

OFFICE OF THE CORPORATE BOARD SECRETARY

NIA EXECUTIVE BRIEFER **FOR SECRETARY FRANCISCO T. LAUREL, Jr.**

I. OVERVIEW OF THE NATIONAL IRRIGATION ADMINISTRATION

The National Irrigation Administration (NIA) is a government-owned and controlled corporation primarily responsible for irrigation development and management. It was created under the Republic Act (RA) 3601 on 22 June 1963. Its charter was amended by Presidential Decree (PD) 552 on 11 September 1974 and PD 1702 on 17 July 1980, both of which increased the capitalization and broadened the authority of the Agency.

Vision Statement:

NIA is a professional and efficient irrigation agency contributing to the inclusive growth of the country and in the improvement of the farmers' quality of life.

Mission Statement:

To plan, construct, operate, and maintain irrigation systems consistent with integrated water resource management principles to improve agricultural productivity and increase farmers' income.

Objectives:

- To develop and maintain irrigation systems in support of the agricultural program of the government;
- To provide adequate level of irrigation service on a sustainable basis in partnership with the farmers and local government units;
- To provide technical assistance to institutions in the development of water resources for irrigation; and
- To improve and sustain the operation of the NIA as a viable corporation and service-orientated agency.

Core Values: Commitment – Integrity – Professionalism

Quality Policy:

We commit to provide efficient, effective, and sustainable irrigation services aimed towards the highest satisfaction of the Filipino farmers.

We strive for the attainment of our strategic themes of Technical and Operational Excellence, and Good Governance through Partnership with the farmers and other relevant interested parties.

We abide with applicable legal and international requirements.

We remain dedicated to the core values of Commitment, Integrity and Professionalism, to continually improve the NIA's Quality Management System.

Quality Objectives:

- Increased Irrigated Areas Contributing to Agricultural Productivity;
- Attain Satisfaction of Farmers;

- Improve Planning, Design, and Implementation of Irrigation and Multi-purpose Projects to be Climate Change Adaptive;
- Ensure Efficient and Effective Operation and Maintenance of Irrigation Systems;
- Improve Budget Utilization and Revenue Generation from Non-Irrigations Sources;
- Adopt a Results-Based Performance Culture; and
- Improve Management Information Systems and Processes

II. HISTORY OF THE NIA

The National Irrigation Administration (NIA) was established under Republic Act (RA) 3601¹, functioning as a government-owned and controlled corporation with a primary mandate for irrigation development and management. Substantial amendments to the NIA's foundational legislation were introduced through Presidential Decree (PD) 552² and PD 1702³, enhancing both its capitalization and authority.

Upon its establishment, NIA was placed under the purview of the Office of the President (OP) and was initially attached to the Department of Public Works, Transportation, and Communication under PD 1⁴. Executive Order No. 292, otherwise known as the Administrative Code of 1987, dated July 05, 1987, attached NIA to both the Department of Public Works and Highways (DPWH) and the Department of Agriculture (DA), but NIA remained attached to DPWH. A subsequent reorganization took place with its transfer to the Office of the President through Executive Order No. 22⁵. On October 14, 1992, Administrative Order No. 17⁶ was enacted, attaching NIA to the Department of Agriculture.

In a significant move on May 05, 2014, Executive Order No. 165⁷ directed the transfer of key agencies, including the National Food Authority, National Irrigation Administration, Philippine Coconut Authority, and Fertilizer and Pesticide Authority to the Office of the President. Then, on April 25, 2022, through Executive Order No. 168⁸, the National Irrigation Administration was transferred from the Office of the President to the Department of Agriculture.

III. FUNCTIONS OF THE NIA

The powers and functions of the National Irrigation Administration (NIA) shall be exercised by a Board of Directors.

Powers and Duties of the Board of Directors Pursuant to Presidential Decree 552 and its By-Laws⁹:

1. To formulate and adopt policies for the management and operations of NIA, and to prescribe, amend and repeal, with the approval of the President of the Philippines, rules and regulations governing the manner in which the general business of NIA may be conducted, including provisions for the formation of such committee/s as the Board may deem necessary to facilitate the business;
2. To recommend to the President of the Philippines the appointment of such number of Assistant Administrators as the exigencies of the service may require from a list of names submitted by the

¹ An Act Creating the National Irrigation Administration, enacted on June 22, 1963, attached hereto as Annex "A."

