

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

SEVENTEENTH CONGRESS  
First Regular Session

House Bill No. **393**



---

Introduced by **REP. JOSE T. PANGANIBAN, JR.**  
of ANAC-IP Partylist

---

**EXPLANATORY NOTE**

Article II, Section 22 of the 1987 Constitution provides that "(T)he State recognizes and promotes the rights of indigenous cultural communities within the framework of national unity and development." Hence, the promotion of a society recognizing and promoting the rights of Indigenous Cultural Communities/Indigenous Peoples (ICCs/IPs) within the framework of the 1987 Constitution and Republic Act 8371, otherwise known as the Indigenous Peoples Rights Act of 1997.

One of the objectives of the enactment of the Indigenous Peoples Rights Act of 1997 is to improve the economic condition of the Indigenous Peoples/Indigenous Cultural Communities (IPs/ICCs) in the Philippines. Almost twenty (20) years, however, had already passed since the passage of the law but the economic condition of the IPs/ICCs has not improved. Worst, the IP sector has remained to be one of the most marginalized sectors in the Philippines today.

The main reason for this aberration is the lack of funding for the development projects intended for the welfare of the IPs/ICCs. The Ancestral Domain Sustainable Development and Protection Plan (ADSDPP) which is the primary development plan created for and by the IPs/ICC/s within their ancestral domain do not have the appropriate financial backing of national and local government institutions resulting to the worsening economic condition of IPs/ICCs.

In view of the above, this measure seeks to provide a solution for the lack of funding for development projects intended for IPs/ICCs. Hence, urgent approval of this bill is earnestly sought.

  
**JOSE T. PANGANIBAN, JR., CPA, Lib**  
Representative, ANAC-IP Partylist

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

SEVENTEENTH CONGRESS

*First Regular Session*

House Bill No. \_\_\_\_\_

---

Introduced by REP. JOSE T. PANGANIBAN, JR.  
of ANAC-IP Partylist

---

**AN ACT MANDATING LOCAL GOVERNMENT UNIT(S) TO ALLOCATE  
TWENTY PERCENT (20%) OF THEIR TWENTY PERCENT (20%)  
DEVELOPMENT FUND FOR DEVELOPMENT PROJECTS INTENDED  
FOR INDIGENOUS PEOPLES IN THEIR TERRITORIAL JURISDICTION**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress  
assembled:*

**SECTION 1. Short Title.** This Act shall be known as the “*Indigenous Peoples  
Revenue Allotment Act of 2016.*”

**SECTION 2. Declaration of Policies.** It is hereby declared the policy of the State:

(a) To recognize and promote the rights of Indigenous Cultural  
Communities/Indigenous Peoples (ICCs/IPs) within the framework of national unity and  
development;

(b) To recognize and promote the rights of ICCs/IPs to participate fully, if they so  
choose, at all levels of decision-making in matters which may affect their rights, lives and  
destinies through procedures determined by them as well as to maintain and develop their  
own indigenous political structure. Consequently, the State shall ensure that the ICCs/IPs  
shall be given mandatory representation in policy-making bodies and other local legislative  
councils

(c) To recognize and promote the rights of ICCs/IPs to determine and decide their  
own priorities for development affecting their lives, beliefs, institutions, spiritual well-being,  
and the lands they own, occupy or use. They shall participate in the formulation of policies,  
plans, programs for national, regional and local development which directly affect them;

(d) To protect the rights of ICCs/IPs to their ancestral domains to ensure their  
economic, social and cultural well-being and shall recognize the applicability of customary  
laws governing property rights or relations in determining the ownership and extent of  
ancestral domain;

(e) To recognize, respect and protect the rights of the ICCs/IPs to preserve and develop their cultures, traditions and institutions. It shall consider these rights in the formulation of national law and policies;

(f) To guarantee that members of the ICCs/IPs regardless of sex, shall equally enjoy the full measure of human rights and freedoms without distinction or discrimination;

(g) To take measures, with the participation of the ICCs/IPs concerned, to protect their rights and guarantee respect for their cultural integrity, and to ensure that members of the ICCs/IPs benefit on an equal footing from the rights and opportunities which national laws and regulations grant to other members of the population; and;

(h) To recognize its obligations to respond to the strong expression of the ICCs/IPs for cultural integrity by assuring maximum ICC/IP participation in the direction of education, health, as well as other services of ICCs/IPs, in order to render such services more responsive to the needs and desires of these communities.

