



Republic Act No. 4850: Creating the Laguna Lake Development Authority¹

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Introduction

Laguna³ de Bay means “The Lake of (the town of) Bay”. It was named after Bay, a town in Laguna province, which once served as the provincial capital. In its alternate name, "Laguna Lake", the word "Laguna" refers to the Province of Laguna, and the name asserts the body of water as "the lake of the Province of Laguna". Laguna de Bay is a large shallow freshwater body in the heart of Luzon Island with an aggregate area of about 911 square kilometers (352 sq mi) and a shoreline of 220 kilometers (140 mi). It is considered to be the largest lake in the country and the third largest inland body of water in Southeast Asia. Laguna de Bay is bordered by the province of Laguna in the east, west and southwest, the province of Rizal in the north to northeast, and Metropolitan Manila in the northwest. The southern and eastern portions of Metro Manila occupy a huge portion of its watershed. The lake has an average depth of 2.8 meters (9 ft 2 in) and its excess water is discharged through the Pasig River (LLDA Website).

Uses of Laguna lake

Laguna Lake is dominantly used for fisheries. Its fisheries production is 140,426 metric tons (BFAR, 2010). This is 17% of national production and 58% of Region IV aquaculture and municipal fisheries production. About 5,000 motorized and non-motorized watercrafts operate as a means of transportation for lakeshore communities. The lake also serves as reservoir for floodwater to save Metro Manila from flooding. The Napindan control station regulates the outflow of excess lake water and minimizes the inflow of saline water and pollution from the Pasig River. For power generation, three power plants are located in the region. A pump storage hydroelectric power station is operated in Kalayaan, Laguna. Water is pumped up to the Caliraya Reservoir to generate about 300 megawatts of electricity. Other uses of Laguna Lake are for recreation (fishing, boating, and sailing); eco-tourism; irrigation; industrial cooling; as waste sink; and as source of potable water (LLDA Website).

¹ A short policy paper submitted to the Food and Fertilizer Technology Center (FFTC) for the project titled “Asia-Pacific Information Platform in Agricultural Policy”. Short policy papers, as corollary outputs of the project, describe pertinent Philippine laws and regulations on agriculture, aquatic and natural resources.

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³ *Laguna* is the Spanish word for lagoon. However, this body of water is not a mere lagoon but a true lake.

The Laguna Lake Development Authority (LLDA)

The LLDA was established by virtue of Republic Act No. 4850⁴ as a quasi-government agency with regulatory and proprietary functions. Through Presidential Decree 813⁵ in 1975, and Executive Order 927⁶ in 1983, its powers and functions were further strengthened to include environmental protection and jurisdiction over the lake basin's surface water. In 1993, through Executive Order 149⁷, the administrative supervision over LLDA was transferred from the Office of the President to the Department of Environment and Natural Resources (DENR) (LLDA website).

Special powers and functions.

The LLDA was vested and conferred with powers and functions in order to promote and accelerate the development and balanced growth of the Laguna Lake area, and the surrounding provinces, cities, and towns, referred to as the "region" (Section 1, R.A. No. 480). "To effectively regulate and monitor activities in the Laguna de Bay Region, LLDA shall have exclusive jurisdiction to issue permit for the use of all surface water for any projects or activities in or affecting the said region including navigation, construction, and operation of fish pens, fish enclosures, fish corrals and the like. The Laguna de Bay Region refers to the Provinces of Rizal and Laguna; the Cities of San Pablo, Pasay, Caloocan, Quezon, Manila and Tagaytay; the towns of Tanauan, Sto. Tomas and Malvar in Batangas Province; the towns of Silang and Carmona in Cavite Province; the town of Lucban in Quezon Province; and the cities of Marikina, Pasig, Taguig, and Muntinlupa, and the town of Pateros in Metro Manila (Section 2 E.O. No. 927).

