

MALACAÑANG
Manila

PRESIDENTIAL DECREE NO. 1702

**AMENDING SECTION 3 OF REPUBLIC ACT NO. 3601, AS
AMENDED BY PRESIDENTIAL DECREE NO. 552**

WHEREAS, under Republic Act No. 3601 as amended by Presidential Decree No. 552, the National Irrigation Administration is charged with the responsibility of constructing, improving, rehabilitating and administering all national irrigation systems in the Philippines, including all communal and pump irrigation projects;

WHEREAS, the implementation of the irrigation integrated program of the government and the attainment of the "Irrigation Age" as envisioned under Republic Act No. 3601, is the primary responsibility and goal of the National Irrigation Administration; and

WHEREAS, the increased pace of irrigation development together with the increased cost of irrigation systems require an increase in capitalization of the National Irrigation Administration and the strengthening of its powers and resources to assure long term capacity for meeting its responsibilities and attaining its goals.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby amend certain sections or provisions of Republic Act Number Thirty Six Hundred and One, as amended by Presidential Decree No. 552, to wit:

SECTION 1. Section 3 of Republic Act No. 3601, as amended by Section 3, Presidential Decree No. 552, is hereby amended to read as follows:

"Section. 3. (a) Capitalization. — The authorized capital stock of the National Irrigation Administration shall be ten billion pesos, which shall be subscribed and paid entirely by the Government of the Republic of the Philippines. The amount is hereby appropriated for the purpose out of any funds in the Treasury not otherwise appropriated: Provided, That only such amounts as are actually necessary for the implementation of projects of the Administration shall be released as payments on capital subscriptions, subject to approval of the President as provided by pertinent budget laws."

(b) Operating Capital. — All amounts collected by the National Irrigation Administration as irrigation fees, administration charges, drainage fees, equipment rentals, proceeds from the sale of unserviceable equipment and materials, sale of all reparation goods allocated to the defunct Irrigation Service Unit and the National Irrigation Administration, and all other income shall be added to its operating capital.

The National Irrigation Administration is hereby authorized to impose as an administration and engineering overhead charge, 5% of the total cost of projects undertaken by it, which shall likewise form part of its operating capital."

SECTION 2. Separability Clause. — The provisions of this Decree are hereby declared separable and if any clause, sentence, provision or section of this Decree or its application thereby to any person or circumstance should, for any reason be held invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the other provisions or application of this Decree which can be given force and effect.

SECTION 3. Repealing Clause. — All laws, decrees, charters, executive orders, administrative orders, proclamations, rules and regulations, or parts thereof insofar as they are inconsistent with the provisions of this Decree are hereby repealed, amended or modified accordingly.

SECTION 4. Effectivity. — This decree shall take effect immediately.

Done in the City of Manila, this 18th day of July, in the year of Our Lord, Nineteen Hundred and Eighty.

(Sgd.) **FERDINAND E. MARCOS**
President of the Philippines

By the President:

(Sgd.) **JOAQUIN T. VENUS, JR.**
Presidential Assistant