Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City  

EIGHTEENTH CONGRESS  
First Regular Session  

HOUSE RESOLUTION No. 539  

Introduced by  
BAYAN MUNA Representatives CARLOS ISAGANI T. ZARATE,  
FERDINAND R. GAITE and EUFEMIA C. CULLAMAT  

RESOLUTION  
URGING THE HOUSE COMMITTEE ON AGRICULTURE AND FOOD AND  
THE COMMITTEE ON GOOD GOVERNMENT AND PUBLIC  
ACCOUNTABILITY, TO JOINTLY INVESTIGATE, IN AID OF LEGISLATION,  
THE DELAYED IRRIGATION PROJECTS UNDER THE NATIONAL  
IRRIGATION ADMINISTRATION (NIA), WHICH AGGRAVATED THE  
ALREADY ABJECT SITUATION OF THE FILIPINO FARMERS  

WHEREAS, the Rice Liberalization law flooded Philippine domestic market of imported rice,  
which further worsen the current status of the domestic rice industry. In Pampanga, the farmgate  
price of palay went down to P9-12 per kilo, while in other parts of Central Luzon and Bataan, it  
grew down as low as P7 per kilo. The Philippine Chamber of Agriculture and Food Inc. said that  
the Rice Liberalization Law stripped farmers of P95 billion in income as the influx of cheap rice  
imports has pulled down rice prices;¹  

WHEREAS, RA 11203 annually appropriated P10 billion to the RCEFI for six years, which may  
be extended or terminated in accordance to the review to be made by the Congressional  
Oversight Committee on Agricultural and Fisheries Modernization (COCAFM). RCEFI will be  
used as follows:  

- Rice Farm Machineries and Equipment (RFME) – 50%  
- Rice Seed Development, Propagation and Promotion (RSDPP) – 30%  
- Expanded Rice Credit Assistance (ERCA) – 10%  
- Rice Extension Services (RES) – 10%  

WHEREAS, government agencies, particularly the National Irrigation Administration (NIA),  
have a history of delayed irrigation project constructions;  

WHEREAS, RA 10969, also known as the Free Irrigation Service Act, passed into law last  
February 2, 2018, seeks to improve agriculture productivity and help farmers, especially those  
with landholdings of eight (8) hectares or below;  

WHEREAS, last Nov. 12, 2019, Malacañang stressed there is a need to improve the country’s  
irrigation systems to address the problems in rice production, following reports that the  

¹ www.philstar.com/business/2019/05/25/1920605/rice-import-liberalization-strips-p95-b- 
farmers#XJeZFAsbzHiQmk60.99
Philippines has surpassed China as the world’s biggest importer in 2019. According to Malacañang spokesperson Salvador Panelo, programs are in place to ensure farmers have access to free irrigation;

WHEREAS, the NIA is a government-owned and controlled corporation mandated to help the country’s program on rice self-sufficiency by infrastructure projects in line with irrigation and agricultural development, which includes the operation and maintenance of national irrigation systems and all communal and pump irrigation systems constructed, improved and/or repaired wholly or partially with government funds;

WHEREAS, according to the status of irrigation development as of Dec. 31, 2018, NIA reported an accomplishment of 61.39% or 1.92 million hectares out of the total irrigable 3.19 million hectares irrigated nationwide from 55.59% or 1.68 million hectares irrigated as of Dec. 31, 2013;

WHEREAS, COA found out that as of Dec. 31, 2018, there are 299 irrigation projects with total contract cost of P20.704 billion incurred significant delays up to 2,287 calendar days due to poor performance of the contractors, among other factors. It is revealed that liquidation damages were not imposed against contractors who defaulted 44 contracts amounting to P12.245 billion and 20 on-going contracts aggregating to P9.039 billion that have incurred huge negative slippage were neither terminated nor rescinded. Also, performance securities of P472.067 million were not forfeited for 43 contracts amounting to P2.207 billion. Government resources were also wasted as a result of the change or variation orders and contract time extensions for 42 contractors;