Specifically, the Authority has the following powers and functions (Sections 2 and 3, PD No. 813, amending Section 4 of R.A. No. 4850):

- (a) to make a comprehensive survey of the physical and natural resources and potentialities of the Laguna Lake region;
- (b) to provide the machinery of extending the necessary planning, management and technical assistance to prospective and existing investors in the region;
- (c) to make recommendation to the proper agencies on the peso or dollar financing, technical support, physical assistance and generally, the level of priority to be accorded agricultural, industrial and commercial projects;
- (d) to pass upon and approve or disapprove all plans, programs, and projects proposed by local government offices/agencies within the region, public corporations or private persons or enterprises;
- (e) to engage in agriculture, industry, commerce, or other activities within the region which may be necessary or directly contributory to the socio-economic development of the region;
- (f) to plan, program finance/or undertake infrastructure projects such as river, flood and tidal control works, waste water and sewerage works, water supply, roads, portworks, irrigation, housing and related works;
- (g) to make an annual report to the stockholders regarding the operation of the Authority;
- (h) to lend or facilitate the extension of financial assistance and/or act as surety or guarantor to worthwhile agricultural, industrial and commercial enterprises;

⁴ "An Act Creating the Laguna Lake Development Authority, Prescribing its Powers, Functions and Duties, Providing Funds Thereof, and for Other Purposes" signed on 18 July 1966 by the late President Ferdinand E. Marcos

⁵ "Amending certain sections of Republic Act No. 4850, otherwise known as the Laguna Lake Development Authority Act of 1966", signed by the late President Ferdinand E. Marcos on 17 October 1975.

⁶ "Further defining certain functions and powers of the Laguna Lake Development Authority", signed by the late President Ferdinand E. Marcos on 16 December 1983.

⁷ "Streamlining of the Office of the President", signed by former President Fidel V. Ramos on 28 December 1993.

- (i) to reclaim or cause to be reclaimed portions of the Lake or undertake reclamation projects and/or acquire such bodies of land from the lake which may be necessary to accomplish the aims and purposes of the Authority;
- (j) to engage in fish production and other aquaculture projects in Laguna de Bay and other bodies of water within its jurisdiction and in pursuance thereof to conduct studies and make experiments;
- (k) to issue new permit for the use of the lake waters for any projects or activities in or affecting the said lake including navigation, construction, and operation of fishpens, fish enclosures, fish corrals and the like, and to impose necessary safeguards for lake quality control and management and to collect necessary fees for said activities and projects;
- (l) To require the cities and municipalities embraced within the region to pass appropriate zoning ordinances and other regulatory measures necessary to carry out the objectives of the Authority;
- (m) To exercise water rights over public waters within the Laguna de Bay region;
- (n) To act in coordination with existing governmental agencies in establishing water quality standards for industrial, agricultural and municipal waste discharges into the lake;
- (o) To develop water supply from ground and/or lake water resources for municipal, agricultural and industrial usages;
- (p) To undertake studies on the improvement and maintenance of the desirable lake water quality of Laguna de Bay.

Moreover, "compensation for damages to the water and aquatic resources of Laguna de Bay and its tributaries... shall be awarded to LLDA to be earmarked for water quality control and management. On the other hand, LLDA is also "empowered to collect annual fees for the use of the lake waters and its tributaries for all beneficial purposes including recreation, municipal, industrial, agricultural, fisheries, navigation and waste disposal purposes. All the fees so collected shall be used for the management and development of the lake and its watershed areas" (Sections 4-A and 4-B, PD No. 813)

Section 4 of E.O. No. 927 provided the following additional powers and functions of LLDA:

- a) Issue standards, rules and regulations to govern the approval of plans and specifications for sewage works and industrial waste disposal system and the issuance of permits in accordance with the provisions of this Executive Order; inspect the construction and maintenance of sewage works and industrial waste disposal systems for compliance to plans;
- b) Adopt, prescribe, and promulgate rules and regulations governing the Procedures of the Authority with respect to hearings, plans, specifications, designs, and other data for sewage works and industrial waste disposal system, the filing of reports, the issuance of permits, and other rules and regulations for the proper implementation and enforcement of this Executive Order;
- c) Issue orders or decisions to compel compliance with the provisions of this Executive Order and its implementing rules and regulations only after proper notice and hearing;
- d) Make, alter or modify orders requiring the discontinuance of population specifying the conditions and time within which such discontinuance must be accomplished;
- e) Issue, renew, or deny permits, under such conditions as it may determine to be reasonable, for the prevention and abatement of pollution, for the discharge of sewage, industrial waste, or for the installation or operation of sewage works and industrial disposal system or parts thereof;

