

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )

Senate  
Office of the Secretary

'22 JUL 26 P 6:36

SENATE

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

S. No. 894

---

Introduced by Senator Ronald "Bato" Dela Rosa

---

**AN ACT**  
**CREATING THE LAKE LANA O DEVELOPMENT AUTHORITY DEFINING ITS**  
**POWERS, FUNCTIONS, AND DUTIES, APPROPRIATING FUNDS THEREFOR**  
**AND FOR OTHER PURPOSES.**

EXPLANATORY NOTE

Lake Lanao, with an inland water area of 336 hectares and surface area at 36,000 hectares, is the oldest lake and second largest lake in the Philippines. It is considered the ancestral domicile of the Meranaw or more commonly called as Maranao. It was proclaimed a watershed reserve on February 26, 1992 by virtue of Proclamation No. 871.<sup>1</sup> Despite the presidential proclamation and the evident importance of the lake, it continues to deteriorate and face serious environmental problems due to unsustainable and human practices and activities.

On August 1, 2015, the National Research Council of the Philippines (NRCP) under the Department of Science and Technology started the first comprehensive research program for Lake Lanao. According to NCRP which published its studies in 2018, the weak lake governance can further deteriorate the condition of the lake which may become detrimental to people's health and wellness. Further, the research concluded that water quality of the lake is worsening causing the lake to suffer from loss of endemic fish. Around eighteen native fish species in the lake have

---

<sup>1</sup> <https://www.officialgazette.gov.ph/1992/02/26/proclamation-no-871-s-1992/>

gone extinct. In addition, according to DOST-NRCP last February 18, 2021, the lake was reportedly deteriorating due to increased human population and activities around the lake, that's why there is a need to conserve the lake's good condition especially now that the people have resettled back near the lake after the Marawi siege.<sup>2</sup>

We need to guarantee the sustainability of the biodiversity of Lake Lanao which has been considered as the heart of the Maranao people's spiritual, cultural, social, political and economic life. It serves as a fisheries resource, transport route, recreational area, and water supply for domestic and agricultural uses of the local populace. Since 1990, the lake has served as a reservoir with the construction of the Agus River Dam and operation of the National Power Corporation's hydroelectric plants (Agus I-VI), which supply up to the 70% of Mindanao's energy with 727 megawatts.<sup>3</sup>

Without proper governance and conservation efforts, Lake Lanao will no longer be sustainable not only for marine life but for humans as well. The proposed bill seeks to establish the Lake Lanao Development Authority with the objective of promoting biodiversity; accelerating a balanced growth; and ecological preservation of Lake Lanao and its surrounding cities and municipalities. All of these within the context of sustainable growth, with due regard and adequate provisions for environmental management and control, preservation of the quality of human life and ecological systems, and the prevention of undue environmental disturbances, deterioration, and pollution.

In view of the foregoing, I urge the earnestly passage of this bill.

  
RONALD "BATO" DELA ROSA

---

<sup>2</sup><https://www.dost.gov.ph/knowledge-resources/news/72-2021-news/2129-lake-lanao-one-of-the-world-s-17-ancient-lakes-remains-pristine-study-says.html>

<sup>3</sup> <https://www.agriculture.com.ph/2018/06/13/saving-lake-lanao/>

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



'22 JUL 26 P 6:37

SENATE

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

S. No. 894

---

Introduced by Senator Ronald "Bato" Dela Rosa

---

**AN ACT**  
**CREATING THE LAKE LANAO DEVELOPMENT AUTHORITY DEFINING ITS**  
**POWERS, FUNCTIONS, AND DUTIES, APPROPRIATING FUNDS THEREFOR**  
**AND FOR OTHER PURPOSES**

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

1 Section 1. *Short Title.* - This Act shall be known as the "Lake Lanao  
2 Development Authority Act".

3 Sec. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to  
4 promote and accelerate a balanced growth and progress of Lake Lanao and its  
5 surrounding cities and municipalities, within the context of sustainable growth, for  
6 the development of Mindanao with due regard and adequate provisions for  
7 environmental management and control, preservation of the quality of human life  
8 and ecological systems, and the prevention of undue ecological disturbances,  
9 deterioration and pollution.

10 Sec. 3. *Lake Lanao Development Authority.* - There is hereby created and  
11 established Lake Lanao Development Authority, hereafter referred to as the  
12 "Authority" and organized within one hundred twenty (120) days after the effectivity  
13 of this Act.

14 Sec. 4. *Composition.* - The Authority shall consist of a Board of Directors,  
15 hereinafter referred to as the "Board" which shall be composed of a Chairman and  
16 six (6) Members, to be appointed by the President: *Provided*, that at least two (2) of  
17 the Members of the Board must be residents of Lanao del Sur and Lanao del Norte.

