
- (e) Selling of relief goods, equipment or other aid commodities which are intended for distribution to disaster victims;
- (f) Forcibly seizing relief goods, equipment or other aid commodities intended for or consigned to a specific group of victims or relief agency;
- (g) Diverting or misdelivery of relief goods, equipment or other aid commodities to persons other than the rightful recipient or consignee;
- (h) Accepting, possessing, using or disposing relief goods, equipment or other aid commodities not intended for nor consigned to him/her;
- (i) Misrepresenting the source of relief goods, equipment or other aid commodities by:
  - (1) Either covering, replacing or defacing the labels of the containers to make it appear that the goods, equipment or other aid commodities came from another agency or persons;
  - (2) Repacking the goods, equipment or other aid commodities into containers with different markings to make it appear that the goods came from another agency or persons or was released upon the instance of a particular agency or persons;
  - (3) Making false verbal claim that the goods, equipment or other aid commodity in its untampered original containers actually came from another agency or persons or was released upon the instance of a particular agency or persons;
  - (4) Substituting or replacing relief goods, equipment or other aid commodities with the same items or inferior/cheaper quality.
- (j) Illegal solicitations by persons or organizations representing others as defined in the standards and guidelines set by the NDRRMC;
- (k) Deliberate use of false or inflated data in support of the request for funding, relief goods, equipment or other aid commodities for emergency assistance or livelihood projects; and
- (l) Tampering with or stealing hazard monitoring and disaster preparedness equipment and paraphernalia.

## **RULE 17 - PENAL CLAUSE**

**Section 1. Penalty, Fines** - Any individual, corporation, partnership, association, or other juridical entity that commits any of the prohibited acts provided for in Section 19 of the Act shall be prosecuted and upon conviction shall suffer a fine of not less than Fifty thousand pesos (Php50,000.00) or any amount not to exceed Five hundred thousand pesos (Php500,000.00) or imprisonment of not less than six (6) years and one (1) day or not more than twelve (12) years, or both, at the discretion of the court, including perpetual disqualification from public office if the offender is a public officer, and confiscation or forfeiture in favor of the government of the objects and the instrumentalities used in committing any of herein prohibited acts.

**Section 2. Who are liable** - If the offender is a corporation, partnership or association, or other juridical entity, the penalty shall be imposed upon the officer or officers of the corporation, partnership, association or entity responsible for the violation without prejudice to the cancellation or revocation of these entities' license or accreditation issued to them by any licensing or accredited body of the government. If such offender is an alien, he or she shall, in addition to the penalties prescribed in the Act, be deported without further proceedings after service of the sentence.

**Section 3. Other liabilities** - The prosecution for offenses set forth in Section 19 of the Act shall be without prejudice to any liability for violation of Republic Act No. 3185, as amended, otherwise known as the Revised Penal Code, as well as any other special penal law enacted by Congress, & shall be without prejudice to other civil liabilities.

## **RULE 18 - LOCAL DISASTER RISK REDUCTION AND MANAGEMENT FUND**

**Section 1. Utilization of the LDRRMF** - The present Local Calamity Fund shall henceforth be known as the Local Disaster Risk Reduction and Management Fund (LDRRMF). Not less than five percent (5%) of the estimated revenue from regular sources shall be set aside as the LDRRMF to support disaster risk management activities such as, but not limited to, pre-disaster preparedness programs including training, purchasing life-saving rescue equipment, supplies and medicines, for post-disaster activities, for the payment of premiums on calamity insurance and construction of evacuation centers. The LDRRMF shall monitor and evaluate the use and disbursement of the LDRRMF based on the LDRRMF as incorporated in the local development plans and annual work and financial plan. Upon the recommendation of the LDRRMO and approval of the sanggunian concerned, the LDRRMF may transfer the said fund to support disaster risk reduction work of other LDRRMFs which are declared under state of calamity.

**Section 2. Quick Response Fund** - Of the amount appropriated for LDRRMF, thirty percent (30%) shall be allocated as Quick Response Fund (QRF) or stand-by fund for relief and recovery programs in order that situation and living conditions of people in communities or areas stricken by disasters, calamities, epidemics, or complex emergencies, may be normalized as quickly as possible.

**Section 3. Special Trust Fund**- Unexpended LDRRMF shall accrue to a special trust fund solely for the purpose of supporting disaster risk reduction and management activities of the LDRRMFs within the next five (5) years. Any such amount still not fully utilized after five (5) years shall revert back to the general fund and made available for other social services to be identified by the local sanggunian.

✓ **Section 4. Guidelines on Fund tracking and utilization of funds** - Guidelines on Fund tracking and utilization of the LDRRMF shall be in accordance with existing auditing and accounting guidelines on public funds, local government code and other applicable laws.

✓ **Section 5. Public Disclosure of Fund Utilization** - The LDRRMCs shall make public its reports on the utilization of the LDRRMF by publication and posting thereof in a conspicuous place, including websites, if any, of the LGU/LDRRMO. The reports of the LDRRMCs on the utilization of the LDRRMF shall be available to the public.

## **RULE 19 - NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT FUND**

**Section 1. Utilization of the NDRRM Fund** - The present Calamity Fund appropriated under the annual General Appropriations Act shall henceforth be known as the National Disaster Risk Reduction and Management Fund (NDRRM Fund) and it shall be used for disaster risk reduction or mitigation, prevention and preparedness activities such as but not limited to training of personnel, procurement of equipment, and capital expenditures. It can also be utilized for relief, recovery, reconstruction and other work or services in connection with natural or human-induced calamities which may occur during the budget year or those that occurred in the past two (2) years from the budget year.

**Section 2. Amount** - The specific amount of the NDRRM Fund and the appropriate recipient agencies and/or LGUs shall be determined upon approval of the President of the Philippines in accordance with the favorable recommendation of the NDRRMC.

**Section 3. Quick Response Fund** - Of the amount appropriated for the NDRRM Fund, thirty percent (30%) shall be allocated as Quick Response Fund (QRF) to the agencies identified by the NDRRMC. \* \* \*

**Section 4. Accounting** - All departments/agencies and LGUs that are allocated with DRRM fund shall submit to the NDRRMC their monthly statements on the utilization of DRRM funds and make an accounting thereof in accordance with existing accounting and auditing rules.

**Section 5. Funding for DRRM Projects** - All departments, bureaus, offices and agencies of the government are hereby authorized to use a portion of their appropriations to implement projects designed to address DRRM activities in accordance with the guidelines to be issued by the NDRRMC in coordination - with the DBM.

## **RULE 20 - FUNDING OF THE OCD**

**Section 1. Budget** - As lead agency to carry out the provisions of the Act, the OCD shall be allocated a budget of One Billion Pesos (Php1,000,000,000.00) revolving fund starting from the effectivity of this Act, which shall be taken from sources to be identified by the National Council. Thereafter, the fund necessary to carry out the provisions of this law shall be included in the General Appropriations Act.

## **RULE 21- ANNUAL REPORT**

**Section 1. Deadline for the annual report** - The National Council, through the OCD, shall submit to the Office of the President, the Senate and the House of Representatives, within the first quarter of the succeeding year, an annual report relating to the progress of the implementation of the NDRRMP.

**Section 2. Inputs of other agencies to the annual report** - Within the month of January of the succeeding year and every January thereafter, all member agencies shall submit to the OCD, as Secretariat of the NDRRMC, their respective annual reports for purposes of consolidation and analysis. These annual reports shall in turn be submitted by the OCD to the Chairperson, NDRRMC.

## **RULE 22 - CONGRESSIONAL OVERSIGHT COMMITTEE**

**Section 1. Functions** - The Congressional Oversight Committee created and composed under section 26 of the Act shall monitor and oversee the implementation of the provisions thereof.

The National Council may submit proposed remedial legislation to the Congressional Oversight Committee.

**Section 2. Period for Review** - Within five (5) years after the effectivity of the Act, or as the need arises, the Congressional Oversight Committee shall conduct a sunset review. For purposes of these Rules, the term "sunset review" shall mean a systematic evaluation by the Congressional Oversight Committee of the accomplishments and impact of the Act, as well as the performance and organizational structure of its implementing agencies, for purposes of determining remedial legislation.

## **RULE 23 – TRANSITORY PROVISION**

**Section 1. Existing Practices, Guidelines** - Pending the development and approval of the necessary guidelines cited in the Act and these Rules, i.e., accreditation of volunteers, etc., within the period specified herein, existing practice and procedures shall be maintained.

## **RULE 24 - SEPARABILITY CLAUSE**

**Section 1. Validity of provisions** - If any provision of these Rules shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

## **RULE 25 – AMENDATORY CLAUSE**

**Section 1. Amendment** - The National Council, through its Chairperson, may cause the amendment of these Implementing Rules and Regulations, as the need arises.

## **RULE 26 - EFFECTIVITY CLAUSE**

**Section 1. Publication** - These Rules shall take effect fifteen (15) days following the complete publication thereof in a newspaper of general circulation.

  
**VOLTAIRE T. GAZMIN**

Secretary of National Defense and  
Chairperson

National Disaster Risk Reduction and Management Council



SECRETARY OF  
NATIONAL DEFENSE



VTG-101621

SEP 27 2010

**Republika Ng Pilipinas**  
**LUNSOD NG ILIGAN**  
**Tanggapan Ng Sangguniang Panlungsod**

REGULAR SESSION HELD ON FEBRUARY 13, 2012

**PRESENT:**

|                                    |                   |
|------------------------------------|-------------------|
| Hon. Henry C. Dy,                  | City Vice Mayor   |
|                                    | Presiding Officer |
| Hon. Ruderic C. Marzo,             | Member            |
| Hon. Providencio A. Abragan, Jr.,  | Member            |
| Hon. Frederick W. Siao,            | Member            |
| Hon. Marlene L. Young,             | Member            |
| Hon. Simplicio N. Larrazabal, III, | Member            |
| Hon. Moises G. Dalisay, Jr.,       | Member            |
| Hon. Ariel P. Anghay,              | Member            |
| Hon. Michelle E. Sweet,            | Member            |
| Hon. Bayani C. Areola,             | Member            |
| Hon. Chonilo O. Ruiz,              | Member            |
| Hon. Roy L. Openiano,              | Member            |
| Hon. Jose L. Zalsos,               | Member            |
| Hon. Bernard Y. Pacaña,            | Member            |
| Hon. Riza Jane P. Magaro,          | Member            |

**ABSENT:**

(NONE)

**RESOLUTION NO. 12-117**

**WHEREAS**, it may recalled that some barangays of Iligan City were heavily destroyed last December 17, 2011 due to the occurrence of Tropical Storm Sendong. Over a thousand of lives were lost, while a few hundred are still missing to date. Private properties and government infrastructures were heavily damaged too;

**WHEREAS**, in effect, the City Mayor's Office declared a moratorium in the construction of dwelling houses in the areas affected by the flood, subject to the conduct of a geo-hazard assessment by the Geosciences Division of the Mines and Geosciences Bureau, DENR, Region 10;

**WHEREAS**, based on the report of the Mines and Geosciences Bureau, DENR, Region 10, dated January 14, 2012, signed by Osin A Sinsuat, OIC, Geosciences Division, and Joy Christine V Asis, Senior Geologist, the following areas were declared unfit and unsuitable for residential settlement, to wit -

- a. Barangay Santiago, specifically Puroks 2, 3, 4, 5, 6, 7, 8 and 13 which were classified as highly susceptible to flooding;
- b. Barangay Santiago, specifically Puroks 1, 9, 10, 11 and 12 in which development should be restricted thereat;
- c. Barangay Hinaplanon, specifically all puroks in Bayug Island, and Puroks 1, 2, 3, 4, 5, 6, 7, 8 and 9 which were classified as highly susceptible to flooding and development should be restricted thereat; and
- d. Four (4) Puroks adjacent in Barangay Sta. Felomina, particularly Puroks Duranta A and B, Ilang-Ilang, and San Francisco which were classified by as highly susceptible to flooding;

**WHEREFORE**, on the motion of Member Ruderic C Marzo, duly seconded by Members Moises G Dalisay, Jr., Bernard Y Pacana, and Jose L Zalsos,



**BE IT RESOLVED, AS IT HEREBY RESOLVED**, by the Sangguniang Panlungsod of Iligan that the following City Ordinance be, as it is hereby **ADOPTED** and **APPROVED**:

**CITY ORDINANCE NO. 12-5815**

**AN ORDINANCE DECLARING CERTAIN AREAS IN ILIGAN CITY AS DANGER ZONES BASED ON THE REPORT RENDERED BY THE GEOSCIENCES DIVISION OF THE MINES AND GEOSCIENCES BUREAU, DENR, REGION 10 ENTITLED, "RAPID POST-FLOOD ASSESSMENT OF SOME BARANGAYS BADLY AFFECTED BY THE DECEMBER 17, 2011 TROPICAL STORM SENDONG IN ILIGAN CITY."**

Be it ordained by the Sangguniang Panlungsod of Iligan in its session assembled, that:

**SECTION 1.** The following areas are **DECLARED**, as the same are hereby **DECLARED** as **DANGER ZONES** after having been found to be unfit and unsuitable for residential settlement, to wit:

- a. Barangay Santiago, specifically Puroks 2, 3, 4, 5, 6, 7, 8 and 13 which were classified as highly susceptible to flooding;
- b. Barangay Santiago, specifically Puroks 1, 9, 10, 11 and 12 in which development should be restricted thereat;
- c. Barangay Hinaplanon, specifically all puroks in Bayug Island, and Puroks 1, 2, 3, 4, 5, 6, 7, 8 and 9 which were classified as highly susceptible to flooding and development should be restricted thereat; and
- d. Four (4) Puroks adjacent in Barangay Sta. Felomina, particularly Puroks Duranta A and B, Ilang-Ilang, and San Francisco which were classified by as highly susceptible to flooding;

**SECTION 2. Repealing Clause.** All previous ordinances, executive orders, rules and regulations or parts thereof which are inconsistent with this ordinance are hereby repealed and modified accordingly;

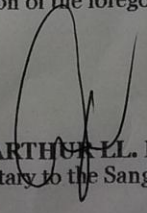
**SECTION 3. Effectivity** - This Ordinance shall take effect ten days (10) after the publication of a local newspaper, as set forth by law.