² Amending Certain Sections of Republic Act Numbered Thirty-Six Hundred and One, Entitled, An Act Creating the National Irrigation Administration, issued on September 11, 1974, attached hereto as Annex "B"

³ Amending Section 3 of Republic Act No. 3601, as Amended by Presidential Decree No. 552, issued on July 17, 1980, attached hereto as Annex "C"

⁴ Reorganizing the Executive Branch of the National Government, attached hereto as Annex "D"

⁵ Transferring the National Irrigation Administration from the Department of Public Works and Highways to the Office of the President, issued September 14, 1992, attached hereto as Annex "E"

⁶ Attaching the National Irrigation Administration to the Department of Agriculture, attached hereto as Annex "F"

⁷ Transferring the National Food Authority, National Irrigation Administration, Philippine Coconut Authority, and Fertilizer and Pesticide Authority to the Office of the President, attached hereto as Annex "G"

⁸ Transferring the National Irrigation Administration from the Office of the President to the Department of Agriculture, attached hereto as Annex "H"

⁹ Section 5, Powers and Duties of the Board of Directors, NIA Amended By-Laws, attached hereto as Annex "I"

Administrator; to fix the compensation of the Administrator and his Assistant/s, and by at least two-thirds vote of all the members, to recommend the suspension and/or removal of the said officials for cause;

3. To approve, subject to the final action of the President, the annual and/or supplemental budget of NIA which may be submitted to the Board by the Administrator from time to time;
4. To appoint and fix the compensation of a Board Secretary who shall hold office at the pleasure of the majority of the members of the Board.

Central Office

The Administrator is NIA's chief executive officer. He is supported by a Senior Deputy Administrator and two Deputy Administrators: for engineering and operations; and administrative and finance. The central office issues guidelines and policies and exercises control over field operations.

Field Offices

Decentralization of functions is achieved through delegation of various authorities to field offices.

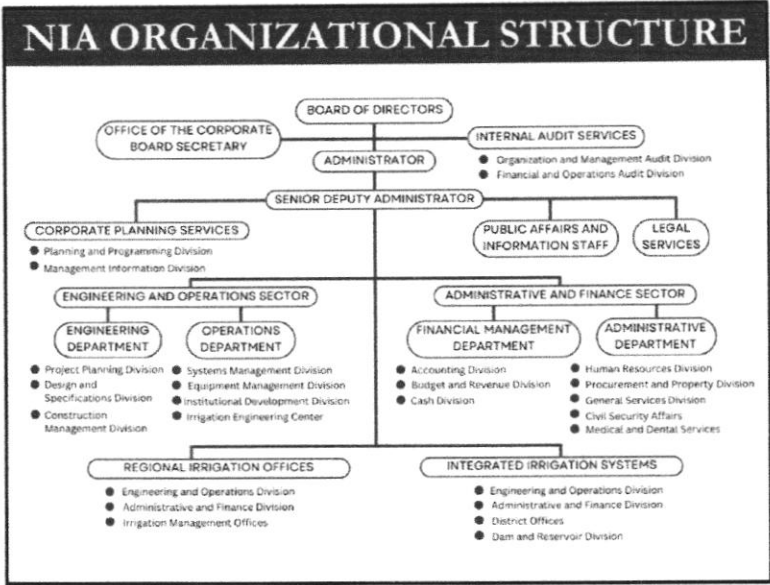
1. **Regional Irrigation Offices (16):** Each headed by a Regional Irrigation Manager (RIM), these implement the plans, programs, and policies of the Agency in the region. The RIOs oversee the Irrigation Management Offices.
2. **Integrated Irrigation Systems (2):** These are each headed by an Operations Manager for the two reservoir systems: UPRIIS and MRIIS.
3. **Irrigation Management Offices (51):** Each headed by a Division Manager, these are responsible for the construction and rehabilitation of irrigation projects and systems in one or a cluster of provinces. These also implement the operation and maintenance (O&M) plans of irrigation systems in collaboration with the farmer-beneficiaries. The IMOs consist of 40 clustered provinces; and the 9 district offices, and two dam and reservoir divisions of UPRIIS and MRIIS. Provinces with national irrigation systems aggregating less than 3,000 ha are under the direct supervision of the RIO instead of being clustered as IMO. These include Albay, Catanduanes, Masbate, and Sorsogon in Region 5, and Zamboanga del Norte and Sibugay in Region 9. A satellite office will be established in each of these provinces.
4. **Project Management Offices (15):** Headed by Project Managers, these implement foreign-assisted national projects, and communal irrigation projects. The number of PMOs varies from year to year. The Project Manager reports directly to the Administrator, through the Deputy Administrator for Engineering and Operations and the RIM. Locally-funded projects are implemented by the RIO thru the IMO or a team headed by a Project Engineer.

