

**MALACAÑANG**  
**Manila**

**BY THE PRESIDENT OF THE PHILIPPINES**

**EXECUTIVE ORDER NO. 123**

**RECONSTITUTING THE NATIONAL WATER RESOURCES BOARD**

WHEREAS, the National Water Resources Board (NWRB), the agency charged under Presidential Decree (PD) No. 1067, otherwise known as the “Water Code of the Philippines,” with the functions of regulating the “utilization, exploitation, development, control, conservation or protection of water resources,” needs to be strengthened to enable it to effectively accomplish its mandate;

WHEREAS, the NWRB’s role as the government coordinating and regulating body for all water resources-related development could be more effectively handled if it is made independent from direct claimants to water resources;

WHEREAS, pursuant to PD 424, as amended, NWRB is attached to the Department of Public Works and Highways (DPWH);

WHEREAS, Section 31, Chapter 10, Title III, Book III of Executive Order No. 292, the Administrative Code of 1987, vests the President with the continuing authority to reorganize the bureaucracy wherein she may transfer any agency or function of any executive department to the Office of the President and vice versa;

WHEREAS, the Department of Environment and Natural Resources (DENR) is the government agency primarily responsible for the conservation, management, development and proper use of the country’s environmental and natural resources;

WHEREAS, Executive Order (EO) No. 374, series of 1996, created the Presidential Task Force on Water Resources and Development (PTFWRDM), with the Secretary of Environment and Natural Resources as Chair, whose functions is to set water tariffs of Water Districts.

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order and decree:

Section 1: The NWRB, presently under the DPWH, is hereby transferred to the Office of the President.

Section 2. Pursuant to PD 424, the membership of the Board is hereby reconstituted to exclude those with direct claims on water resources. The new Board shall be composed of the following:

Chair : Secretary of the Environment and Natural Resources  
Vice-Chair: Secretary of Socio-Economic Planning  
Members: Secretary of Justice  
Secretary of Finance  
Secretary of Health  
Director, National Hydraulic Research Center (NHRC),  
University of the Philippines  
Executive Director, NWRB Secretariat

Section 3. The NWRB shall immediately shall immediately initiate review of the Implementing Rules and Regulations (IRR) of the Water Code of the Philippines, and shall amend the same as may be necessary to effectively implement and enforce the provisions of the Code. The NWRB shall likewise formulate a new/revised organization structure for its Secretariat to effectively and efficiently carry out its mandate under PDs 424 and 1067, subject to approval by the President, through the Department of Budget and Management (DBM), and the Civil Service Commission.

Section 4. Upon approval by the President of the new/revised organization and manpower structure of the NWRB Secretariat, the NWRB shall then be transferred to DENR as a bureau for purposes of administrative control and supervision.

Section 5. The DENR shall ensure that the NWRB Secretariat is managed effectively, efficiently and economically. For this purpose, DENR shall :

- a. rationalize/harmonize its organizational structure, together with that of NWRB, to eliminate duplication of functions and facilitate integration and coordination;
- b. ensure the effective and continuous implementation of NWRB's policies and programs without unduly expanding its personnel and resource requirements;
- c. enjoin NWRB to utilize existing DENR structures and facilities to effectively perform its functions; and
- d. streamline the systems and procedures and/or decentralization of functions with the end view of rendering faster service without surrender appropriate controls.
- e. Streamline the systems and procedures and/or decentralization of functions with the end view of rendering faster service without surrendering appropriate controls.

Section 6 Upon the effectivity of this Order, the Local Water Utilities Administration (LWUA) shall cease and desist with its practice of regulating the water tariffs of Water Districts which shall hereinafter be undertaken by NWRB. However, LWUA, consistent

with its mandate under PD No. 198, may continue reviewing the rates of water districts which it has financial exposure, with the end view of ensuring their financial viabilities.

The Presidential Task Force created under EO 374, series of 1996, as amended by EO 409, series of 1997, is hereby abolished.

Section 7. If any provision of this Order is declared unconstitutional or invalid, the other provisions not affected thereby should remain in full force and effect.

Section 8. All orders, executives issuances, rules and regulations, or parts thereof inconsistent with the provisions of this Executive Order are hereby repealed or modified accordingly.

Section 9/ This Executive Order shall take effect upon its publication in at least one newspaper of general circulation in the Philippines.

DONE in the City of Manila, this 12<sup>th</sup> day of September, in the year of our Lord, two thousand and two.

**By the President :**

**Alberto G. Romulo.**  
**Executive Secretary**