(**VOTING BY ROLL CALL: MARZO, "Yes"; ABRAGAN, "Yes"; SIAO, "Yes"; YOUNG, "Yes"; LARRAZABAL, "Yes"; DALISAY, "Yes"; ANGHAY, "Yes"; SWEET, "Yes"; AREOLA, "Yes"; RUIZ, "Yes"; OPENIANO, "Yes"; ZALSOS, "Yes"; MAGARO "Yes" and PACAÑA, "Yes"**)

CARRIED unanimously by the members present.

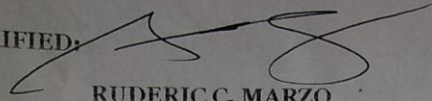
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The undersigned hereby attests to the adoption of the foregoing as verified to by the Member-authors.

  
**ATTY. ARTHUR L. PADILLA**  
Secretary to the Sanggunian

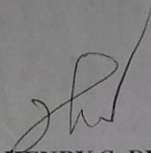


VERIFIED:



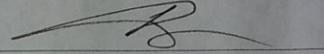
**RUDERIC C. MARZO**  
Author

CERTIFIED:



**HENRY C. DY**  
City Vice Mayor, Presiding Officer

APPROVED:



**LAWRENCE LL. CRUZ**  
City Mayor

27 February 2012

## EXECUTIVE ORDER NO. 124

### EXECUTIVE ORDER NO. 124 – REORGANIZING THE MINISTRY OF PUBLIC WORKS AND HIGHWAYS, REDEFINING ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES

RECALLING, that the reorganization of the government is expressly mandated in Article II, Section 1 (a), and Article III of the Freedom Constitution;

HAVING IN MIND that, pursuant to the Executive Order No. 5 (1986), there is a need to effect the necessary and proper changes in the organizational and functional structures of the national and local governments, agencies, and instrumentalities, including government-owned and controlled corporations and their subsidiaries, in order to promote economy, efficiency and effectiveness in the delivery of public services;

NOTING that the Ministry of Public Works and Highways has, in its operations, been impeded by organizational and functional deficiencies;

NOW, THEREFORE, I, CORAZON, C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the sovereign will of the Filipino People and the Freedom Constitution, do hereby order:

Section 1. Title. — This Executive Order shall otherwise be known as the Reorganization Act of the Ministry of Public Works and Highways.

Sec. 2. Reorganization. — The Ministry of Public Works and Highways, hereinafter referred to as the Ministry, is hereby reorganized, organizationally and functionally in accordance with the provisions of this Executive Order.

Sec. 3. Declaration of Policy. — The State shall maintain an engineering and construction arm and continuously develop its technology, for the purpose of ensuring the safety of all infrastructure facilities and securing for all public works and highways the highest efficiency and the most appropriate quality in construction. The planning, design, construction and maintenance of infrastructure facilities, especially national highways, flood control and water resource development systems, and other

public works in accordance with national development objectives, shall be the responsibility of such an engineering and construction arm. However, the exercise of this responsibility shall be decentralized to the fullest extent feasible.

**Sec. 4. Mandate.** — The Ministry shall be the State's engineering and construction arm and is tasked to carry out the policy enunciated in the preceding Sec. 3.

**Sec. 5. Powers and Functions.** — The Ministry, in order to carry out its mandate, shall have the following powers and functions:

(a) Provide technical services for the planning, design, construction, maintenance, and/or operation of infrastructure facilities;

(b) Develop and implement effective codes, standards, and reasonable guidelines to ensure the safety of all public and private structures in the country and assure efficiency and proper quality in the construction of public works;

(c) Ascertain that all public works plans and project implementation designs are consistent with current standards and guidelines;

(d) Identify, plan, secure funding for, program, design, construct or undertake prequalification, bidding, and award of contracts of public works projects with the exception only of specialized projects undertaken by Government corporate entities with established technical capability and as directed by the President of the Philippines or as provided by law;

(e) Provide the works supervision function for all public works construction and ensure that actual construction is done in accordance with approved government plans and specifications;

(f) Assist other agencies, including the local governments, in determining the most suitable entity to undertake the actual construction of public works projects;

(g) Maintain or cause to be maintained all highways, flood control, and other public works throughout the country except those that are the responsibility of other agencies as directed by the President of the Philippines or as provided by law;

**(h) Provide an integrated planning for highways, flood control and water resource development systems, and other public works;**

**(i) Classify roads and highways into national, regional, provincial, city, municipal, and barangay roads and highways, based on objective criteria it shall adopt; provide or authorize the conversion of roads and highways from one category to another;**

**(j) Delegate, to any agency it determines to have the adequate technical capability, any of the foregoing powers and functions.**

**Sec. 6. Minister of Public Works and Highways. — The authority and responsibility for the exercise of the mandate of the Ministry and for the discharge of its powers and functions shall be vested in the Minister of Public Works and Highways, hereinafter referred to as the Minister, who shall have supervision and control over the Ministry and shall be appointed by the President. For such purposes, the Minister shall:**

**(a) Advise the President on the promulgation of executive or administrative orders, regulations, proclamations and other issuances relative to matters under the jurisdiction of the Ministry;**

**(b) Establish the policies and standards for the operation of the Ministry pursuant to the President's guidelines;**

**(c) Promulgate rules and regulations necessary to carry out Ministry objectives, policies and functions;**

**(d) Exercise supervision and control over all Bureaus and Offices under the Ministry;**

**(e) Supervise all attached agencies and corporations in accordance with law;**

**(f) As deemed appropriate by the Minister, delegate authority for the performance of any power or function, as defined herein or as delegated by the President of the Philippines, to officers and employees under his direction;**

**(g) Perform such other authorities and responsibilities as may be provided by law.**

Sec. 7. Office of the Minister. — The Office of the Minister shall be composed of the Minister and his immediate staff.

Sec. 8. Deputy Ministers. — The Minister shall be assisted by not more than five (5) Deputy Ministers who shall be appointed by the President upon the recommendation of the Minister. The Minister is hereby authorized to delineate and assign the respective functional areas of responsibility of the Deputy Ministers; provided, that such responsibility shall be with respect to the mandate and objectives of the Ministry; and provided, further, that no Deputy Minister shall be assigned primarily administrative responsibilities. Within his functional area of responsibility, a Deputy Minister shall have the following functions:

**(a) Advise and assist the Minister in the formulation and implementation of Ministry policies, plans, programs and projects;**

**(b) Supervise all the operational activities of the units assigned to him, for which he is responsible to the Minister;**

**(c) Perform such other duties and responsibilities as may be assigned or delegated by the Minister to promote efficiency and effectiveness in the delivery of public services or as may be required by law.**

Sec. 9. Assistant Ministers. — The Minister shall also be assisted by six (6) Assistant Ministers appointed by the President of the Philippines upon the recommendation of the Minister: one to be responsible for the Internal Audit Services; one for the Monitoring and Information Service; one for the Planning Service; one for the Comptrollership and Financial Management Service; one for the Legal Service; and one for the Administrative and Manpower Management Service.

Sec. 10. Organizational Structure. — The Ministry shall be composed of the following organizational units:

**(a) Ministry Proper consisting of the Office of the Minister, the Offices of the Deputy and Assistant Ministers, the Internal Audit Service, Monitoring and Information Service, Planning Service, Comptrollership and Financial Management Service, Legal**

**Service, and the Administrative and Manpower Management Service;**

**(b) Bureau of Research and Standards, Bureau of Design, Bureau of Construction, Bureau of Maintenance, and Bureau of Equipment;**

**(c) Field Offices, consisting of fourteen (14) Regional Offices composed of Region I (Ilocos), Region II (Cagayan Valley), Region III (Central Luzon), National Capital Region, Region IV–A (Southern Tagalog Mainland Provinces), Region IV–B (Southern Tagalog Island Provinces), Region V (Bicol), Region VI (Western Visayas), Region VII (Central Visayas), Region VIII (Eastern Visayas), Region IX (Western Mindanao), Region X (Northeastern Mindanao), Region XI (Southern Mindanao, and Region XII (Central Mindanao) and their respective District Offices.**

Sec. 11. Internal Audit Service. — The Internal Audit Service is hereby created for the purpose of conducting comprehensive audit of various Ministry activities. Specifically, it shall have the following functions:

**(a) Advise the Minister on all matters relating to management control and operations audit.**

**(b) Conduct management and operations performance audit of Ministry activities and units and determine as to the degree of compliance with established objectives, policies, methods and procedures, government regulations, and contractual obligations of the Ministry.**

**(c) Review and appraise systems and procedures, organizational structure, assets management practices, accounting and other records, reports and performance standards (such as budgets and standard costs) of the Ministry Proper, Bureaus, and Regional Offices.**

**(d) Analyze and evaluate management deficiencies and assist top management to solve the problems by recommending realistic courses of action.**

**(e) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.**

Sec. 12. Monitoring and Information Service. — The Monitoring and Information Service is hereby created to provide the Minister timely reports on the status of various Ministry projects and activities; and develop and implement information program for mass dissemination in coordination with the appropriate government agencies. The Monitoring and Information Service shall have the following functions:

- (a) Advise the Minister on all matters relating to monitoring and public information;
- (b) Develop and maintain a system for retrieving and processing monitoring information on all projects and activities of concern to the Minister;
- (c) Provide accurate and timely status and exception reports to the Minister;
- (d) Generate monitoring reports for the President, the Cabinet, or for any other purpose as required by the Minister;
- (e) Develop and supervise the implementation of communications programs to have relevant policies, programs and plans of the Ministry understood by the public;
- (f) Produce and supervise the dissemination of media materials in line with the national government public information programs;
- (g) Coordinate with the appropriate national government agencies tasked with public information affairs;
- (h) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

The existing Infrastructure Computer Center shall be under the supervision of the Assistant Minister for Monitoring and Information. It shall establish and maintain a computerized data bank as a repository of statistics and information on infrastructure operations. It shall also provide computer services to the different offices of the Ministry.