IV. COMPOSITION OF THE NIA

NIA Management

Organizational Structure¹⁰

¹⁰ The NIA Reorganization Plan is currently under comprehensive deliberation before approval by the NIA Board of Directors



Roles and Responsibilities

1. Executive Committee

The NIA Executive Committee is tasked with the monthly organization of Executive Committee Meetings. These meetings serve as a platform for discussing agenda items that the Management intends to bring forth in upcoming Board Meetings. Additionally, the preparation of an Executive Committee Resolution is a crucial step, coinciding with the formulation of indorsements to the Board for the inclusion of specific agenda items.

2. Proponent(s)

The Proponents play a key role in the meticulous preparation of Board Endorsement Forms when seeking to introduce agenda items for consideration in the upcoming Board meetings. This process will be further elaborated upon in the section addressing "Requests for 'New Agenda.'"

These processes collectively ensure a systematic and comprehensive approach to agenda management within the NIA, fostering effective communication and decision-making at both the Executive Committee and Board levels.

NIA Board Review Panel

Composition of the Panel¹¹

COMPOSITION	
Chairperson	Administrator (NIA) or his/her duly Authorized Representative
Vice-Chairperson	Director from the Private Sector representing Rice and Corn or his/her duly Authorized Representative
Members	(1) Representative from the Department of Agriculture (DA) (2) Representative from the National Economic and Development Authority (NEDA) (3) Representative from the National Power Corporation (NAPOCOR) (4) Representative from the Department of Public Works and Highways (DPWH)

Roles and Responsibilities

¹¹ NIA Board Resolution No. 8699-21, s. 2021, attached hereto as Annex "J"

The primary responsibility of the NIA Board Review Panel is to conduct Pre-Board Meetings preceding each Regular Board Meeting. During these sessions, the Panel engages in a thorough deliberation on each agenda item. The outcome of these deliberations may take the form of either approving the agenda for inclusion in the upcoming Regular Board Meeting, with or without comments and/or recommendations, or opting to defer the agenda item. The deferral decision is contingent upon compliance with any directive(s) issued by the Panel.

In essence, the Board Review Panel plays a crucial role in ensuring the thorough examination and preparation of agenda items before they are presented at the Regular Board Meetings. This process helps guarantee that all relevant considerations, comments, and recommendations are taken into account, contributing to the effective and informed decision-making of the NIA Governing Board.

NIA Board Committees

The Governing Board is mandated to establish a minimum of five (5) specialized committees pursuant the Code of Corporate Governance¹², as delineated in the table below.

Composition of the Board Committees¹³

BOARD COMMITTEES	COMPOSITION	
Executive Committee	Chairperson	Chairman of the Board or his/her duly Authorized Representative
	Members	(1) National Power Corporation or his/her duly Authorized Representative (2) NIA Administrator or his/her duly Authorized Representative
Governance Committee	Chairperson	Chairman of the Board or his/her duly Authorized Representative
	Members	(1) National Power Corporation or his/her duly Authorized Representative (2) NIA Administrator or his/her duly Authorized Representative
Audit Committee	Chairperson	National Economic and Development Authority or his/her duly Authorized Representative
	Members	(1) Rice and Corn Sector Representative or his/her duly Authorized Representative (2) Department of Public Works and Highways or his/her duly Authorized Representative
Nominations and Remunerations Committee	Chairperson	National Power Corporation or his/her duly Authorized Representative
	Members	(1) Department of Public Works and Highways or his/her duly Authorized Representative (2) National Economic and Development Authority or his/her duly Authorized Representative
Risk Management Committee	Chairperson	Department of Public Works and Highways or his/her duly Authorized Representative
	Members	(1) National Power Corporation or his/her duly Authorized Representative