- f) After due notice and hearing, the Authority may also revoke, suspend modify any permit issued under this Order whenever the same is necessary to prevent or abate pollution;
- g) Deputize in writing or request assistance of appropriate government agencies or instrumentalities for the purpose of enforcing this Executive Order and its implementing rules and regulations and the orders and decisions of the Authority;
- h) Authorize its representative to enter at all reasonable times any property of the public dominion and private property devoted to industrial, manufacturing, processing or commercial use without doing damage, for the purpose of inspecting and investigating conditions relating to pollution or possible or imminent pollutions;
- i) Exercise such powers and perform such other functions as may be necessary to carry out its duties and responsibilities under this Executive Order;

Corporate powers. The Authority has the following corporate powers and functions (Section 5 of RA 4850 and Sections 5 and 6, PD 813)):

- a) To succeed on its corporate name;
- b) To sue and be sued in such corporate name;
- c) To adopt, alter and use a corporate seal;
- d) To adopt, amend, and repeal its by-laws;
- e) To enter into contracts of any kind and description, to enable it to carry out its purposes and functions under this Act;
- f) To acquire, buy, purchase, hold or lease, such personal and real property as it deems necessary or convenient in the transaction of its business and/or in relation with carrying out its purposes under this Act; and to lease, mortgage, sell, alienate, or otherwise encumber, utilize, exploit or dispose any such personal and real property held by it, subject to prior or existing individual or communal right of private parties or of the government or any agency or enterprise thereof;
- g) To exercise the right of eminent domain whenever the Authority deems it necessary for the attainment of the objectives of the Authority under this Act;
- h) To borrow funds from any local or foreign financial institutions independent of the bonds it may issue or may continue to issue, to carry out the purposes of this Authority under this Act;
- i) To purchase, hold, alienate, mortgage, pledge or otherwise dispose of the shares of the capital stock of, or any bond, securities, or other evidence of indebtedness created by any other corporation, co-partnership, or government agencies or instrumentalities;
- j) For carrying on its business, or for the purpose of attaining or furthering any of its objectives, to perform any and all acts which a corporation, co-partnership, or natural person is authorized to perform under the laws now existing or which may be enacted hereafter.
- k) To issue such rules and regulations as may be necessary to effectively carry out the powers and purposes herein provided including the plans, programs and projects of the Authority.

“The corporate powers shall be vested in and exercised by the Board of Directors, composed of ten (10) members, to wit: Representative of the Office of the President; Minister (Secretary) of Economic Planning (National Economic and Development Authority); Minister (Secretary) of Natural Resources; Minister of Trade and Industry; Representative of Laguna Province who shall be designated by the Provincial Board of Laguna; Representative of Rizal Province who shall be designated by the Provincial Board of Rizal; Representative of the Office of the Governor (Chairman) of the Metro Manila Commission (Metro Manila

Development Authority); President of Laguna Lake Federation of Mayors, Inc.; General Manager of the Laguna Lake Development Authority to be appointed by the President of the Philippines; Representative of Private Investors; Provided, that incumbent representative of the private investors shall continue as members until the President appoints his successor. The Board of Directors shall elect annually from among their members, a chairman and a Vice-Chairman. There shall be a Corporate Secretary who shall be appointed by the Board with a rank equivalent to a Department Director. The officials next-in-rank to the above-mentioned members shall serve as permanent alternate members and shall attend meetings of the Board in the absence of their principal and receive the corresponding per diems” (Section 5, E.O. No. 927)

Capitalization and financing.