Sec. 13. Planning Service. — The Planning Service is hereby reorganized to provide the Ministry with the capability to undertake infrastructure development planning and

programming. For this purpose, it shall have the following functions:

- (a) Advise the Minister on all matters relating to infrastructure planning;
- (b) Formulate strategies and priorities for infrastructure development consistent with national development objectives; and initiates or undertake, coordinate and review area and sector surveys for development planning
- (c) Formulate long-range, medium-term and annual development plans and programs for infrastructure, especially highways, flood control and water resource development systems, and other public works projects, including phasing of implementation;
- (d) Identify priority packages for infrastructure development, especially highways, flood control and water resource development systems, and other public works projects, and undertake or supervise and evaluate the conduct of feasibility studies and project preparation thereof;
- (e) Prioritize project implementation and the allocation of funds and other resources and package project proposals for funding and implementation;
- (f) Evaluate and appraise all regional interregional infrastructure development plans and programs as to their feasibility and consistency with approved strategies and long and medium-term plans;
- (g) Initiate regular Ministry-wide planning exercises and act as the secretariat thereof;
- (h) Gather, analyze and organize needed statistical data and information;
- (i) Provide technical assistance related to its functions to the other Services, Bureaus and the Regional Offices as needed; and
- (j) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

Sec. 14. Comptrollership and Financial Management Service. — The Comptrollership



and Financial Management Service is hereby created to provide the Ministry with coordinated services relating to financial systems and procedures, budget, cash, accounting, and all financial housekeeping matters. For such purposes, it shall have the following functions:

**(a) Advise the Minister on all matters relating to the accounting of government expenditures and receipts, budgeting and cash management, project finances, and financial systems and procedures;**

**(b) Prepare budget proposals and pursue formal budget authorizations; undertake budget execution; and prepare and submit all appropriate reports to the proper offices;**

**(c) Develop and maintain accounting, financial and assets management systems, procedures, and practices in the Ministry proper, Bureaus and Regional Offices;**

**(d) Provide assistance in its area of specialization to any unit of the Ministry and, when requested, to government corporations and councils attached to the Ministry;**

**(e) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.**

Sec. 15. Legal Service. — The Legal Service is hereby reorganized to provide the Ministry with services on such legal affairs as contract letting and litigation, legal and legislative research, complaints and investigation, legal counseling and other matters of law. For such purposes, it shall have the following functions;

**(a) Advise the Minister on all matters relating to legal affairs;**

**(b) Prepare Ministry contracts and legal instruments, review and interpret all contracts and agreements entered into by the Ministry; evaluate all legal proposals;**

**(c) Conduct administrative investigation as well as the review of administrative charges against officers and employees of the Ministry;**

**(d) Exercise functional jurisdiction over the legal staffs of Regional Offices;**

**(e) Provide legal assistance to the Ministry Proper, the Bureaus and Regional Offices and, when requested, the attached corporations;**

**(f) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.**

Sec. 15. Administrative and Manpower Management Service. — The Administrative Service and the Manpower Development Service are hereby merged and reorganized into an Administrative and Manpower Management Service to provide the Ministry with services relating to human resources development, personnel, records, facilities maintenance, medical and dental, security, and property and procurement services. For such purposes, it shall have the following functions:

**(a) Advise the Minister, on all matters relating to internal administration and human resources management;**

**(b) Prepare and implement an integrated personnel plan that shall include provisions on merit promotions, performance evaluation, job rotation, suggestions and incentive awards systems, and health and welfare services;**

**(c) Provide services related to human resources training, education, and development, including manpower and career planning and forecasting, and development of indigenous training materials;**

**(d) Develop, establish and maintain an efficient and cost-effective property procurement system and facilities and coordinate or otherwise interface with relevant agencies, whether government or private, for the purpose of developing or upgrading the system;**

**(e) Secure and maintain necessary Ministry facilities, and, develop, establish, and maintain an efficient and effective security system covering, among others, personnel, physical installations, equipment, documents, and materials, including the conduct of security investigations.**

**(f) Coordinate with the appropriate government agencies for a more efficient conduct**

of administrative processes;

**(g) Develop, establish, and maintain an efficient records system;**

**(h) Provide assistance in its area of specialization to the Ministry proper, Bureaus, and Regional Offices and, when requested, the government agencies and corporations attached to the Ministry;**

**(i) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.**

Sec. 17. Bureau Head. — Each Bureau shall be headed by a Bureau Director who shall be responsible for efficiently and effectively carrying out the functions of the Bureau.

Sec. 18. Bureau of Research and Standards. — The Bureau of Research and Standards is hereby created to develop and set effective standards and reasonable guidelines to ensure the safety of all infrastructure facilities in the country and to assure efficiency and proper quality in the construction of government public works. In pursuit of this task, the Bureau shall engage in research and development on all major areas pertinent to infrastructure development. For such purposes, it shall have the following functions:

**(a) Study, on a continuing basis, and formulate and recommend guidelines, standards, criteria and systems for the survey and design, construction, rehabilitation, maintenance, and improvement of all public works and highways;**

**(b) Conduct or sponsor research on construction materials and formulate and recommend policies, standards, and guidelines on materials and quality control;**

**(c) Undertake or cause to be undertaken specialized technical studies to advance the inhouse technology of the Ministry and secure the most complete information for project development and implementation purposes;**

**(d) Formulate technical training programs for Ministry technical personnel, including the identification of appropriate local and foreign training programs, and recommend the selection of Ministry personnel for such programs;**

**(e) Review and study, for the purpose of recognizing new technologies especially those utilizing indigenous resources, current national building and construction standards and procedures, and make appropriate recommendations thereon;**

**(f) Promote, publish, and disseminate technical publications;**

**(g) Provide technical assistance to the Ministry Proper, other Bureaus, Regional Offices and other agencies on matters within its competence, including technical assistance in the upgrading or updating of the building code, and other services;**

**(h) Cooperate or coordinate with other established research, development, and engineering centers in areas of common or national interest;**

**(i) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.**

Sec. 19. Bureau of Design. — The Bureau of Design is hereby reorganized to ascertain that all government infrastructure project implementation plans and designs are consistent with current standards and guidelines. For this purpose, it shall have the following duties and responsibilities:

**(a) Conduct or initiate, supervise and/or review the results of field surveys for highways, flood control and water resource development systems, and other public works projects, including aerial, hydrologic, hydrographic, topographic, geotechnical and other investigations;**

**(b) Conduct or initiate, supervise and/or review the preparation of schemes, designs, specifications, estimates, tender contract documents covering the architectural, structural, mechanical and electrical and other technical design aspects of highways, flood control, and other projects of the Ministry or of other ministries upon request or agreement;**

**(c) Review and evaluate the designs, specifications, estimates, tender and contract documents covering the architectural, structural, mechanical, electrical, and other technical design aspects of public works projects of all agencies in accordance with**

current standards and guidelines;

(d) Provide technical assistance in the selection of firms or entities that shall undertake actual construction of public works projects via participation in the technical evaluation aspect of the bidding/award process;

(e) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

Sec. 20. Bureau of Construction. — The Bureau of Construction is hereby reorganized to provide technical services on construction works for infrastructure projects and facilities. For this purpose, it shall have the following duties and responsibilities:

(a) Formulate policies relating to construction management and contract administration;

(b) Review and evaluate construction programs, estimates, and tender and contract documents;

(c) Inspect, check, and monitor construction and works supervision activities of field implementing offices for the purpose of ensuring that such activities are being conducted in accordance with the current standards and guidelines of the Ministry;

(d) Provide specialist support to implementing field offices on construction management and contract administration;

(e) Perform, such. other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

Sec. 21. Bureau of Maintenance. — The Bureau of Maintenance is hereby reorganized to provide technical services on the maintenance and repair of infrastructure projects and facilities. For this purpose, it shall have the following duties and responsibilities.

(a) Formulate policies relating to maintenance of infrastructure projects and facilities

(b) Review and evaluate maintenance programs, estimates, and tender and contract

documents;

**(c) Inspect, check, and monitor maintenance activities of implementing field offices for the purpose of ensuring that such activities are being conducted in accordance with the current standards and policies of the Ministry;**

**(d) Provide specialist support to implementing field offices on the maintenance of infrastructure projects and facilities;**

**(e) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.**

Sec. 22. Bureau of Equipment. — The Bureau of Equipment is hereby reorganized to provide technical services on the management of construction and maintenance equipment and ancillary facilities. For this purpose, it shall have the following duties and responsibilities:

**(a) Formulate policies relating to the management of infrastructure equipment and ancillary facilities;**

**(b) Review and evaluate programs, estimates, and tender and contract documents for equipment;**

**(c) Inspect, check, and monitor the management of equipment by regional equipment services and area shops for the purpose of ensuring that such activities are being conducted in accordance with the current standards and policies of the Ministry;**

**(d) Provide specialist support to implementing field offices on equipment management;**

**(e) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.**

Sec. 23. Regional Office. — All Regional Offices are hereby retained. They shall be responsible for highways, flood control and water resource development systems, and other public works within the region, except those defined in Sec. 5 (d) hereof. For this

purpose, their duties and responsibilities shall now be as follows:

- (a) Undertake and evaluate the planning, design, construction and works supervision functions of the Ministry for the abovementioned infrastructure within the region;
- (b) Undertake the maintenance of the abovementioned infrastructure within the region and supervise the maintenance of such local roads and other infrastructure receiving national government financial assistance as the Minister may determine;
- (c) Ensure the implementation of laws, policies, programs, rules and regulations regarding the abovementioned infrastructure as well as all public and private physical structures;
- (d) Provide technical assistance related to their functions to other agencies within the region especially the local government;
- (e) Coordinate with other ministries, agencies, institutions, and organizations, especially local government units within the region in the planning and implementation of infrastructure projects;
- (f) Conduct continuing consultations with the local communities, take appropriate measures to make the services of the Ministry responsive to the needs of the general public, compile and submit such information to the central office, and recommend such appropriate actions as may be necessary;
- (g) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

The Ministry shall retain and have such Project Management Offices as may be required which shall be under the supervision and control of the appropriate Regional Director, unless otherwise determined by the Minister for reasons of supra-regional scope, magnitude, and multi-functional coverage.

Sec. 24. Regional Director. — The Regional Office shall be headed by a Regional Director who shall be responsible for efficiently and effectively carrying out the duties and responsibilities of the Regional Office. Towards this end, and in line with the policy

of decentralization, he shall, within his defined powers, exercise functional and administrative supervision over District Offices within the region including the authority to commit their resources and personnel to integrated province- or city-wide development thrusts.

He shall also perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

The Regional Director shall be assisted by two (2) Assistant Regional Directors who shall exercise supervision, respectively over (1) the construction, maintenance and works supervision functions in the region; and (2) the planning project design, evaluation and technical assistance functions of the Regional Office.

Sec. 25. District Office. — There shall be a District Office in each of the provinces and cities throughout the country to be headed by a District Engineer appointed by the Minister. A province or city may, however, be divided into two (2) or more engineering districts, upon determination and issuance of an administrative order by the Minister. The District Office shall be responsible for all highways, flood control and water resource development systems, and other public works within the district, except those defined under Section (5) hereof. For this purpose, it shall have the following duties and responsibilities:

**(a) Undertake and evaluate the planning, design, construction, and works supervision functions of the Ministry for the abovementioned infrastructure in the district;**

**(b) Undertake the maintenance of the abovementioned infrastructure within the district and supervise the maintenance of such local roads and other infrastructure receiving national government financial assistance as the Minister may determine;**

**(c) Coordinate with other ministries, agencies, institutions, and organizations, especially local government units within the district in the planning and implementation of infrastructure projects;**

**(d) Provide technical assistance to other agencies at the local level on public works planning, design, construction, maintenance, and other engineering matters including securing assistance from the Regional Office or, through the same Office, assistance**



from the Ministry proper of Bureaus;

**(e) Conduct continuing consultations with the local communities, take appropriate measures to make the services of the Ministry responsive to the needs of the general public, compile and submit such information to the Regional Office, and recommend such appropriate actions as may be necessary;**

**(f) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.**

Sec. 26. District Engineer. — The District Engineer of or within a province or city shall be accountable for the efficient and effective conduct of the duties and responsibilities of the District Office of which he is the head. Within his defined powers, he shall exercise functional and administrative supervision over district operations including the authority to recommend that field resources and personnel be committed to integrated district-wide development thrusts. He shall also perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

Sec. 27. Equipment Services. — The Regional Equipment Services, including regional depots and area shops are hereby reorganized to undertake the management, repair, maintenance, and rehabilitation of construction and maintenance equipment. Each depot or shop shall be operated, to the extent practicable, as a profit center. The Regional Equipment Services shall be under the administrative supervision of the Regional Director and technical supervision of the Bureau of Equipment.