1 No person shall be appointed as Chairman or Member of the Board unless he  
2 or she is a citizen and resident of the Philippines, at least thirty-five (35) years of  
3 age, and of good moral character, recognized integrity and competency in the field  
4 of public administration, economic planning, resource management or in the  
5 establishment and management of large agricultural, industrial or commercial  
6 enterprises.

7 The term of office for the Board shall be for a period of six (6) years, unless  
8 sooner removed or incapacitated: *Provided*, That in case of any vacancy in the  
9 Board, the same shall be filled by the President for the unexpired term.

10 For purposes of this Act, the Authority created under this Section shall identify  
11 the surrounding cities and municipalities within its jurisdiction which shall be known  
12 as the "Area".

13 *Sec. 5. Powers and Functions of the Board.* - The Authority through the Board  
14 shall have the following powers and functions:

- 15 a. To periodically conduct, monitor, and update a comprehensive survey of Lake  
16 Lanao and its surrounding area including its socio-economic conditions, water  
17 quantity and quality in the lake proper and all its major tributary rivers,  
18 hydrologic characteristics, power potentials, scenic and tourist spots,  
19 conservation of water resources and such other areas of concerns, and  
20 thereafter craft a comprehensive and detailed Master Plan: *Provided*, That the  
21 implementation of all fisheries plans, projects, and programs of the Authority  
22 shall require prior consultation with the Bureau of Aquatic Resources to  
23 ensure that such plans, programs and projects are consistent with the  
24 national fisheries plans and programs;
- 25 b. To promote or engage in agricultural, industrial, tourism, commercial or other  
26 activities necessary or directly contributory to the socioeconomic development  
27 of the Area, and, for this purpose, whether by itself or by cooperation with  
28 private entities, may organize, finance, invest in, and operate subsidiary  
29 corporations;
- 30 c. To study and approve all plans, programs and projects proposed by the local  
31 government units, public corporations, and private entities which is related to  
32 the utilization of the resources and the development of Lake Lanao and the

1 surrounding area, and monitor the proper implementation of said plans,  
2 programs and projects consistent with the objectives and purposes of this  
3 Act: Provided, That the Authority cannot approve any such plans, programs  
4 and projects without prior consultation with the Department of Environment  
5 and Natural Resources (DENR);

- 6 d. To undertake reclamation projects which may be necessary to accomplish the  
7 approved plans and projects of the Authority: Provided, That the land so  
8 reclaimed shall be the property of the Authority and title thereto shall be  
9 vested in the Authority;
- 10 e. To plan, program, finance and/or undertake infrastructure projects such as  
11 flood control, sewage, water supply, roads, pot works, irrigation, housing and  
12 other related works, as may be deemed necessary, when so required within  
13 the context of its plans, programs
- 14 f. To implement projects and undertake studies on the improvement and  
15 maintenance of the desirable water quality of Lake Lanao, and in pursuance  
16 thereof, prepare a water quality management program on a continuing basis,  
17 which the Authority shall carry out with the assistance and support of the  
18 national and local government units involved in water quality management;
- 19 g. To exercise the right of eminent domain or acquire by purchase, private-  
20 owned lands within the area for purposes of implementing plans and projects  
21 of the Authority;
- 22 h. To formulate and implement public safety measures to ensure preservation of  
23 peace and order within the Area;
- 24 i. To accept grants, donations, gifts, bequests, funds, and properties in  
25 coordination with the appropriate agency and administer the same in  
26 accordance with the terms thereof and consistent with the policy and powers  
27 of the Authority provided for in this Act;
- 28 j. To collect reasonable fees for the use of the lake waters, its tributaries and  
29 shore land areas for all beneficial purposes including but not limited to  
30 fisheries, aquaculture, municipal, agricultural, irrigation, commercial,  
31 industrial, hydroelectric generation and other power potential, transport and  
32 navigation, waste disposal purposes, recreation and reclamation from all

1 private and public entities whether government or non-government agencies,  
2 among others the water utilities sector. All the fees so collected shall be  
3 accordingly appropriated for the sustainable development of the lake and its  
4 watershed areas;

5 k. To enter into contracts to carry out its purposes and objectives;

6 l. To sue and be sued;

7 m. To issue rules and regulations as may be necessary to effectively carry out  
8 the powers herein provided with prior consultation with the affected and  
9 concerned stakeholders. Such rules and regulations shall take effect fifteen  
10 (15) days after publication in a newspaper of general circulation;

11 n. To perform any other act as may be deemed necessary by the Board, upon  
12 majority vote, to undertake the plans, programs and projects of the Authority.

