

[PRESIDENTIAL DECREE NO. 552, September 11, 1974]

AMENDING CERTAIN SECTIONS OF REPUBLIC ACT NUMBERED THIRTY-SIX HUNDRED AND ONE, ENTITLED, "AN ACT CREATING THE NATIONAL IRRIGATION ADMINISTRATION."

WHEREAS, the enunciation policy is for a comprehensive development, utilization and conservation of water resources of the Philippines, and in pursuit of this policy, one of the primary objectives of the National Irrigation Administration is to effectuate an economic means of achieving the optimal and diversified utilization and control of water by undertaking integrated irrigation projects.

WHEREAS, the National Irrigation Administration assumes as its primary responsibility, the implementation of the irrigation integrated program of the government and the attainment of the "Irrigation Age", as envisioned under Republic Act No. 3601;

WHEREAS, an effective means of implementing multiple-purpose projects in line with program- oriented and comprehensive water resources development necessitates broader powers and authority of the NIA to undertake concomitant projects such as flood control, drainage, land reclamation, hydraulic power development, domestic water supply, road or highway construction, reforestation and projects to maintain ecological balance, in coordination with the agencies concerned;

WHEREAS, the construction of multiple-purpose water resources projects involves substantial investment of government funds to increase agricultural production for the financial upliftment of the people for them to be able to assume and comply with their obligations and responsibilities to the government;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution do hereby amend certain sections or provisions of Republic Act Numbered Thirty-six Hundred and One, "An Act Creating the National Irrigation Administration", to wit:

SECTION 1. Section 2, Republic Act Numbered Thirty-six Hundred and One, is hereby amended to read as follows:

"SEC. 2. Powers and Objectives. — The NIA shall have the following powers and objectives:

- a. To investigate and study all available and possible water resources in the Philippines, primarily for irrigation purposes; to plan, design, construct and/or improve all types of irrigation projects and appurtenant structures; to operate, maintain, and administer all national irrigation system; the authority to supervise the operation, maintenance and repair, or otherwise, administer temporarily, all communal and pump irrigation systems constructed, improved and/or repaired wholly or partially with government funds; and to delegate the partial or full management of national irrigation systems to duly organized cooperatives or associations, under such terms and conditions which the NIA Board of Directors may impose;

- b. To charge and collect from the beneficiaries of the water from all irrigation systems constructed by or under its administration, such fees or administration charges as may be necessary to cover the cost of operation, maintenance and insurance, and to recover the cost of construction within a reasonable period of time to the extent consistent with government policy; to recover funds or portions thereof expended for the construction and/or rehabilitation of communal irrigation systems which funds shall accrue to a special fund for irrigation development under section 2 hereof;

Unpaid irrigation fees or administration charges shall be preferred liens, first, upon the land benefited, and then on the crops raised thereon, which liens shall have preference over all other liens except for taxes on the land, and such preferred liens shall not be removed until all fees or administration charges are paid or the property is levied upon and sold by the National Irrigation Administration for the satisfaction thereof. Judicial actions for the collection of unpaid irrigation fees or charges, drainage fees or other charges which the National Irrigation Administration is authorized to impose and collect, shall henceforth be governed by the provisions of the Rules of Court of the Philippines for similar actions, the provisions of other laws to the contrary notwithstanding;

- c. To construct multiple-purpose water resources projects designed primarily for irrigation, and secondarily for hydraulic power development and/or other uses such as flood control, drainage, land reclamation, domestic water supply, roads and highway construction and reforestation, among others: *Provided*, That the plans, designs and the construction thereof, shall be undertaken in coordination with the agencies concerned;
- d. To investigate, in coordination with the Bureau of Public Works, areas which are unproductive or less productive due to permanent or occasional submergence, and to plan, design and construct drainage facilities and protective works for agricultural purposes to increase or maximize their productive yield, to collect drainage fees from landowners of areas benefited by the drainage facilities and protective works to recover the cost of operation and maintenance as well as a reasonable portion of the cost of the construction thereof, consistent with government policy;
- e. To acquire, by any mode of acquisition, real and personal properties, and all appurtenant rights, easements, concessions and privileges, whether the same are already devoted to private or public use in connection with the development of projects by the NIA;

The National Irrigation Administration is empowered to exercise the right to eminent domain in the manner provided by law for the institution of expropriation proceedings.

In the prosecution of its projects, the National Irrigation Administration is hereby given the right of way to construct, and maintain such works and hydraulic structures over and throughout lands of the public domain, and in those owned by any branch of the government, political subdivision,

and instrumentality. In case of private property, compensation for the use and occupancy thereof shall be paid and determined as follows:

1. In case of the establishment of easement of aqueduct, abutment of dams, right of way for access roads and other similar works pertaining to irrigation projects and for facilities and works pertaining to multiple-purpose projects, the owners of the property shall be entitled to not more than ten percent (10%) of the market value of the property, based on the current tax declaration at the time of actual entry or the filing of the complaint for eminent domain, whichever is earlier.
2. In case the property is acquired by purchase, the fair market value of the area actually occupied shall be paid, based on the current tax declaration at the time of actual entry or the filing of the complaint for eminent domain, whichever is earlier.
3. In both instances under (1) and (2), the owners of the property shall be compensated for damages to improvements based on the valuation thereof appearing in the current tax declaration at the time of actual destruction or the filing of the complaint for eminent domain, whichever is earlier; *Provided, further,* That if the improvements could be removed without substantial destruction and impairment of their use, the compensation shall be fifty per cent (50%) of the current value therefor; *Provided, finally,* That if the crops are harvested before actual destruction thereof, no compensation therefor shall be paid, notwithstanding the filing of the complaint for eminent domain.

All actions for the recovery of compensation and damages against the National Irrigation Administration under paragraphs (1), (2) and (3) hereof, shall be filed with a competent court within five (5) years from the date of entry of the land or destruction of the improvements or crops, after which period, the right of possession and/or ownership of the National Irrigation Administration shall be considered vested and absolute. All other actions for the recovery of compensation and damages to private property and improvements occasioned by the construction, operation and maintenance of irrigation facilities and other hydraulic structures under the administration of the National Irrigation Administration, which have accrued ten (10) or more years prior to the approval of this decree are deemed to have prescribed and are barred forever.

- f. To establish/create such services and facilities and other means of social and economic assistance to the community which might be adversely and directly affected by the construction of National Irrigation Administration projects, and to do all such other things, and to transact such business, as are directly or indirectly necessary, incidental or conducive to the attainment of the above powers and objectives, including the power to establish and maintain all the powers of a corporation under the Corporation Law, insofar as they are not inconsistent with the provisions of this Act."