Sec. 28. Abolished/Transferred Agencies. — Compliance with the following is hereby prescribed:

**(a) The Pasig River Development Council is hereby abolished and its flood control functions are transferred to the pertinent Bureaus, Services, and Regional Office of the Ministry.**

**(b) The Rural Waterworks Development Corporation is hereby abolished and its functions and assets transferred to the Local Water Utilities Administration in accordance with Sections 29 to 31 hereof.**

**(c) The National Water Resources Council (NWRC) is hereby abolished. All technical functions of the NWRC are hereby transferred to the Bureau of Research and Standard and other offices as deemed appropriate by the Minister.**

**Sec. 29. Attached Agencies and Corporation. — Compliance with the following is hereby prescribed:**

**(a) The National Water Resources Board shall be created under a separate Executive Order to be submitted to the President for approval within one hundred twenty (120) days after the approval of this Executive Order and shall thereby be attached to the Ministry.**

**(b) The Metropolitan Waterworks and Sewerage System, the Local Water Utilities Administration and the National Irrigation Administration shall continue to be attached to the Ministry.**

**(c) The Metropolitan Manila Flood Control and Drainage Council shall be reorganized, under a separate Executive Order to be submitted to the President of the Philippines within one hundred twenty (120) days after the approval of this Executive Order with such Council attached to the Ministry, in order to improve the coordination among the Ministry, local government units, and other concerned agencies in Metropolitan Manila. The Ministry shall be responsible for the planning, design, construction, maintenance, and operation of flood control and drainage facilities in Metropolitan Manila.**

**(d) A Traffic Engineering Center attached to the Ministry may be created upon recommendation of the Minister under a separate Executive Order to be submitted to the President after the approval of this Executive Order, in which event the Project Management Office for Traffic Engineering and Management shall be abolished and its functions and such appropriations, funds, records, equipment, facilities, other assets, and personnel as may be necessary transferred to the Center.**

**Sec. 30. Transitory Provisions. — In accomplishing the acts of reorganization herein prescribed, the following transitory provisions shall be complied with, unless otherwise**

provided elsewhere in this Executive Order:

(a) The transfer of a government unit shall include the functions, appropriations, funds, records, equipment, facilities, choses in action, rights, other assets, and liabilities, if any, of the transferred unit as well as the personnel thereof, as may be necessary, who shall, in hold over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from government service pursuant to Executive Order No. 17 or Article III of the Freedom Constitution. Those personnel of the transferred unit whose positions are not included in the new positions structure and staffing pattern approved by the Minister or who are not reappointed shall be deemed separated from the service and shall not be entitled to the benefits provided in the second paragraph of Sec. 31 hereof.

(b) The transfer of functions which results in the abolition of the government unit that has exercised them shall include appropriations, funds, records, equipment, facilities, choses in action, rights, other assets and personnel as may be necessary to the proper discharge of the transferred functions. The abolished unit's remaining appropriations and funds, if any, shall revert to the General Fund and its remaining assets, if any, shall be allocated to such appropriate units as the Minister shall determine or shall otherwise disposed in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. Its liabilities, if any, shall likewise be treated in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. Its personnel shall, in a hold over capacity, continue to perform their duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from the service pursuant to Executive Order No. 17 (1986) or Article III of the Freedom Constitution. Its personnel, whose positions are not included in the Ministry's new position structure and staffing pattern approved and prescribed by the Minister under Sec. 31 hereof or who are not reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Sec. 31.

(c) The transfer of functions which does not result in the abolition of the government unit that has exercised them shall include the appropriations, funds, records, equipment, facilities, choses in action, rights, other assets and personnel as may be

necessary to the proper discharge of the transferred functions. The liabilities, if any, that may have been incurred in connection with the discharge of the transferred functions, shall be treated in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. Such personnel shall, in a hold over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated; from the service pursuant to Executive Order No. 17 (1986) or Article III of the Freedom Constitution. Any personnel, whose position is not included in the Ministry's new position structure and staffing pattern approved and prescribed by the Minister under Sec. 31 hereof or who has not been reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph. of the same Sec. 31.

(d) In case of the abolition of a government unit which does not result in the transfer of its functions to another unit, the appropriations and funds of the abolished unit shall revert to the General Fund, while the records, equipment, facilities, choses in action, rights, and other assets, thereof shall be allocated to such appropriate units as the Minister shall determine. The liabilities of the abolished units shall be treated in accordance of the Government Auditing Code and other pertinent laws, rules and regulations, while the personnel thereof, whose position is not included in the Ministry's new position structure and staffing pattern approved and prescribed by the Minister under Sec. 31 hereof or who has not been reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Sec. 31.

(e) In case of merger or consolidation of government units, the new or surviving unit shall exercise the functions (subject to the reorganization herein prescribed and the laws, rules and regulations pertinent to the exercise of such functions) and shall acquire the appropriations, funds, records, equipment, facilities, choses in action rights, other assets, liabilities if any, and personnel, as may be necessary, of (1) the units that compose the merged unit or (2) the absorbed unit, as the case may be. Such personnel shall, in a hold over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from the service pursuant to Executive Order No. 17 (1986) or Article III of the Freedom Constitution. Any such personnel, whose position is not included in the Ministry's new position structure and staffing pattern

approved and prescribed by the Minister under Sec. 31 hereof or who is not reappointed shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Sec. 31.

(f) In case of termination of a function which does not result in the abolition of the government unit which has performed such function, the appropriations and funds intended to finance the discharge of such function shall revert to the General Fund, while the records, equipment, facilities, choses in action, rights and other assets used in connection with the discharge of such functions shall be allocated to the appropriate units as the Minister shall determine or shall otherwise be disposed in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. The liabilities, if any that may have been incurred in connection with the discharge of such function shall likewise be treated in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. The personnel who have performed such function, whose positions are not included in the new position structure and staffing pattern approved and prescribed by the Minister under Sec. 31 hereof or who have not been reappointed, shall be deemed separated from the service and shall be entitled to the benefits in the second paragraph of the same Sec. 31.

Sec. 31. New Structure and Pattern. — Upon approval of this Executive Order, the officers and employees of the Ministry shall, in a hold over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from the service pursuant to Executive Order No. 17 (1986) or Article III of the Freedom Constitution.

The new position structure and staffing pattern of the Ministry shall be approved and prescribed by the Minister within one hundred twenty (120) days from the approval of this Executive Order and the authorized positions created thereunder shall be filled with regular appointments by him or by the President of the Philippines as the case may be. Those incumbents whose positions are not included therein or who are not reappointed shall be deemed separated from the service. Those separated from the service, whether permanent, temporary, contractual or casual employees, shall receive the retirement benefits to which they may be entitled under existing laws, rules and regulations. Otherwise, they shall be paid the equivalent of one-month basic salary for every year of service or the equivalent nearest fraction thereof, favorable to

them or the basis of highest salary received, but in no case shall such payment exceed the equivalent of 12 months salary.

No court or administrative body shall issue any writ or preliminary/injunction or restraining order to enjoin the separation/replacement of any office or employee effected under this Executive Order.

Sec. 32. Periodic Performance Evaluation. — The Ministry is hereby required to formulate and enforce a system of measuring and evaluating periodically and objectively the performance of the Ministry and submit the same annually to the President.

Sec. 39. Notice or Consent Requirement. — If any reorganizational change herein authorized is of such substance or materiality as to prejudice third persons with rights recognized by law or contract such that notice to or consent of creditors is required to be made or obtained pursuant to any agreement entered into with any of such creditors, such notice or consent requirements shall be complied with prior to the implementation of such organizational change.

Sec. 34. Change of Nomenclature. — In the event of the adoption of a new Constitution which provides for a presidential form of government, the Ministry shall be called Department of Public Works and Highways and the titles of Minister, Deputy Minister, and Assistant Minister shall be changed to Secretary, Undersecretary, and Assistant Secretary, respectively.

Sec. 35. Prohibition Against Change. — No change in the organizational structure herein prescribed shall be valid except upon prior approval of the President for the purpose of promoting efficiency and effectiveness in the delivery of public services.

Sec. 36. Funding. — Funds needed to carry out the provisions of this Executive Order shall be taken from funds available in the Ministry.

Sec. 37. Implementing Authority of the Minister. — The Minister shall issue such rules, regulations and other issuances as may be necessary to ensure the effective implementation of the provisions of this Executive Order.

Sec. 38. Separability. — Any portion or provision of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying other portions or provisions thereof as long as such remaining portions or provisions can still subsist and be given effect in their entirety.

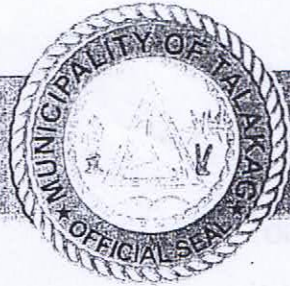
Sec. 39. Repealing Clause. — All laws, ordinances, rules, regulations, and other issuances or parts thereof, which are inconsistent with this Executive Order, are hereby repealed or modified accordingly.

Sec. 40. Effectivity. — This Executive Order shall take effect immediately upon its approval.

*APPROVED in the City of Manila, Philippines, this 30th day of January, in the year of Our Lord, nineteen hundred and eighty-seven.*

Since 19.07.98.

Municipality of Talakag  
OFFICE OF THE MUNICIPAL MAYOR



EXECUTIVE ORDER NO. 014  
Series of 2010

EO-14-2010-MDRPMC  
-Talakag

AN ORDER ORGANIZING THE MUNICIPAL DISASTER RISK REDUCTION  
MANAGEMENT COUNCIL OF THIS MUNICIPALITY

No. 35?

WHEREAS, Republic Act 10121, otherwise known as, "An Act Strengthening the Philippine Disaster Risk Reduction and Management and Institutionalizing the National Risk Reduction and Management Plan and Appropriating Funds Therefore and For Other Purposes", mandates all the Local Government Unit to organize Local Disaster Risk Reduction Management Council in every municipality;

WHEREAS, under the Declaration of Policy of the law, there is a need to develop, promote and implement a comprehensive Local Disaster Risk Reduction and Management Plan that aims to strengthen the capacity of the Local Government Unit, together with partner stakeholders, to build the disaster resilience of communities, and to institutionalize arrangements and measures for reducing disaster risks, including projected climate risks, and enhancing disaster preparedness and response capabilities;

WHEREAS, under the said law, the present Municipal Disaster Coordinating Council or LDCC shall henceforth be known as the Municipal Disaster Risk Reduction Management Council.

NOW THEREFORE, I, HONORABLE NESTOR B. MACAPAYAG, Municipal Mayor, this municipality, by virtue of the power vested in me by law, do hereby organize the Municipal Disaster Risk Reduction Management Council.

Section 1. COMPOSITION. The Municipal Disaster Risk Reduction Management Council shall be composed but not limited to the following members, to wit:

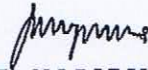
- Chairperson : The Municipal Mayor
- Vice Chairpersons
  - For Disaster Preparedness : The Municipal Local Government Operations Officer, DILG
  - For Disaster Response : The Municipal Social Welfare and Development Officer
  - For Disaster Prevention & Mitigation: The Municipal Agriculturist Officer
  - For Rehabilitation and Recovery : The Municipal Planning Development Coordinator
- Members
  - : The Municipal Health Officer
  - : The Municipal Engineer
  - : The Community Environment Natural Resources Officer
  - : The Municipal Budget Officer
  - : The School Principal, TCES
  - : The Philippine Army
  - : The Chief of Police
  - : The Municipal Fire Marshall
  - : The Municipal Officer, NCIP
  - : The Liga President
  - : The Municipal Administrator
  - : The Parish Priest
  - : The Chief of BPH
  - : The Municipal Treasurer

The Philippine National Red Cross  
The Public Information Officer  
The Chief of Phil Health



Section 8. EFFECTIVITY. This order shall take effect immediately upon its approval.

Done this 19<sup>th</sup> day of October 2010 in the Municipality of Talakag, Province of Bukidnon, Philippines.

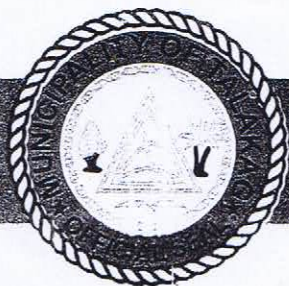


NESTOR B. MACAPAYAG.  
Municipal Mayor/Chairperson MDRRMC

REPUBLIC OF THE PHILIPPINES  
PROVINCE OF BUKIDNON  
Municipality of Talakag

Nov 21

OFFICE OF THE MUNICIPAL MAYOR



EXECUTIVE ORDER NO. 014  
Series of 2012

AMENDMENT OF EXECUTIVE ORDER NO. 014 SERIES OF 2010, SECTION 1. COMPOSITION OF THE MDRRMC MEMBERS AND SECTION 4. MUNICIPAL DISASTER RISK REDUCTION MANAGEMENT OFFICE OR OPERATION CENTER WHICH INCLUDE THE DUTIES AND FUNCTIONS OF THE THREE STAFF RESPONSIBLE FOR ADMINISTRATION AND TRAINING, RESEARCH AND PLANNING, AND OPERATIONS AND WARNING.

WHEREAS, pursuant to Section 1 of the Municipal Disaster Risk Reduction Management Council, there is a need to include the Business Sectors as mandatory membership in the Municipal Disaster Risk Reduction Management Council;

WHEREAS, the following Business Sector identified that operated in the locality are as follows; ABROWN COMPANY, DOLE PHIL, DEL MONTE AGRINANAS and Talakag Women's Organization as NGO Representative;

WHEREAS, Section 4 of the same council, there's also a need to specify the duties and functions of the three (3) Staff responsible for Administration and Training, Research and Planning, and Operations and Warning.