13 *Sec. 6. Executive Director.* – In addition to the Board, an Executive Director  
14 shall be appointed by the President who shall have demonstrated executive  
15 competence and experience for at least ten (10) years in the management of  
16 agricultural, industrial, tourism or commercial enterprises and knowledgeable of the  
17 socio-economic conditions of Lake Lanao and its surrounding cities and  
18 municipalities. Further, no person may be appointed as an Executive Director unless  
19 he or she is a natural-born citizen, at least forty (40) years of age, and of proven  
20 competence, probity, and integrity.

21 The Executive Director shall be responsible for the effective implementation of  
22 the policies, rules and regulations promulgated by the Authority and perform such  
23 functions as may be assigned by the Board.

24 *Sec. 7. Prohibition against Conflict of Interest.* – The Board and the Executive  
25 Director shall not be allowed to have any financial interest, directly or indirectly, in  
26 any contract entered into by the Authority or in any special privilege granted by the  
27 Authority during his or her term of office. All contracts entered into by any member  
28 of the Board, the Chairman, or the Executive Director, in violation of this section  
29 shall be immediately voted upon by the Board within five (5) days after its discovery:  
30 Provided, That a vote of two-thirds (2/3) may invalidate the said contract.

1 The member of the Board, the Chairman, or the Executive Director who  
2 violated this section shall be disqualified from serving his or her unexpired term and  
3 shall be perpetually disqualified in any position in the Authority.

4 *Sec. 8. Establishment of Tourism Enterprise Zones.* – The Authority may allow  
5 the establishment of Tourism Enterprise Zones (TEZ) in complete coordination and  
6 assistance with the Tourism Infrastructure and Enterprise Zone Authority (TIEZA), as  
7 authorized by the Department of Tourism (DOT), and under the supervision of the  
8 President.

9 *Sec. 9. Capitalization.* – The Authority shall have an authorized capital of Two  
10 Billion Pesos (Php2,000,000,000.00) no par value shares, of which the amount of  
11 One Billion Pesos (Php1,000,000,000.00) may be subscribed by the provinces, cities  
12 and municipalities in the Area and at least twenty-five percent (25%) thereof shall  
13 be subscribed by the National Government.

14 *Sec. 10. Management Structure.* – In carrying out the activities of the  
15 Authority, it shall have the following departments under the direct control and  
16 supervision of the Executive Director:

- 17 a. Corporate Legal Affairs Department which shall provide legal advice and  
18 support to all the corporate units on the legal implications of the various  
19 undertakings of the Authority and divided into Litigation Division, and  
20 Research and Documentation Division;
- 21 b. Administrative Department which shall be responsible for providing services  
22 relating to human resource management, records management, and general  
23 services;
- 24 c. Finance Department that shall be responsible on revenue planning,  
25 generation and enhancement, assistance on budgetary and financial matters,  
26 and safekeeping of corporate assets.
- 27 d. Policy Planning and Management Services Department which will undertake  
28 policy research and development, and advise the General Manager on policy  
29 positions and public advocacy measures for approval of the Board; and
- 30 e. Integrated Water Resources Management Services Department that will serve  
31 as the main technical arm of the Authority and shall integrate the functions of

1 lake basin management and development. It shall oversee the management  
2 of the Laguna Lake and its river systems including the shore lands.

3 The Board shall periodically review the appropriateness of the existing  
4 organizational structure and amend the same whenever it may deem necessary and  
5 beneficial to achieve the purposes of this Act and to be able to respond efficiently to  
6 the mandate of the Authority as herein provided. Any proposed change in the  
7 organizational structure of the Authority shall be subject to prior consultation with  
8 the Department of Budget and Management and the approval of the President of the  
9 Philippines.

10 Sec. 11. *Appropriation.* – The amounts needed for the initial implementation  
11 of this Act shall be sourced from the current year's appropriations of the Department  
12 of Interior and Local Government. Thereafter, such sums as may be necessary for its  
13 continued implementation shall be included in the annual General Appropriations  
14 Act.

15 Sec. 12. *Separability Clause.* - If any portion or provision of this Act is  
16 declared unconstitutional, the remainder of this Act or any provisions not affected  
17 thereby shall remain in force and effect.

18 Sec. 13. *Repealing Clause.* - Any law, presidential decree or issuance,  
19 executive order, letter of instruction, rule or regulation inconsistent with the  
20 provisions of this Act is hereby repealed or modified accordingly.

21 Sec. 14. *Effectivity.* – This Act shall take effect fifteen (15) days following its  
22 complete publication in a newspaper of general circulation.

*Approved,*