

EXECUTIVE ORDER NO. 927

FURTHER DEFINING CERTAIN FUNCTIONS AND POWERS OF THE LAGUNA LAKE DEVELOPMENT AUTHORITY

WHEREAS, the land and the waters of the Laguna Lake Region are limited natural resources requiring judicious management for their optimal utilization to insure renewability and to preserve the ecological balance;

WHEREAS, the increasing pressure of urban growth and development dictate the need for a more rational allocation of the limited land and lake resources of the region responsive to the demands of the various beneficial users thereof;

WHEREAS, the competing options for the use of such resources and conflicting jurisdictions over such users are creating undue constraints on the institutional capabilities of LLDA in the light of the limited powers vested in it by its charter;

WHEREAS, for LLDA to effectively perform its role, a thorough corporate reorganization aimed at: regrouping its various units for better administrative control and direction; expansion of its field offices ; strengthening of its linkages with other government and private institutions; broadening of its financial base and revenue generations ; and, enlarging its prerogatives of monitoring, licensing and enforcement, would be necessary.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by Constitution and the authority vested in me by the Presidential Decree No. 1416, do hereby order and ordain:

Section 1. Reclassification . The Authority is hereby classified among the industrial/area development group (Class A) of corporations under Letter of Implementation No. 97 and for this purpose the Authority is hereby granted authority to modify its organization, providing for the creation of the position of deputy general manager, upgrading the existing divisions into departments to be headed by directors and regrouping of these departments into offices coordinated by assistant general managers, and creating other offices its Board may deem necessary and appropriate to achieve its objectives and aims.

Sec. 2. Water Rights Over Laguna de Bay and Other Bodies of Water within the Lake Region . To effectively regulate and monitor activities in the Laguna de Bay region, the Authority 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 fishpens, fish enclosures, fish corrals and the like.

For the purpose of this Executive Order, the term "Laguna de Bay Region" shall refer 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 towns of Marikina, Pasig, Taguig, Muntinlupa, and Pateros in Metro Manila.

Sec. 3. Collection of Fees. The Authority is hereby empowered to collect fees for the use of the lake waters and its tributaries for all beneficial purposes including but not limited to fisheries, recreation, municipal, industrial, agricultural, navigation, irrigation, and waste disposal purpose; Provided, that the rates of fees to be collected, and the sharing with other government agencies and political subdivisions, if necessary, shall be subject to the approval of the President of the Philippines upon recommendation of the Authority's Board, except fishpen fee, which will be shared in the following manner: 20 percent of the fee shall go to the lakeshore local governments, 5 percent shall go to the Project Development Fund which shall be administered by a Council and the remaining 75 percent

shall constitute the share of LLDA. However, after the implementation within the three-years period of the Laguna Lake Fishery Zoning and Management Plan, the sharing will be modified as follows: 35 percent of the fishpen fee goes to the lakeshore local governments, 5 percent goes to the Project Development Fund and the remaining 60 percent shall be retained by LLDA; Provided, however, that the share of LLDA shall form part of its corporate funds and shall not be remitted to the National Treasury as an exception to the provisions of Presidential Decree No. 1234.

Sec. 4. Additional Powers and Functions. The Authority shall have the following powers and functions:

- a) Issue standards, rules and regulation to govern the approval of plans and specifications for sewage works and industrial waste disposal systems 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 o-nly after proper notice and hearing.
- d) Make, alter or modify orders requiring the discontinuance of pollution specifying the conditions and the 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: Provided, however, that the Authority, by rules and regulations, may require subdivisions, condominiums, hospitals, public buildings and other similar human settlements to put up appropriate central sewerage system and sewage treatment works or changes to or extensions of existing works that discharge o-nly domestic or sanitary wastes from a single residential building provided with septic tanks or their equivalent. The Authority may impose reasonable fees and charges for the issuance or renewal of all permits herein required.
- f) After due notice and hearing, the Authority may also revoke, suspend or 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 pollution.
- i) Exercise such powers and perform such other functions as may be necessary to carry out its duties and responsibilities under this Executive Order.

Sec. 5. Board of Directors Composition. The corporate powers shall be vested in and exercised by the Board of Directors, hereinafter referred to as the Board which shall be composed of ten (10) members, to wit: Representative of the Office of the President; Minister of Economic Planning; Minister 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 of the Metro Manila Commission; President of the 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 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.

Sec. 6. Capitalization and Financing. The Authority shall have an authorized capital of Seven Hundred Million Pesos (PhP700,000,000) of which the amount of THREE HUNDRED FIFTY o-nE MILLION PESOS (PhP351,000,000) shall be subscribed by the national government and THREE HUNDRED FORTY NINE MILLION PESOS (PhP349,000,000) 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 fishpen fees.

The authorized capital stock of Seven Hundred Million Pesos (PhP700,000,000) shall be divided into Seven Million (PhP7,000,000) shares of stock with a par value of o-ne Hundred Pesos (PhP100) per share.

The shares of stock of the Authority shall be divided into: 1) 4,900,000 common shares (voting) and 2) 2,100,000 preferred shares (non-voting) with such fixed rates of return as shall be determined by the Board. Of the common shares of 4,900,000, a minimum of 2,800,000 shares shall be subscribed by the national government and at least sixty percent (60%) of the balance shall be subscribed by the Province of Laguna and Rizal in such proportion shall be agreed upon by both provincials governments in accordance with their respective financial capacities. The remaining balance of the common shares shall be open for subscription to cities, provinces, municipalities and private investors.

Of the preferred shares of stock of 2,100,000, a minimum of 770,000 shares shall be subscribed by the national government. The balance of the preferred shares shall be available for subscription to cities, provinces, municipalities, government corporations and private investors. Provided, however, that preferred shares shall enjoy preference with respect to distribution of dividends and assets in case of dissolution.

Sec. 7. Repealing Clause. All laws, decrees, orders, proclamations, rules, regulations and issuances o-n parts, thereof, which are inconsistent with any of the provisions of this Executive Order are hereby repealed or modified accordingly.

Sec. 8. Separability Clause. Any portion or provision of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying the other provisions thereof ; Provided, that such remaining portions can still stand and be given effect o-n their entirely to accomplish the objectives this Executive Order.

Sec. 9. Effectivity Clause. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 16th day of December in the Year of Our Lord, Nineteen Hundred and Eighty-Three.

FERDINAND E. MARCOS
President
Republic of the Philippines

By the President:

JUAN C. TUVERA
Presidential Executive Assistant