NOW THEREFORE, I, HONORABLE NESTOR B. MACAPAYAG, Municipal Mayor, Municipality of Talakag, Province of Bukidnon, by virtue of the power vested in me by law, do hereby amend the Municipal Disaster Risk Reduction Management Council to include the Business Sectors and the Duties and Responsibilities of the three (3) Staff.

Section 1. COMPOSITION to include in the EO 014 Series of 2010

Members : ABROWN COMPANY, Business Sector  
: DOLE PHIL, Business Sector  
: DEL MONTE AGRINANAS, Business Sector  
: Talakag Women's Organization, NGO

Section 4. MUNICIPAL DISASTER RISK REDUCTION MANAGEMENT OFFICE AND OPERATION CENTER, THE DUTIES AND RESPONSIBILITIES OF THE MDRRMO AND TO BE ASSISTED BY THE THREE (3) STAFF.

1. Design, program, and coordinate disaster risk reduction and management activities consistent with the National Council's standards and guidelines;
2. Facilitate and support risk assessments and contingency planning activities at the local level;
3. Consolidate local disaster risk information which includes natural hazards, vulnerabilities, and climate change risks, and maintain a local risk map;
4. organize and conduct training, orientation, and knowledge management activities on disaster risk reduction and management at the local level;
5. Operate a multi-hazard early warning system, linked to disaster risk reduction to provide accurate and timely advice to national

or local emergency response organizations and to the general public, through diverse mass media, particularly radio, landline communications, and technologies for communication within rural communities;

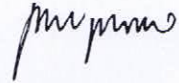
6. Formulate and implement a comprehensive and integrated LDRRMP in accordance with the national, regional and provincial framework, and policies on disaster risk reduction in close coordination with the local development councils (LDCs);
7. Prepare and submit to the local sanggunian through the LDRRMC and the LDC the annual LDRRMO Plan and budget, the proposed programming of the LDRRMF, other dedicated disaster risk reduction and management resources, and other regular funding source/s and budgetary support of the LDRRMO/BDRRMC;
8. Conduct continuous disaster monitoring and mobilize instrumentalities and entities of the LGUs, CSOs, private groups and organized volunteers, to utilize their facilities and resources for the protection and preservation of life and properties during emergencies in accordance with existing policies and procedures;
9. Identify, assess and manage the hazards, vulnerabilities and risks that may occur in their locality;
10. Disseminate information and raise public awareness about those hazards, vulnerabilities and risks, their nature, effects, early warning signs and counter-measures;
11. Identify and implement cost-effective risk reduction measures/strategies;
12. Maintain a database of human resource, equipment, directories, and location of critical infrastructures and their capacities such as hospitals and evacuation centers;
13. Develop, strengthen and operationalize mechanisms for partnership or networking with the private sector, CSOs and volunteer groups;
14. Take all necessary steps on a continuing basis to maintain, provide, or arrange the provision of, or to otherwise make available, suitably-trained and competent personnel for effective civil defense and disaster risk reduction and management in its area;
15. Organize, train, equip and supervise the local emergency response teams and the ACDVs, ensuring that humanitarian aid workers are equipped with basic skills to assist mothers to breastfeed;
16. Respond to and manage the adverse effects of emergencies and carry out recovery activities in the affected area, ensuring that there is an efficient mechanism for immediate delivery of food, shelter and medical supplies for women and children, endeavor to create a special place where internally-displaced mothers can find help with breastfeeding, feed and care for their babies and give support to each other;
17. Within its area, promote and raise public awareness of and compliance with this Act and legislative provisions relevant to the purpose of this Act;
18. Serve as the secretariat and executive arm of the LDRRMC;
19. Coordinate other disaster risk reduction and management activities;
20. Establish linkage/network with other LGUs for disaster risk reduction and emergency response purposes;
21. Recommend through the LDRRMC the enactment of local ordinances consistent with the requirements of this Act.
22. Implement policies, approved plans and programs of the LDRRMC consistent with the policies and guidelines laid down in this Act;
23. Establish a Municipal/Barangay Disaster Risk Reduction Management Operations Center;
24. Prepare and submit, through the LDRRMC and the LDC, the report on the utilization of the LDRRMF and other dedicated

disaster risk reduction and Management resources to the local Commission on audit (COA), copy furnished the regional director of the OCD and the Local Government Operations Officer of the DILG; and

25. Act on other matters that may be authorized by the LDRRMC.

This order shall take effect immediately.

Done this 22<sup>nd</sup> day of October 2012, Talakag, Bukidnon



NESTOR B. MACAPAYAG  
Municipal Mayor

Nov. 20

fra Baungon

Republic of the Philippines  
PROVINCE OF BUKIDNON  
Municipality of Baungon

**OFFICE OF THE MUNICIPAL MAYOR**

*Kate Eddy*  
**EXECUTIVE ORDER NO. 09**

**S. 2011**

(MDRRMC)

**AN ORDER AMMENDING THE COMPOSITION OF THE MUNICIPAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCIL E.O. NO. 01 S. 2011 AND INTEGRATING THE SECTORAL FUNCTIONS AND RESPECTIVE MEMBERS**

**WHEREAS**, Republic Act 10121, otherwise known as, "An Act Strengthening the Philippine Disaster Risk Reduction and Management Framework and Institutionalizing the National Risk Reduction and Management Plan and appropriating funds therefore and for other purposes", mandates all the Local Government Units to organize Local Disaster Risk Reduction and Management Council (LDRRMC),

**WHEREAS**, Section II of the said Law ordered the Local Government Units that the existing Municipal Disaster Coordinating Council shall henceforth be known as the Municipal Disaster Risk Reduction and Management Council (MDRRMC),

**NOW THEREFORE, I, HONORABLE PEDRO R. ALVAREZ**, Municipal Mayor, this Municipality, by virtue of the power vested in me by law, specifically, Republic Act No. 10121 (Disaster Risk Reduction Management) and Republic Act No. 7160, otherwise known as, "The Local Government Code of 1991" do hereby organize the Municipal Disaster Risk Reduction and Management Council.

**SECTION 1. DECLARATION OF POLICY.**

In support to the national policy, the Municipal Mayor of Baungon, Bukidnon hereby declares that:

- a. Policies, Plans and the implementation of actions and measures pertaining to all aspects of disaster risk reduction and management, shall always be adhered to;

MDRRMC Executive Order

- b. Self-reliance shall be developed to become the overriding consideration in Disaster Management by promoting and encouraging the spirit of self-help and mutual assistance among the Baungon Municipal Government, their officials, and their constituencies;
- c. Each political and administrative subdivision of the Municipal Government shall utilize all available resources in the area before asking for assistance from neighboring entities or higher authority;
- d. The primary responsibility rest on the government agencies in the affected areas in coordination with the people themselves;
- e. It shall be the responsibility of all government departments, bureaus, agencies and instrumentalities to have documented plans of their emergency functions and activities;
- f. Planning and operation shall also be done on the barangay level in an inter-agency, multi-sectoral basis to optimize the utilization of resources;
- g. Responsibility of leadership rests on the Municipal Mayor or his duly deputized official, the Barangay Chairmen, each according to area or sphere of responsibility;
- h. The Municipal Government shall support the Barangay governments. In the time of disaster and emergencies and according to their level of assignment, all Provincial/National governments offices in the field shall support the operations of the Local Government;
- i. To ensure that operational activities, trainings, exercises and periodic drills shall be conducted at all levels, principally at the barangays.

## MDRRMC Executive Order

### SECTION 2. COMPOSITION.

The Municipal Disaster Risk Reduction and Management Council (PDRRMC) shall be composed of, but not limited to the following:

Chairperson: Hon. Pedro R. Alvarez  
Municipal Mayor

Vice Chairpersons on:

- |                                         |                                    |
|-----------------------------------------|------------------------------------|
| 1) Disaster Preparedness                | Gladys R. Ragandang<br>MLGOO, DILG |
| 2) Disaster Response                    | Nenita B. Navarez<br>MSWDO         |
| 3) Disaster Prevention and Mitigation   | Janel C. Redondo<br>OIC-MA         |
| 4) Disaster Rehabilitation and Recovery | Lorna V. Wabe<br>MPDO              |

#### Members

- |                             |                                         |
|-----------------------------|-----------------------------------------|
| a. Hon. Enrique E. Beja     | Municipal Vice Mayor                    |
| b. Dr. Jeffrey Leo T. Paas  | Municipal Health Officer                |
| c. Concepcion A. Tanhay     | Municipal Treasurer                     |
| d. Engr. Arman M. Agawin    | Municipal Budget Officer                |
| e. Engr. Ronald B. Muñoz    | Municipal Engineer                      |
| f. Felsa E. Calantas, CPA   | Municipal Accountant                    |
| g. Felipe C. Cadiz          | Municipal Civil Registrar               |
| h. Efrena T. Abellana       | Municipal Assessor, OIC                 |
| i. Engr. Nadeth L. Mercado  | Head, MSWSS                             |
| j. Eddie V. Daday           | Municipal Agriculture Officer           |
| k. Meliton I. Luminarias    | CENRO-DENR                              |
| l. Hon. Lilybeth G. Rapirap | Liga President, Baungon Chapter         |
| m. Hon. Jesus B. Bas        | SB on Health and Social Services        |
| n. Hon. Gilbert L. Bacarro  | SB on Environment, Peace and Order      |
| o. Ursina E. Caayupan       | MARO-DAR                                |
| p. Agustin P. Lilangan      | PASU                                    |
| q. Plnsp Donald M. Cordero  | Chief, PNP                              |
| r. Leo S. Molina            | Supervisor, DepEd                       |
| s. Lydia M. Namoc           | Principal, Baungon National High School |

- t. Sgt. Gilbert P. Dagupan
- u. Perla L. Rara
- v. Emmanuel L. Bacarro
- w. Lorna T. Catubo
- x. Liberato L. Martin
- y. Isabelo E. Eduave
- z. Rene G. Nagac
- aa. George Q. Awatin

(BNHS)  
CO, 23<sup>rd</sup> IB Philippine Army  
Municipal Tribal Chieftain  
Senior Staff, Municipal Mayor's Office  
Provincial Radio Operator Baungon Station  
President, Municipal Tanod Federation  
NGO Representative, Religious sector  
NGO Representative, Agriculture Sector  
NGO Representative, Business Sector

### SECTION 3. FUNCTIONS.

The Council shall have the following functions:

1. Approve, monitor and evaluate the implementation of the LDRRM Plans and conduct regular review and test the consistency of the plan with the national and local planning programs;
2. Ensure the integration of **Disaster Risk Reduction** and **Climate Change** adaptation into the Local Development Plans, Programs and Budget as a strategy in sustainable development and poverty reduction, and
3. Recommends to the Sangguniang Bayan the Declaration of Calamity Area.

### SECTION 3. 1 FUNCTIONS AND MEMBERSHIP PER SECTOR.

Vice-Chairperson on Disaster Preparedness

DILG-MLGOO

Members:

Hon. Jesus B. Bas  
Perla L. Rara  
Rene G. Nagac

Concepcion A. Tanhay  
Felsa E. Calantas, CPA  
Engr. Arman M. Agawin



**Functions:**

In coordination with the Local DRRM Officer, the committee is tasked to:

- a. Formulate disaster plans for all types of disaster.
- b. Determine the types of service units to be utilized in the disaster area.
- c. Facilitate and/or supervise program operations and capability building on disaster preparedness.
- d. Minimize casualties through proper information, advocacy and mobilization of all medical resources.
- e. Provide all medical resources.
- f. Receive warning signals from the warning agencies PAG-ASA, PHIVOCS and disseminate such warning.
- g. Mobilizes all members to provide security service during emergencies.
- h. Maintain peace and order in affected areas and safeguard properties.
- i. Provide transport facilities needed by disaster action agencies immediate by during and after emergency or calamity.
- j. Organize and train auxiliary fire group.
- k. Provide information to the general public on fire prevention and control and climate change.