¹² GCG Memorandum Circular No. 2012-07, otherwise known as the Code of Corporate Governance for GOCCs, attached hereto as Annex "K"

¹³ NIA Board Resolution No. 8577-19, s. 2019, attached hereto as Annex "L"

		<p>(2) National Economic and Development Authority or his/her duly Authorized Representative</p> <p>(3) NIA Administrator or his/her duly Authorized Representative</p> <p>(4) Rice and Corn Sector Representative or his/her duly Authorized Representative</p>
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Roles and Responsibilities

- 1. Board Executive Committee:** This committee is empowered to act on behalf of the Board between meetings when prompt decisions are required. It includes a minimum of three Board members, with the Chairman of the Board serving as the Committee Chairman.
- 2. Board Governance Committee:** This committee oversees performance evaluations of the Board, its committees, and the Management. It also recommends the Director’s continuing education, assignments to Board Committees, succession planning for Executive Officers, and remuneration based on performance.
- 3. Board Audit Committee:** This committee provides independent oversight of financial and governance matters, safeguarding the interests of the GOCC and its stakeholders.
- 4. Board Nominations and Remunerations Committee:** This committee reviews qualifications of individuals nominated for positions requiring Board appointments, proposes candidates for the shortlist, and contributes to enhancement of the Corporate Governance and Compliance System (CGCS).
- 5. Board Risk Management Committee:** This committee supervises risk management functions, ensuring the integration of risk management processes and compliance into operations while delivering quarterly reports on key risk management issues.

NIA Board of Directors

Composition of the Board of Directors

COMPOSITION ¹⁴	
Chairperson	Secretary of the Department of Agriculture (DA)
Vice-Chairperson	Administrator of the National Irrigation Administration (NIA)
Members	<p>(1) Secretary of the National Economic and Development Authority (NEDA)</p> <p>(2) President of the National Power Corporation (NAPOCOR)</p> <p>(3) Secretary of the Department of Public Works and Highways (DPWH)</p> <p>(4) Director from the Private Sector representing Rice and Corn</p>

Roles and Responsibilities

1. Meet regularly, ideally at least once every month, to properly discharge its responsibilities, with independent views expressed during such meetings being given due consideration, and that all such meetings shall be properly documented or minuted;

¹⁴ At present, the NIA Board of Directors is represented by the following:

- DA – Usec. Leocadio S. Sebastian
- NIA – Administrator Eduardo G. Guillen
- NEDA – Asec. Roderick M. Planta
- DPWH – Usec. Maria Catalina E. Cabral
- NPC – Vice President Melchor P. Ridulme
- Private Sector – Dir. Efren S. Bartolome, Sr.

2. Determine the GOCC'S purpose and value, as well as adopt strategies and policies, including risk management policies and programs, in order to ensure that the GOCC survives and thrives despite financial crises and that its assets and reputation are adequately protected;
3. Monitor and evaluate on a regular basis the implementation of corporate strategies and policies, business plans and operating budgets, as well as Management's over-all performance to ensure optimum results;
4. Adopt a competitive selection and promotion process, a professional development program, as well as a succession plan to ensure that the Officers of the GOCC have the necessary motivation, integrity, competence and professionalism;
5. Monitor and manage potential conflicts of interest of Directors, Management, and shareholders, including misuse of corporate assets and abuse in related party transactions;
6. Implement a system of internal checks and balances, which may be applied in the first instance to the Board; and ensure that such systems are reviewed and updated on a regular basis;
7. Ensure the integrity of the GOCC's accounting and financial reporting systems, including independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards;
8. Identify and monitor, and provide appropriate technology and systems for the identification and monitoring of key risks and performance areas;
9. Adopt, implement and oversee the process of disclosure and communications;
10. Constitute an Audit Committee and such other specialized committees as may be necessary, or required by applicable regulations, to assist the Board in discharging its functions: and
11. Conduct and maintain the affairs of the GOCC within the scope of its authority, as prescribed in its Charter or Articles of Incorporation, By-laws, and applicable laws, rules and regulation.

