

Republika ng Pilipinas
Pambansang Pangasiwaan ng Patubig
(NATIONAL IRRIGATION ADMINISTRATION)
Lungsod ng Quezon

OFFICE ADDRESS: NATIONAL GOVERNMENT CENTER
E. DE LOS SANTOS AVENUE
QUEZON CITY PHILIPPINES

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OUR REFERENCE:

MC No. 20, Series of 2009

MEMORANDUM CIRCULAR

TO : THE SENIOR DEPUTY ADMINISTRATOR, DEPUTY ADMINISTRATORS, REGIONAL/ OPERATIONS DEPARTMENT MANAGERS, PROVINCIAL IRRIGATION OFFICERS, IRRIGATION SUPERINTENDENTS AND ALL OTHERS CONCERNED

SUBJECT : AMENDMENT TO NIA POLICY ON RECOVERY OF IRRIGATION DEVELOPMENT COST IN CONVERSION OF LAND TO NON-AGRICULTURAL USE

In order to have a uniform and simpler formula on the computation of irrigation development cost (IDC) in the conversion of land to non-agricultural use, it is hereby directed that the following shall be observed by the concerned NIA office in computing the appropriate IDC of said land:

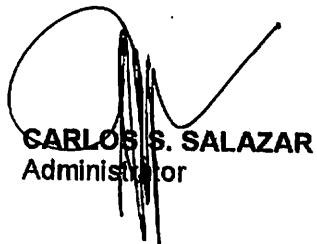
"The NIA Regional Office, before approving the request for land conversion, shall require the registered owner to pay in full the IDC equivalent to the government's investment cost in constructing and/or rehabilitating the irrigation system where the land requested for conversion is located. Payment shall be made in the Irrigation Management Office whose service area includes the land sought to be converted to non-agricultural use. For this purpose, the amount of IDC shall include inflation, expenditures for capital goods financed from public, national or local budget sources, whether sourced from domestic or foreign, on the land applied for use conversion. *Provided, that:*

1. the valuation of such investment will be equivalent to the total government or NIA expenditure made on the land in question, adjusted for average inflation over the period since the beginning of investment up to the month of approval of conversion; and,
2. the valuation shall be determined the Operations Division of the concerned Regional Office, in consultation with the Irrigation Management

Office (IMO), Regional Finance Manager and
Irrigators association (IA)."

All other provisions under MC No. 48, series of 2008 which are inconsistent herewith
are deemed superseded, amended or revoked accordingly.

For your guidance and compliance.



CARLOS S. SALAZAR
Administrator

28 April, 2009