Towards these ends, the State shall institute and establish the necessary mechanisms to enforce and guarantee the realizations of these rights, taking into consideration their customs, traditions, values, beliefs, interest and institutions, and to adopt and implement measures to protect their rights to their ancestral domains.

**SECTION 3. *Definition of Terms.*** As used in this Act, the following terms are defined as follows:

(a) ***ADSDPP*** - refers to the Ancestral Domain Sustainable Development and Protection Plan;

(b) ***Annual Investment Plan (AIP)*** - refers to the annual development projects of LGUs' as funded through their general annual appropriation ordinance;

(c) ***Economic Development Fund (EDF)*** - refers to the annual economic development fund of LGUs' representing twenty percent (20%) internal revenue allotment;

(d) ***Indigenous Cultural Communities/Indigenous Peoples (ICCs/IPs)***. – refer to a group of people or homogenous societies identified by self-ascription by others, who have continuously lived as organized community on communally bounded and defined territory, and who have, under claims of ownership since time immemorial, occupied, possessed and utilized such territories, sharing common bonds of language, customs, tradition and other distinctive cultural traits, or who have, through resistance to political, social and cultural inroads of colonization, non-indigenous religions and culture, became historically differentiated from the majority of Filipinos. ICCs/IPs shall likewise include peoples who are regarded as indigenous on account of their descent from the populations which inhabited the country, at the time of conquest or colonization, or at the time of inroads of non-indigenous religions and cultures, or the establishment of present state boundaries, who retain some or all of their own social, economic, cultural and political institutions, but who may have been displaced from their traditional domains or who may have resettled outside their ancestral domains;

(e) ***Internal Revenue Allotment (IRA)*** – refers to the automatic internal revenue allotment given by the National Government to Local Government Units as provided in the annual General Appropriations Act;

(f) **Indigenous Political Structure (IPS)** – refer to organizational and cultural leadership systems, institutions, relationships, patterns and process for decision-making and participation, identified by ICCs/IPs such as, but not limited to, Council of Elders, Council of Timuays, Bodong Holders, or any other tribunal or body of similar nature;

(g) **Local Development Council (LDC)** - refers to the development council of LGUs convened for the formulation of priority annual development projects;

(h) **Local Government Units (LGUs)** - refer(s) to the barangay, municipality, city, province, autonomous regions (ARMM and CAR), and other political subdivisions as may be created by law;

(i) **National Commission on Indigenous Peoples (NCIP)** - refers to the office, attached under the Office of the President and created under RA 8371. It is currently the primary government agency responsible for the formulation and implementation of policies, plans and programs, to recognize, protect and promote the rights of the ICCs/IPs;

**SECTION 4. Mandate/Institution.** All LGUs as defined under this act are mandated to allocate twenty percent (20%) of their twenty percent (20%) annual economic development fund for development projects intended for IPs/ICCs in their territorial jurisdiction.

**SECTION 5. Scope of Application.** The Indigenous Peoples Revenue Allotment shall be applicable to all local government units as defined under this Act. Toward this end, the indigenous peoples' mandatory representative (IPMR) or the head of the IPS, in the absence of IPMR, shall become an automatic member of the local development council of LGUs.

**SECTION 6. Adoption of ADSDPP.** The local development council of LGUs shall automatically adopt the Ancestral Domain Sustainable Development Protection Plan of IPs/ICCs in their annual investment plan. In the absence of ADSDPP, the local development council shall adopt the development project(s) proposed by the IPMR or the head of the indigenous peoples structure (IPS) in their territorial jurisdiction.

**SECTION 7. Penal Provision.** Any person liable under this Act shall be penalized by *prision mayor* or imprisonment for a period of six (6) years and one day to twelve (12) years and a fine of not less than One Hundred Pesos (Php.100,000.00) nor more than One Million Pesos (Php.1,000,000.00) and:

(a) The penalty provided under this Act shall be imposed in its maximum period if the offender has been previously convicted under this Act;

(b) The penalty provided for in this Act shall be imposed in its maximum period if the offender is a public official, officer or employee: *Provided*, that the penalty of suspension and perpetual disqualification to hold any government position shall also be imposed.

**SECTION 8. Administrative Proceedings and Sanctions.** – Upon findings by the NCIP and/or DILG that a local government unit has violated any provision of this Act and its implementing rules and regulations, the sanctions under administrative law, civil service, or other appropriate laws shall be recommended to the Civil Service Commission (CSC) and/or Office of the OMBUDSMAN. The person directly responsible for the violation as well as the head of the agency or local chief executive shall be held liable under this Act.