Additional responsibilities include:

12. Convening of Board Committee Meetings

The Audit Committee is required to convene at least four (4) times a year, while the Nominations and Remunerations Committee must hold meetings at least twice (2) a year. For the remaining Board Committees, meetings are scheduled as needed, contingent on the specific functions of each committee. Such meetings may be initiated upon the request of any committee member or alternate representative, and/or through the instruction or approval of the Chairman of the Board.

13. Convening of Regular Board Meetings

The Board of Directors is mandated to convene at least once a month to effectively fulfill its responsibilities, unless the GOCC's Charter or By-Laws specify otherwise. Contrastingly, Section 2 of the NIA By-Laws suggests that Regular Board Meetings are to be held twice a month, specifically on the second and fourth Monday of every month. With that, the NIA Regular Board Meetings must be held twice a month, in compliance with the NIA By-Laws and the Code of Corporate Governance for GOCCs.

14. Convening of Special Board Meetings

The convening of Special Board Meetings requires a formal request from the NIA Management, presented through the Administrator, regarding matters necessitating immediate attention. Special Board Meetings will only be scheduled upon prior endorsement or approval from the Chairman or at least two members of the Board.

Chairman of the Board

Roles and Responsibilities

The Chairman shall be the presiding officer of the Board and shall represent it in all acts, transactions and contract requiring the intervention of the Board. The Chairman's responsibilities include:

1. Calling meetings to enable the Board to perform its duties and responsibilities;
2. Approving meeting agenda in consultation with the CEO and the Corporate Secretary;
3. Exercising control over quality, quantity and timeliness of the flow of information between Management and the Board; and,
4. Assisting in ensuring compliance with the GOCC's guidelines on corporate governance.

The responsibilities set out above, may pertain only to the Chairman's role in respect to the Board proceedings, and shall not be taken as a comprehensive list of all the duties and responsibilities of a Chairman.

NIA Office of the Corporate Board Secretary

Roles and Responsibilities

The Office of the Corporate Board Secretary serves as the vital link connecting the Board of Directors with the Management. It takes charge of maintaining the office's smooth operations and ensures that the Board fulfills their fiduciary obligations in alignment with corporate governance principles, legal compliance, and the agency's by-laws and mandates.

The role of the Corporate Board Secretary encompasses a diverse array of responsibilities crucial to the effective functioning of the organization's governance structure. Primarily, the Board Secretary holds a supervisory role, overseeing the comprehensive activities and operations of the OCBS. Acting as a key advisor, the Board Secretary provides invaluable guidance to the Board, ensuring an understanding of their responsibilities and obligations. Collaboration with the Chairman and Members of the Board is integral, involving the coordination of annual schedules, meeting calls, and agenda preparation. The Board Secretary is entrusted with the meticulous management of reports and memoranda, receiving, filing, and ensuring their discussion and action by the Board.

Moreover, the Board Secretary assumes a proactive role in the evaluation and screening of proposals for Board consideration, guaranteeing that decisions are well-informed. Facilitating the smooth flow of information to the Board before and after meetings, attending and overseeing Board meetings, and preparing accurate minutes and resolutions underscore the Board Secretary's commitment to transparency and documentation. Beyond this, the Board Secretary safeguards the NIA seal, affixing it as required, and maintains the minutes, documents, and papers of Board meetings. Ensuring the implementation of Board directives, coordinating with agency officials, meeting regulatory disclosure requirements, attesting to GCG requirements, and handling additional duties assigned over time collectively define the multifaceted and indispensable contributions of the Corporate Board Secretary to the governance dynamics of the Agency.

ATTY. ALLAN PAUL S. SARANGAYA, J.D.
Corporate Board Secretary