The Authority shall have an authorized capital of Seven Hundred Million Pesos (P700,000,000)⁸ of which the amount of THREE HUNDRED FIFTY ONE MILLION PESOS (P351,000,000) shall be subscribed by the national government and THREE HUNDRED FORTY NINE MILLION PESOS (P349,000,000) shall be subscribed by the cities, provinces, municipalities, government corporations, and private investors; Provided, that at least twenty-five percent (25%) of the national government's subscription shall be fully paid; Provided, further, that the authorized capital stock may be increased upon recommendation of the NEDA and shall come from the fish pen fees (Section 6, E.O. No. 927)

Activities of the authority (Section 21, P.D. No. 813, amending Section 31 of R.A. No. 4850):

In carrying out the activities of the Authority, the General Manager shall be assisted by an Assistant General Manager who shall have such powers, duties, and functions that may be delegated to him by the General Manager, and shall act as General Manager in the absence of or during the temporary incapacity of and/or until such time as a new General Manager is duly appointed.

"The Authority shall have the following divisions under the direct supervision and control of the General Manager;

- (a) An Administrative Division which shall be responsible for providing services relating to personnel, training, information, records, supplies, general services, equipment and security;
- (b) A Legal Division, to be headed by a Legal Counsel who shall represent the Authority in legal actions and proceedings. This division shall be responsible for providing staff advice and assistance on legal matters.
- (c) A Finance Division which shall be responsible for providing staff advice and assistance on budgetary and financial matters, and safekeeping of corporate assets;
- (d) A Project Management Division which shall be responsible for the operation of approved projects, project evaluation and management improvement matters;
- (e) A Planning and Project Development Division which shall be responsible for providing services relating to planning, programming, statistics and project development; and
- (f) An Engineering and Construction Division which shall be responsible for providing services relating to detailed engineering plans and the construction and maintenance of project facilities.

⁸ This was One Hundred Million Pesos (P100,000,000) in Section 6, R.A. No. 4850.

"The business and activities of each of these divisions shall be directed by an officer to be known as its division head. The Board may create such other divisions and positions as may be deemed necessary for the efficient, economical and effective conduct of the activities of the Authority."

Penal and civil liability clause.

"Any person, natural or juridical, who shall violate any of the provisions of this Act or any rule or regulation promulgated by the Authority pursuant thereto shall be liable to imprisonment of not exceeding three years or to a fine not exceeding Five Thousand Pesos or both at the discretion of the court. If the violator be a corporation, partnership or association, the officer or officers of the organization concerned shall be liable therefor. The Authority is hereby authorized to pursue separate civil actions for damages resulting from infractions of the provisions of this Act, rules or regulations issued pursuant thereto and/or conditions embodied in the clearances or permits issued by the Authority." (**Section 27 of P.D. No. 813, adding a new section after Section 39 of R.A. No. 4850 to be known as Section 39-A**)

Proposed legislations repealing R.A. No. 4850

There are three Senate Bills and one House Bill, titled "Laguna Lake Development Authority Act of 2013" filed in the 16th Congress, which propose to strengthen the LLDA and repeal R.A. No. 4850. These are Senate Bill Nos. 1553 (by Sen. Jinggoy P. Ejercito-Estrada), 1096 (by Sen. Joseph Victor G. Ejercito), and 677 (by Sen. Loren B. Legarda); and House Bill No. 501 (by Rep. Rodolfo G. Biazon). The bills aim to expand the Laguna Lake region, the powers and functions of the LLDA, the corporate powers, and the composition, powers and functions of the Board of Directors, among others. The senate bills are pending in the Senate Committee on Government Corporations and Public Enterprises while the house bill is pending in the House Committee on Government Enterprises and Privatization.

PCAARRD has reviewed and provided comments on House Bill No. 501. PCAARRD emphasized that the rehabilitation and management of the lake depend on the implementation of the rules and regulations, and the programs and projects within the Laguna Lake region. Further, the success of all the efforts of the LLDA requires the involvement and cooperation of all the stakeholders.

Conclusion

Laguna Lake has played a significant role in the lives of the Filipinos, especially for those living within the region. It has not only provided food but also energy sources and livelihood opportunities. The LLDA has been organized to safeguard the Laguna Lake region from environmental degradation and to promote its development. With the continuously increasing needs of the population within the region, the LLDA, with its almost 50 years of existence, still has a number of concerns to address. Everyone is enjoined to take part in the lake's transformation.

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