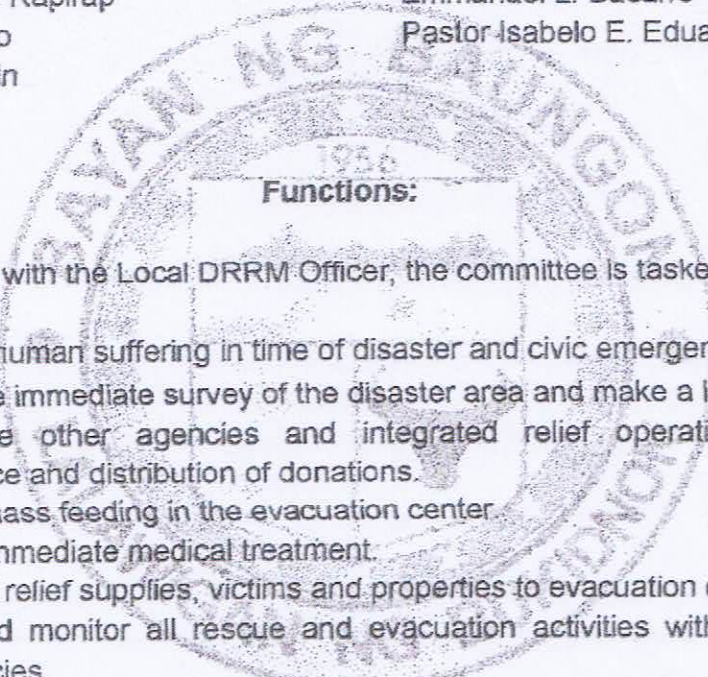
**MDRRMC Executive Order**

**Vice Chairperson on Disaster Response: MSWDO**

**Members:**

Hon. Enrique E. Beja  
Hon. Lilybeth G. Rapiap  
Lorna T. Catubo  
Liberato L. Martin

Dr. Jeffrey Leo T. Paas  
Emmanuel L. Bacarro  
Pastor Isabelo E. Eduave



**Functions:**

In coordination with the Local DRRM Officer, the committee is tasked to:

- a. Minimize human suffering in time of disaster and civic emergencies.
- b. Undertake immediate survey of the disaster area and make a list of family victims.
- c. Coordinate other agencies and integrated relief operation which includes acceptance and distribution of donations.
- d. Provide mass feeding in the evacuation center.
- e. Provide immediate medical treatment.
- f. Transport relief supplies, victims and properties to evacuation center.
- g. Direct and monitor all rescue and evacuation activities within a locality during emergencies.

**MDRRMC Executive Order**

**Vice Chairperson on Disaster Prevention and Mitigation: MA-OIC  
Members:**

Meliton I. Luminarias  
Engr. Nadeth L. Mercado  
Efrena T. Abellana  
Hon. Gilbert L. Bacarro, Sr.

Leo S. Molina  
Lydia Namoc  
George Q. Awatin

**Functions:**

In coordination with the Local DRRM Officer, the committee is tasked to:

- a. Identify ideas site for evacuation in the event of certain disaster in coordination with other concerned agencies.
- b. Establish communication network.
- c. Organize civil refuge/health services.
- d. Organize the rescue, recovery and evacuation service units.
- e. Organize the security service units.
- f. Organize the transportation service units.
- g. Organize and train auxiliary fire group

**Vice Chairperson on Disaster Rehabilitation and Recovery - MPDC  
Members:**

Eddie V. Daday  
Felipe C. Cadiz  
Sgt. Gilbert Dagupan, AFP 23<sup>rd</sup> IB

Engr. Ronal B. Munez  
Plnsp Donald M. Cordero  
Ursina E. Caayupan

**Functions:**

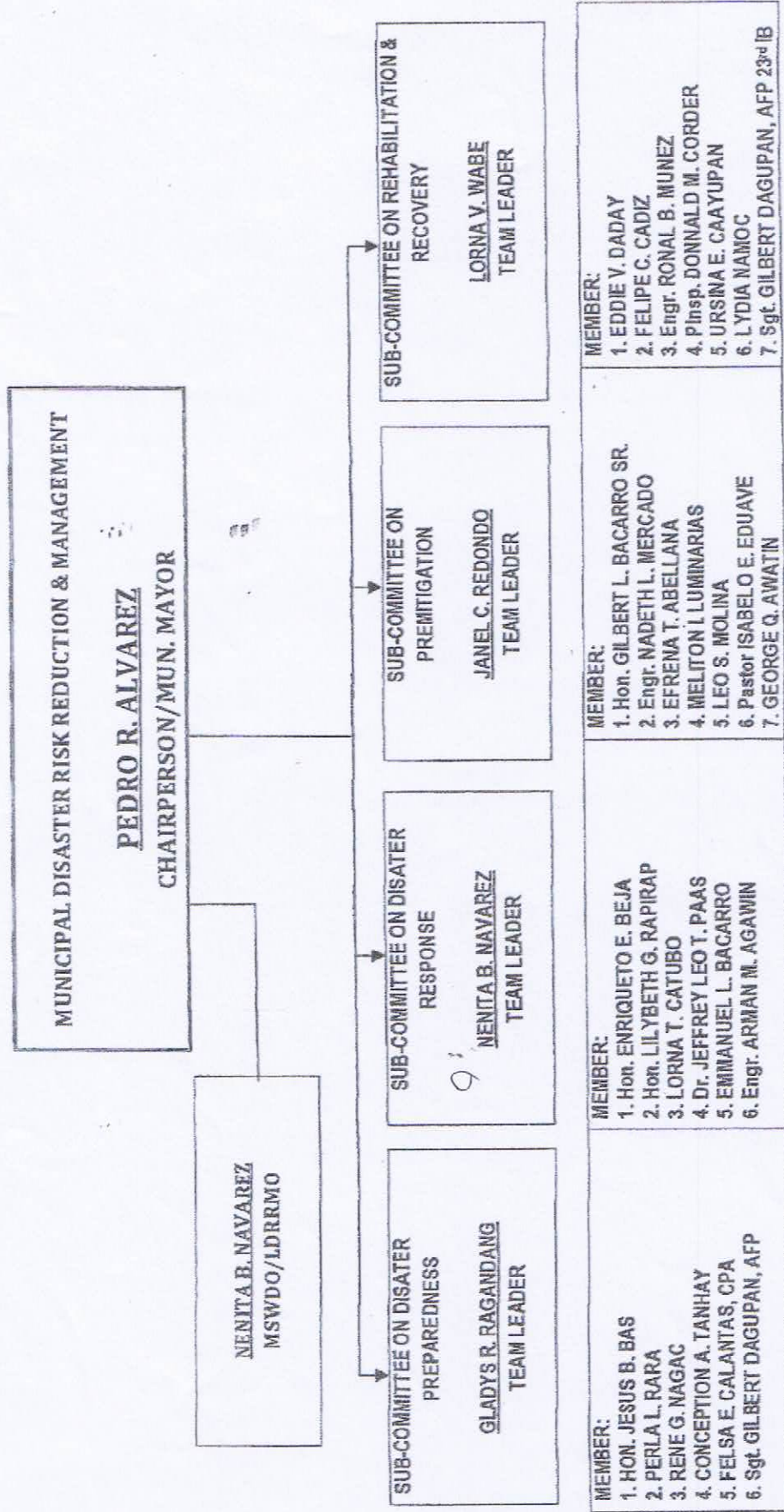
In coordination with the Local DRRM Officer, the committee is tasked to:

- a. Organize public information unit
- b. Establish a continuing of program of information with the use of media and publications to include adequate coverage of civil defense activities such as test exercises and drills
- c. Locate the injured or trapped person in emergency and remove them to a place where they be safety.
- d. Implement, replace and rehabilitation operation eligible disaster victims in order to restore their morals.
- e. Responsible for the temporary repair of public school buildings, public roads and other utilities destroyed by calamities.

**MDRRMC activities and responsibilities:**

- a. Establish policies/guidelines on emergency preparedness and disaster operations and management.
- b. Formulate of a plan of Action for disaster preparedness of the Municipality in accordance with the guidelines set by the RDRRMC and facilitate its implementation.
- c. Coordinate the disaster operations in the Municipality
- d. Advisory body to the Chair of MDRRMC on disaster risk reduction and management concerns
- e. Submit appropriate recommendation to the Regional/provincial level DRRMC as necessary.

SECTION 3.2 ORGANIZATIONAL STRUCTURE



#### **SECTION 4. OPERATION CENTER.**

The council shall establish The Municipal Disaster Risk Reduction Management Operation Center, which shall be operated on Twenty-four (24) hours. **The center must be under the supervision of Municipal Social Welfare and Development Officer, Vice Chairperson on Disaster Response.** The center is headed by an Executive Officer/Local Chief of Office assisted by four (4) Administrative Staff responsible for, 1) Administration and Training, 2) Research and Planning, 3) Operations and Warning and 4.) Continuous Monitoring and complete Quick Response and Rescue Team.

The Center must be within the Municipal compound which has a separate budget and equipped with Life-savings Rescue Equipments and Supplies, Transportation Equipment and Communication facilities.

#### **SECTION 5. BUDGET.**

The budget is from the 5% Local Calamity Fund or MDRRM Fund. The 70% is allocated for pre- disaster preparedness program, training, purchase of life-savings rescue equipments, disaster supplies and materials, operation center operation; the 30% shall be allocated as quick response fund, a standby fund for relief and recovery programs.

#### **SECTION 6. MEETINGS AND QUORUM**

The Local Council shall convene once every three (3) months or as necessary attended by majority of the members and will be presided by the Chairperson.

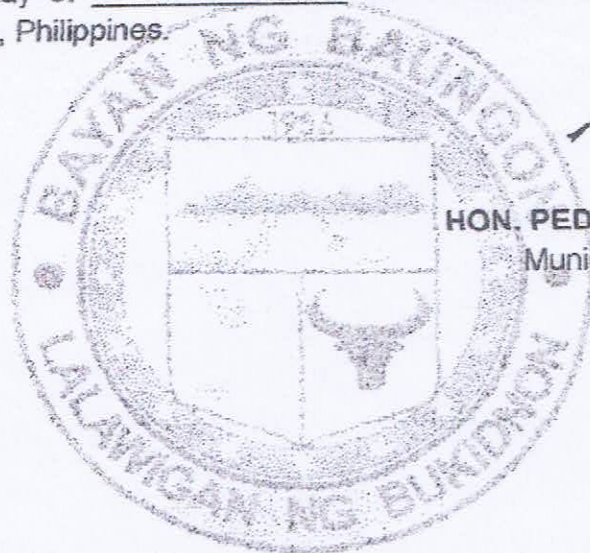
#### **SECTION 7. SECRETARIAT**

Municipal Disaster Risk Reduction and Management Council shall provide administrative support services and is responsible in the management of the Municipal Operation Center. The designated LDRRM Officer shall act as the secretariat.

**SECTION 8. EFFECTIVITY.**

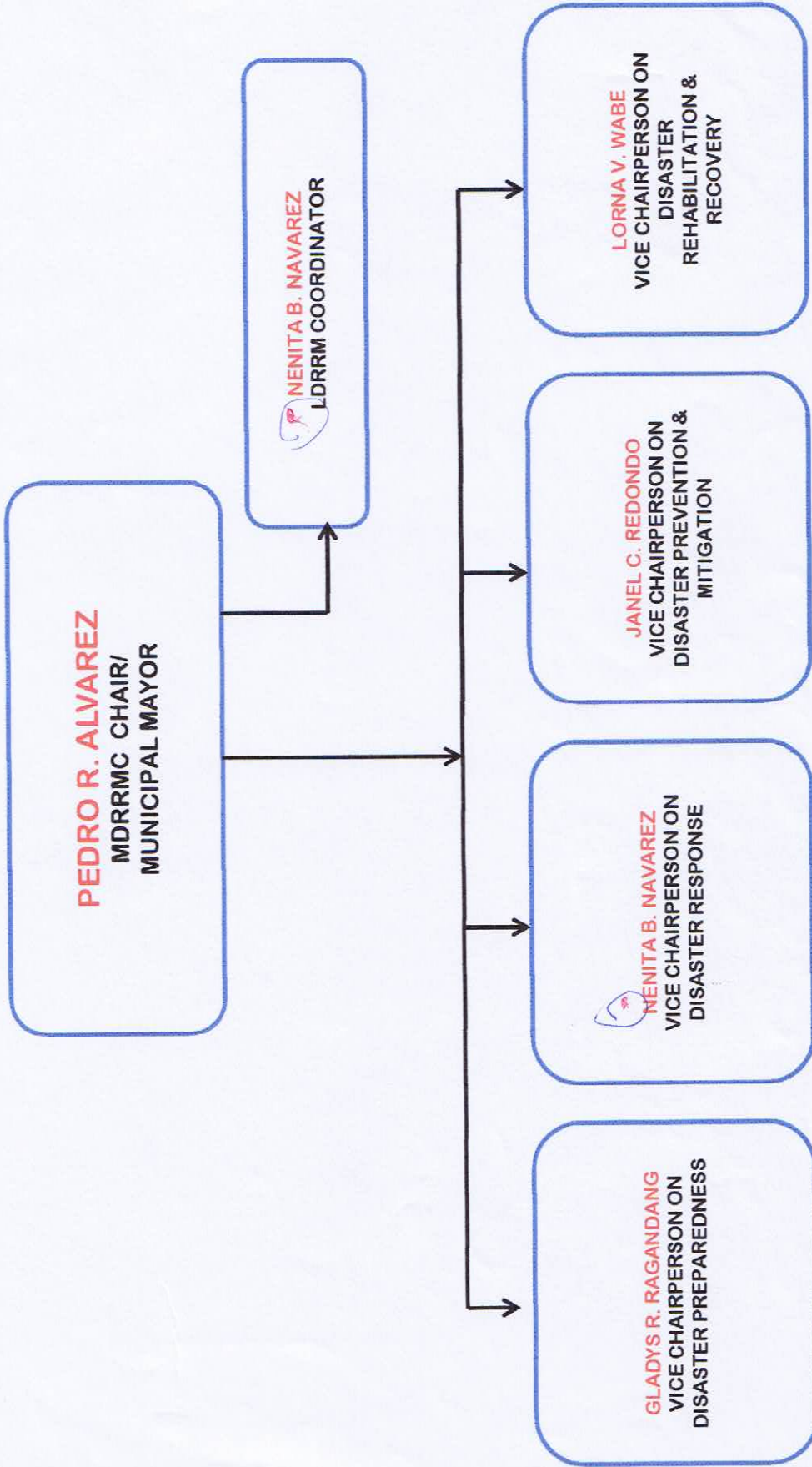
This order shall take effect immediately upon its approval.

