Republic of the Philippines

HOUSE OF REPRESENTATIVES

Quezon City

EIGHTEENTH CONGRESS

Third Regular Session

HOUSE RESOLUTION No. 2234

Introduced by

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

RESOLUTION

URGING THE HOUSE COMMITTEE ON NATURAL RESOURCES TO CONDUCT
AN INVESTIGATION, IN AID OF LEGISLATION, ON THE DESTRUCTIVE
RAMIFICATIONS OF THE CHICO RIVER PUMP IRRIGATION PROJECT

WHEREAS, on April 10, 2018, the Philippines and China sealed a loan agreement for an irrigation project for the Chico River covering the municipalities of Tuao and Piat in Cagayan and the municipality of Pinukpuk in Kalinga;

WHEREAS, the Chico River Pump Irrigation Project is one of the first infrastructure projects funded by China under the Duterte administration’s Build, Build, Build program. This particular project is supposedly to address a shortage in water supply to meet the National Capital Region’s (NCR) demands;

WHEREAS, the undertaking is expected to cost P4.37 billion. The Export-Import Bank of China has agreed to lend P3.69 billion at an interest rate of 2%, with a management fee of $186,260 and a commitment fee of 0.3% per annum. This will be payable in 20 years, with a grace period of 7 years. In the case of a default, China can suspend or terminate disbursements. Delinquencies are due immediately without need for legal formalities;

WHEREAS, the Chico river is the most extensive in the region of Cordillera, and traverses three (3) provinces: Mountain Province, Kalinga, and Cagayan. Communities along its banks, among them indigenous peoples; such as the Kalinga and the Butbut, depend on its water for daily use and for the irrigation of farmlands. Local agricultural activities are expected to be affected negatively by the proposed structure’s disturbance of their water source. These negative effects are expected to increase manifold during droughts;

WHEREAS, there has been consistent interest in the Chico River as a site for various hydropower and irrigation related projects dating as far back as 1965, when the Chico River Basin Development Project was conceived. Starting with conducting surveys in 1974, the Marcos regime commenced with its objectives to construct World Bank-funded dams along the river. The affected indigenous Kalinga and Bontoc people were greatly opposed to these activities, and were harshly treated to harassment, bribery and threats of relocation. The death of Butbut leader, Macli-ing Dulag, on April 24, 1980,
the hands of the military, united the peoples of the Cordillera against these projects, causing the
government to abandon its plans;

WHEREAS, the arrangements for this present project are disconcertingly similar to another recent
one, the New Centennial Water Source, or the Kaliwa Dam;

WHEREAS, the Kaliwa Dam project, agreed upon on November 20, 2018, will cost P12 billion, with
China promising to loan the Philippines 85% of that total cost. Agta, Dumagat, and Remontado
communities expect to be affected by these activities and are in staunch opposition of its
commencement. The biodiversity of the Sierra Madre will experience devastating effects due to these
projects. Endangering further the lives of various species, including the Philippine Eagle;

WHEREAS, both agreements raise questions regarding the possible penalties that can be imposed
on the Philippines in case of payment failure. Any arbitration regarding payment matters will be
handled using Chinese laws, and conducted in China;

WHEREAS, the indigenous peoples affected by such undertakings consider themselves stewards of
their ancestral land. They should be respected and supported;

WHEREAS, the Philippines is rich in natural resources and all its citizens, not just a select few should
benefit from these resources. The rights of some should not be held over the rights of others in terms
of access to such resources. The environment should be preserved, for our own sake, and for the sake
of future generations;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the
Committee on Natural Resources conduct an investigation, in aid of legislation on the destructive
ramifications of the Chico River Pump Irrigation Project.

Adopted,

Rep. EUFEMIA CULLAMAT
Bayan Muna Party-list

Rep. FERDINAND C. GAITE
Bayan Muna Party-list

Rep. CARLOS IZAGANI T. ZARATE
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