WHEREAS, based on the video documentary hosted by Ted Failon entitled Wakas ng Paggapas, Ricardo Visaya, administrator of NIA, claims that the 134 contract/projects, as reported by COA, were all completed and currently operational. This is contrary to the site visit held by the documentary team revealing that some irrigation projects are indeed still under construction;

WHEREAS, the controversial Balog-Balog Multi-Purpose Project construction in San Jose, Tarlac is supposed to start last June 21, 2017 and its south main canal in Feb. 15, 2017 but as of 2018, only 25.81% was completed for the storage dam and 12.16% for the south main canal. The project in 2013 and the deadline to complete the project was moved to from 2018 to 2022. The negative slippage of the dam is at -20.88% under the ITP Construction, Inc. and Guanxi Hydroelectric Construction Bureau Co. Ltd., while -87.84% was recorded for the construction of the south canal under A.M. Oreta & Company, Inc. and Northern Builders (JV);


Part 1.2: https://www.youtube.com/watch?v=4XoVz2yFtGw, Accessed 2019 November 11
Part 1.3: https://www.youtube.com/watch?v=7riRj3k2o, Accessed 2019 November 11
Part 1.4: https://www.youtube.com/watch?v=KtT4k91k3v, Accessed 2019 November 11
Part 1.5: https://www.youtube.com/watch?v=Z8Mna35yL3k, Accessed 2019 November 11
Part 2.2: https://www.youtube.com/watch?v=QuNhJmzZBHs, Accessed 2019 November 11
Part 2.3: https://www.youtube.com/watch?v=4D0aL7s5HKe, Accessed 2019 November 11
Part 2.4: https://www.youtube.com/watch?v=KtT4k91k3v, Accessed 2019 November 11
Part 2.5: https://www.youtube.com/watch?v=q4Hummnt34gU, Accessed 2019 November 11
WHEREAS, the Government Procurement Reform Act penalizes the contractor if it exceeds to
10% negative slippage. The head of procuring agency can order the stoppage of the contract due
to the failure of the contractor to deliver. However, according to COA report, NIA didn't
impose the penalties against the defaulting contractors of 44 contracts totaling to P12.245 billion.
The agency also hasn't terminated the 20 on-going contracts worth P9.038 billion that incurred
delays;

WHEREAS, in Solana, Cagayan province, among other provinces, farmers are complaining due
to lack of irrigation system, which requires them to use water pump, and spend P20,000 for
diesel to irrigate one hectare. Farmers from Sultan Mastura, Maguindanao and North Cotobato,
also asked for support from the government as there is still no irrigation system in their areas;

WHEREAS, in the municipality of Las Navas in Northern Samar, livelihood of farmers has been
severely affected by the drought caused by El Niño and the insufficient irrigation system.
Construction of the two diversion dams, namely the Bulao Dam and the Hagbay Dam, and
several canals which could have improved the province's irrigation system were stopped
following anomalies;

WHEREAS, it is the primordial duty of the Congress, in exercise of its legislative and oversight
functions, to ensure that the people's money was utilized for the benefit of the Filipino people
and was not wasted due to government inefficiency and corruption. As legislators, it is one of
our duties to look into the causes and results of successful and unsuccessful projects and
programs implemented by the executive and to help the government learn from its mistakes in
pursuance to efficient service delivery for the people;

NOW, THEREFORE BE IT RESOLVED, that the House of Representatives, through its
Committee on Agriculture and Food and Committee on Good Government, to jointly
investigate, in aid of legislation, the delayed irrigation projects under the National Irrigation
Administration (NIA), which aggravated the already abject situation of the Filipino farmers.

Approved,

REP. CARLOS ISAGANI T. ZARATE
Bayan Muna Partylist

REP. FERDINAND R. GAITE
Bayan Muna Partylist

REP. EUFEMIA C. CULLAMAT
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