Done this 20th day of June 2011 in the Municipality of Baungon,  
Province of Bukidnon, Philippines.



**HON. PEDRO R. ALVAREZ**  
Municipal Mayor

# MDRRMC ORGANIZATIONAL STRUCTURE





Republic of the Philippines  
Province of Bukidnon  
**MUNICIPALITY OF LIBONA**

**OFFICE OF THE MUNICIPAL MAYOR**

**Executive Order No. 01 S. 2012**

**THE MUNICIPAL DISASTER RISK REDUCTION MANAGEMENT COUNCIL**

**Whereas**, Republic Act 10121, otherwise known as “An Act Strengthening the Philippine Disaster Risk Reduction and Management Framework and Institutionalizing the National Risk Reduction and Management Plan and Appropriating Funds therefor and For Other Purposes” mandates all the Local Government Unit to organize Local Disaster Risk Reduction Management Council (LDRRMC);

**Whereas**, Section II of the said Law ordered the Local Government Unit that the existing Municipal Disaster Coordinating Council shall henceforth be known as the Municipal Disaster Risk Reduction Management Council (MDRRMC),

**NOW, THEREFORE, I, HONORABLE LEONARDO GENESIS T. CALINGASAN**, Municipal Mayor, this Municipality, by virtue of the power vested in me by Law, specifically, Republic Act No. 10121 and Republic Act 7160, otherwise known as “The Local Government Code of 1991” do hereby organized the Municipal Disaster Risk Reduction Management Council.

**Section 1. DECLARATION OF POLICY.** In support to the national policy, the Municipal Mayor of Libona hereby declares that:

- a. Policies, Plans and the implementation of actions and measures pertaining to all aspects of disaster risk reduction and management, shall always be adhered to;
- b. Self-reliance shall be developed to become the overriding consideration in Disaster Management by promoting and encouraging the spirit of self-help and mutual assistance among the Local Government Units, their officials, and their constituents;
- c. Each political and administrative subdivision of the Municipal Government shall utilize all available resources in the area before asking for assistance from neighboring entities or higher authority;
- d. The primary responsibility rests on the government agencies in the affected areas in coordination with the people themselves;
- e. It shall be the responsibility of all government departments, bureaus, agencies and instrumentalities to have documented plans of their emergency functions and activities;
- f. Planning and operation shall also be done on the level in an inter-agency, multicultural basis to optimize the utilization of resources;
- g. Responsibility of leadership rests on the Municipal Mayor or his duly deputized official, Barangay Chairmen, each according to area or sphere of responsibility;
- h. The Municipal Government shall support the Barangay Governments. In time of disaster and emergencies and according to their level of assignment, all Provincial/National Government Offices in the field shall support the operations of the Local Government, and
- i. To ensure that operational activities, trainings, exercise and periodic drills shall be conducted at all level, principally at the Barangays.

**Section 2. COMPOSITION.** The Municipal Disaster Risk Reduction Management Council (MDRRMC) shall be composed of, but not limited to the following:

**CHAIRMAN** : Hon. LEONARDO GENESIS T. CALINGASAN

**EXECUTIVE OFFICER** : MRS. URSULA C. BUTA, RSW  
**Members** : Mrs. Alberta O. Edralin, SWO – 1  
Mrs. Luz L. Eduria, SWA  
Mrs Gilda Lagamon, Staff

**SUB-COMMITTEES VICE CHAIRMAN**

**Disaster Preparedness** : MRS. CHRISTIE C. CUBERO, MLGOO -V  
**Members** : Councilor Ernie Al Edralin, SB Member  
Mr. Demetrio Cimacio, MPDO  
Councilor Alejandro Buenaflor, SB Member  
Sr./ INSP. Romualdo Duna, Fire Marshall

**Disaster Response** : P/INSP. BENIGNO BALISI  
**Members** : Dra. Ma, Cecilia P. Gomez, MHO  
Mrs. Clarita G. Olamit, Mun. Treasurer  
Mrs. Verla V. Cimacio, Mun. Accountant  
Mr. Filoteo Lofranco, Jr.  
FOI Cuniberto Escuadro  
FOI Vergel Balabag  
FOI Niel Paculanang  
FOI Cheryl Lacheca

**Disaster Prevention & Mitigation** : Mr. Edmundo Descallar, MAO  
**Members** : ABC President Eleazar P. Ibona  
Mr. Semion Angcot, MENRO  
Mr. Anthony Cuerquiz, Sanitary Inspector  
Mrs. Luz Daquilog

**Rehabilitation and Recovery** : ENGR. RAMON MALABO  
**Members** : Mrs. Marjorie D. Sabanpan, MBO  
Councilor Fernando Ibarrita, SB Member  
Engr. Felix Colorines  
Mr. Antonio Pacheco

**Section 3. Function.** The Council shall have the following functions:

1. Approve, monitor and evaluate the implementation of the LDRRM Plans and conduct regular review and test the consistency of the plan with the national and local planning programs;
2. Ensure the integration of Disaster Risk Reduction and Climate Change adaptation into the local Development Plans, Programs and Budget as a strategy in sustainable development and poverty reduction, and
3. Recommends to the Sangguniang Bayan the Declaration of Calamity Area.

**Section 4. Committee Tasks and Responsibility.** The Sub- committees shall have the committee task and responsibility.

**1 A. DISASTER PREPAREDNESS**

**Sub- Committees**

- a. Planning
- b. Capacity Delopment and institutional building
- c. Pre-emptive evacuation

Functions: In coordination with Local Disaster Risk Reduction and Management Officer, the committee is tasked to:

- 1.1 Formulate contingency plans for all types of disaster,
- 1.2 Formulate Disaster Risk Reduction and Management Plan Climate Change Adaptation plan and mainstream the Local Development and Framework Plan,
- 1.3 Determine the types of service units to be utilized in the disaster area,
- 1.4 Maintain and / or supervise program operations and disaster preparedness
- 1.5 Conduct trainings, IEC and drills Hazard risk, vulnerability and capacity assessment and analysis,
- 1.6 Receive warning signals from warning agencies such as PAGASA, PHILVOCS and disseminate such warning,
- 1.7 Coordinate with LDRRM Council, PNP, 403<sup>rd</sup> Brigade, Philippine Red Cross and Local Engineering during Pre-emptive evacuation,
- 1.8 Provide transport facilities needed by action officer and member agencies during and after emergency or calamity,
- 1.9 Maintain Peace and Order in affected areas, evacuation centers and safeguard properties,
- 1.10. Organize and volunteers such auxiliary fire group and rescue groups,
- 1.11. Provide information to the general public on fire prevention and control and climate change.

## **2. DISASTER RESPONSE**

Sub –Committees

- a. Rescue and Evacuation
- b. Disaster Relief
- c. Rapid Damage Assessment and Needs Analysis

Functions: In coordination with Local Disaster Risk Reduction and Management Officer, the committee is tasked to:

- 2.1 Reduce loss lives and human sufferings in times and emergency and calamity,
- 2.2 Conduct Rapid Damage Assessment and Needs Analysis immediately during emergency or disaster,
- 2.3 Provide immediate integrated relief operations in coordination with local/ nation Health Officers, Philippine Red Cross, Civil Society, Gos and NGOs.
- 2.4 Conduct / augment rescue in coordination with Local Disaster Responders and Rescue Groups,
- 2.5 Provide mass feeding and evacuation center management,
- 2.6 Provide immediate health interventions and medical treatment,
- 2.7 Transport relief supplies, victims and properties to evacuation center,
- 2.8 Direct and monitor all response and rescue activities.

## **3. DISASTER PREVENTION AND MITIGATION**

- a. Standard Safety and Regulation
- b. Inspection
- c. Preventive Measures
- d. Non- structural and structural mitigation measures

Functions: In coordination with three Local Disaster Risk Reduction and Management Officers, the committee is tasked to:

- 3.1 Collate and gather existing policies regulations pertaining to safety standards,
- 3.2 Recommended proposed policies, regulations, laws, ordinance and resolutions for possible nonstructural mitigation measures,
- 3.3 Monitor and check compliance of all safety standards in coordination with existing offices and agencies,
- 3.4 Recommend safety measures to Local Sanggunian and Agencies concern,
- 3.5 Plan and Recommend structural mitigation measures for construction if necessary,
- 3.6 Plan and Recommended mitigation measures for epidemics, infestation and other, agricultural measure to prevent and mitigate the effects of calamities of climate change.

## **4. REHABILITATION AND RECOVERY**

- a. Debris Clearing and Recovery Operations
- b. Repair and Rehabilitation
- c. Relocation
- d. Post Evaluation

Functions: In coordination with the Local Disaster Management Officer, the Committee is tasked to:

- 4.1 Mobilization of equipment and manpower for immediate debris and recovery operation,
- 4.2 Sorting and disposal of debris,
- 4.3 Identification of dumping disposal,
- 4.4 Identify ideal site for evacuation centers resettlement/ relocation sites,
- 4.5 Preparation and submission of rehabilitation and recovery plan, relocation and program of work,
- 4.6 Organize/ mobilize agencies and volunteers for immediate recovery and rehabilitation activities,
- 4.7 Assess/monitor/supervise of sub-committees 1 to 3,
- 4.8 Recommend lifting of state of calamity areas,
- 4.9 Prepare disaster terminal report.

#### **Section 5. Operation Center.**

The Council shall establish the Municipal Disaster Risk Reduction Management Operation Center, which shall be operated on Twenty-four (24) hours. The Center must be under the supervision of Municipal Social Welfare and development officer, the Vice Chairperson on: (administrative staff responsible for, 1) Administrative and Training, 2) research and Planning, 3) Operation and warning and 4) Continuous Monitoring and Quick Response and Rescue Team.

The Center must be within the Municipal Complex which has a separate budget and equipped with Life-saving Rescue Equipments and supplies, transportation Equipment and Communication facilities.

#### **Section 6. Budget**

The budget is from the 70% of the 5% Local Calamity Funds of MDRRM Funds for pre-disaster preparedness program, training, purchase of life-saving equipments, disaster supplies & materials, operation center operation and quick response and rescue funds.

#### **Section 7. Meeting and Quorum**

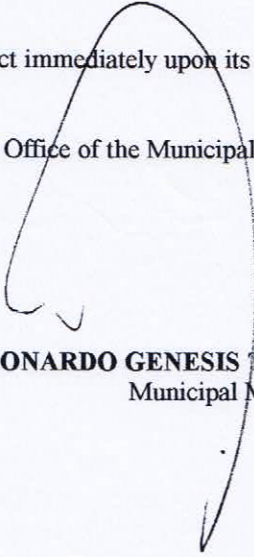
The local Council shall convene once every three (3) months as necessary.

#### **Section 8. Secretariat**

The Executive Officer of the Municipal Disaster Risk Reduction and Management Council shall provide administrative support services and is responsible in the management of the Municipal Operation Center.

**Section 9. Effectively.** This order shall take effect immediately upon its approval.

Done this 6<sup>th</sup> day of January 2012 in the Office of the Municipal Mayor, Libona, Bukidnon.

  
**LEONARDO GENESIS T. CALINGASAN**  
Municipal Mayor

Republic of the Philippines  
Province of Bukidnon  
Municipality of Libona

OFFICE OF THE MUNICIPAL MAYOR

OFFICE ORDER  
Number 003 LGTC S. 2011

TO : URSULA C. BUTA, RSW  
MSWDO/PAO Designate

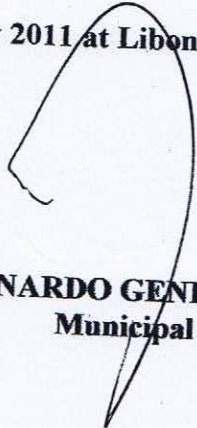
SUBJECT : DESIGNATED AS EXECUTIVE OFFICER/COORDINATOR OF  
THE MUNICIPAL DISASTER RISK REDUCTION AND  
MANAGEMENT COUNCIL

In view of the exigency of service, to provide effective performance and in addition to your work load, you are hereby designated as Executive Officer/Coordinator of the Municipal Disaster Risk Reduction and Management Council.

As such, you shall provide Administrative Support Services and is Responsible in the Management of the Municipal Operation Center.

This Order will take effect immediately.

Issued this 6<sup>th</sup> day of January 2011 at Libona, Bukidnon.

  
LEONARDO GENESIS T. CALINGASAN  
Municipal Mayor

Executive Order No. 510

Title: "Creating the River Basin Control Office"

Date approved: March 5, 2006

This Executive Order establishes the River Basin Control Office (RBCO) under the Department of Environment and Natural Resources (DENR).

In addition, Section 2 of the Executive Order stipulates the following roles for the RBCO related to flood management:

- (a) Together with the DPWH, rationalize the various existing river basin projects such as but not limited to the following. Mt. Pinatubo Hazard Urgent Mitigation, Iloilo Flood Control, Lower Agusan Flood Control, Bicol River Basin and Watershed Management, Agno River and Allied Rivers Flood Control, KAMANAVA Flood Control, and the Pasig River Rehabilitation;
- (b) Together with the Department Public Works and Highways and the National Disaster Coordinating Council, develop a national master plan for flood control by integrating the various existing river basin projects and developing additional plan components as needed;
- (c) Rationalize and prioritize reforestation in watershed such as but not limited to the watersheds of the Pampanga River and the Bicol River;

D97.12 OPWH  
01-11-2013



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Manila

JAN 11 2013

SPECIAL ORDER ) ASSIGNMENT OF ENGR. ALEJANDRO A. SOSA  
NO. 24 ) AS PROJECT MANAGER OF FLOOD RISK  
Series of 2013 <sup>Dr. H. S.</sup> ) MANAGEMENT PROJECT

In the interest of the service and pursuant to the provisions of Sections 6 and 37 of Executive Order No. 124, dated 30 January 1987, **Engr. Alejandro A. Sosa**, is hereby assigned as Project Manager of Flood Risk Management Project.

Under and by virtue of this Order, Engr. Sosa is directed to perform the duties and assume the responsibilities appurtenant to the position of Project Manager and shall report directly to the Project Director of the Flood Control Management Office.

This Order supersedes previous issuances to the contrary and shall take effect immediately.

  
**ROGELIO L. SINGSON**  
Secretary

Department of Public Works and Highways  
Office of the Secretary



WIN3102039

097.12 DPWH  
01-11-2013



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Manila

**JAN 11 2013**

SPECIAL ORDER ) ASSIGNMENT OF ENGR. ROGELIO O. ANG AS  
NO. 21 ) PROJECT MANAGER OF MT. PINATUBO  
Series of 2013 <sup>pr. 11-13</sup> ) EMERGENCY PMO/INTEGRATED DISASTER  
RISK REDUCTION AND CLIMATE CHANGE  
ADAPTATION, AND POST ONDOY AND  
PEPENG SHORT-TERM INFRASTRUCTURE  
REHABILITATION PROJECT

In the interest of the service and pursuant to the provisions of Sections 6 and 37 of Executive Order No. 124, dated 30 January 1987, **Engr. Rogelio O. Ang**, is hereby assigned as Project Manager of Mt. Pinabuto Emergency PMO/ Integrated Disaster Risk Reduction and Climate Change Adaptation, and Post Ondoy and Pepeng Short-Term Infrastructure Rehabilitation Project.

Under and by virtue of this Order, Engr. Ang is directed to perform the duties and assume the responsibilities appurtenant to the position of Project Manager and shall report directly to the Project Director of the PMO-Flood Control.

This Order supersedes previous issuances to the contrary and shall take effect immediately.

  
**ROGELIO L. SINGSON**  
Secretary

Department of Public Works and Highways  
Office of the Secretary

  
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Republic of the Philippines  
**DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS**  
**OFFICE OF THE SECRETARY**  
Manila

SEP 03 2012

DEPARTMENT ORDER )  
NO. 62 )  
SERIES OF 2012 )  
9-3-12 )  
SUBJECT: **AUTHORITIES AND AREAS OF RESPONSIBILITIES OF UNDERSECRETARY ALFREDO G. TOLENTINO**

In the interest of the service and pursuant to the provisions of Sections 6 and 37 of Executive Order No. 124 dated 30 January 1987, and in view of the appointment of Engr. ALFREDO G. TOLENTINO as Undersecretary, the following are his authorities and areas of responsibilities. As Undersecretary, he shall report directly to the Secretary and shall have overall supervision and control over the Legislative Liaison Office, all projects implemented by PMO-URPO, and all infrastructure projects to be implemented by DPWH but funded under the budget of various line agencies, i.e., farm to market roads, school buildings and health centers. In addition, Engr. Tolentino shall act as Coordinator of the SLEX-NLEX Connector Road Project.

Under and by virtue of this Order, Engr. Tolentino is directed to perform the duties and assume the responsibilities appurtenant to the position of Undersecretary.

This Order supersedes previous issuances to the contrary and shall take effect immediately.

  
**ROGELIO L. SINGSON**  
Secretary



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Republic of the Philippines  
**DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS**  
**OFFICE OF THE SECRETARY**  
Manila

097.13 DPWH  
05-21-2004

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DEPARTMENT ORDER

No. **58**  
Series of 2004 *05-21-04*

**SUBJECT: RENAMING OF ENVIRONMENTAL  
IMPACT ASSESSMENT PROJECT  
OFFICE TO THE ENVIRONMENTAL  
AND SOCIAL SERVICES OFFICE**

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The Environmental Impact Assessment Project Office (EIAPO) is hereby renamed to the Environmental and Social Services Office (ESSO) and shall report directly to the Director of Planning Service.

This Order shall take effect immediately and supersedes all previous Department Orders and other issuances or any provision thereof that are inconsistent herewith.

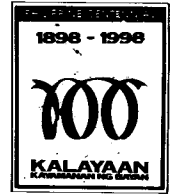
  
**FLORANTE SORIQUEZ**  
Acting Secretary



3

097-13 - DPWH  
12-13-99

Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Manila



285

DEPARTMENT ORDER )

NO. 237 )

SUBJECT : Creation of the Project Management Office for the Flood Control and Sabo Engineering Center (FCSEC)

Series of 1999 )

-X-X-X-X-X-X-X-X-X-X-X-X-X-X-X-X )

12/17/99

Pursuant to the Memorandum of Understanding dated 19 March 1999 entered into by the Department of Public Works and Highways (DPWH) and the Japanese International Cooperation Agency (JICA) concerning the implementation of "The Project for Enhancement of Capabilities in Flood Control and Sabo Engineering of the Department of Public Works and Highways", the Project Management Office for the Flood Control and Sabo Engineering Center (PMO-FCSEC) is hereby created, with its head office at the Napindan Hydraulic Control Structure (NHCS) Compound, Pasig City.

The PMO-FCSEC shall be headed by a Project Director from the DPWH, assisted by a Deputy Director from the University of the Philippines. The PMO-FCSEC shall be under the direct supervision of the Project Director for the PMO-Major Flood Control Projects and the overall administration of the Undersecretary for Technical Services. The PMO-FCSEC shall be responsible for the activities and undertakings defined in Article Two of the said Memorandum of Understanding. It shall be manned by personnel under contractual basis, in accordance with the approved organization and position structure for the said PM Office.

Pending approval by the Department of Budget and Management of the staffing pattern of contractual positions for the PMO-FCSEC, the latter shall be manned by existing personnel of DPWH organizational units who may be detailed to the said PMO.

This Department Order shall take effect immediately.

  
**GREGORIO R. VIGILAL**  
Secretary



DEC 14 2000

Page 03

DEPARTMENT ORDER ) SUBJECT: REORGANIZATION OF CLUSTERS FOR MAJOR FLOOD CONTROL PROJECTS.

No. 232 Series of 2000.

In the interest of the service, the Major Flood Control Projects of the DPWH are hereby reorganized into two clusters as follows:

PMO-Major Flood Control and Drainage Cluster I - headed by Engr. NONITO F. FANO Project Manager IV

Table with 2 columns: Projects and Sources of Funds. Lists 8 projects including Pampanga Delta Development, KAMANAVA Flood Control, Pasig-Marikina River Channel Improvement, etc.

PMO-Major Flood Control and Drainage Cluster II - headed by Engr. PHILIP F. MEÑEZ Project Manager III

Table with 2 columns: Projects and Source of Funds. Lists 6 projects including Laoag River Basin Flood Control, Lower Cagayan River Flood Control, Agno and Allied Rivers Urgent Rehabilitation, etc.

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The Project Managers of the above-mentioned projects shall be under the supervision of and report to their respective Cluster Heads.

This Order supersedes previous issuances or portions thereof inconsistent herewith and shall take effect immediately.

  
**GREGORIO R. VIGILAR**  
Secretary

**Dept. of PUBLIC WORKS and HIGHWAYS**  
**Certified True / Machine Copy:**  
  
**RENEE R. ORTIZ, MBM**  
**Chief, Records Management Division, ANRS** 12-15-2012



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Manila

097.13 DPWH  
06-20-2012

**JUN 19 2012**

DEPARTMENT ORDER )  
No. 42 )  
Series of 2012 )  
SUBJECT: **ROLE OF REGIONAL AND DISTRICT  
ENGINEERING OFFICES IN THE PMO  
IMPLEMENTED PROJECTS**

To achieve a more transparent, effective and efficient implementation of PMO projects, the DPWH Regional Director/s and District Engineers are hereby designated as Special Project Monitoring Supervisors for all PMO projects in their respective area of jurisdiction. As such the following responsibilities are hereby spelled out in detail:

- 1) All foreign-assisted projects being undertaken by Project Management Offices (PMOs) shall be monitored by the Regional Director (RD) and District Engineer (DE) in their area of jurisdiction.
- 2) Regional Directors and District Engineers must be consulted and involved in the entire project development cycle from planning to implementation stage, and shall be furnished with the Program of Works (POW), Plans, Contract and Technical Specifications/documentations of the project before the start of implementation.
- 3) The Regional and District Offices shall be furnished with Monthly Progress Accomplishment/Status Reports by PMOs concerned. They shall invite the respective Project Directors to attend the Regional Staff Meetings.
- 4) The District Engineer/s concerned shall be one of the signatories in the final inspection of the project prior to final payment.
- 5) The District Engineer/s concerned likewise shall be one of the signatories in the inspection prior to the issuance of final acceptance certificate.
- 6) The Bureau of Construction (BOC) and the Central Procurement Office (CPO) shall be furnished copies of inspection report and final acceptance certificate.

This order shall be harmonized in the pertinent provisions of D.O. No. 9 dated 21 February 2011, "Conduct of Pre-Procurement, Procurement and Implementation Activities for DPWH Foreign-Assisted Civil Works Projects" and supersedes Memorandum dated 14 November 1996, "Designation of Regional Directors as Special Project Supervisors for Foreign Assisted Projects in the Region" and shall take effect immediately.



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**ROGELIO L. SINGSON**  
Secretary

DENR AO 13-1992

Date approved: March 30, 1992

This Administrative Order provides mainly regulations governing the establishment of buffer zones within forestlands.

Section 4. Areas Identified as Buffer Zones

In the establishment of buffer zones, priority shall be given to forestlands and critical mangrove areas located along the boundaries of population centers with densely populated communities and in forestlands made accessible by the presence of legitimate TLA holders or permittees.

More specifically, buffer zones shall be established in:

- 4.1 Twenty-meter (20 m) strips of land along the edge of normal high waterline of rivers and streams with channels of at least five meters (5m) wide;
- 4.2 Where applicable, buffer zones shall likewise be established in the following areas:
  - 4.2.1 Strips of land at least fifty meters (50m) in width fronting the sea, ocean or other bodies of water and twenty meters (20m) on both sides of river channels/banks maintained and developed to enhance the protective capability of mangrove against strong current, winds and high waves;
  - 4.2.2 In storm-prone areas, mangrove forest strips, one hundred meters (100m) wide inward along shoreline fronting seas, ocean and water bodies and fifty meters (50m) strip river bank protection; and
  - 4.2.3 Twenty-meter (20m) strips of land outside the boundaries and immediately adjacent to designated protected areas.