

9 JUN -8 P3:22

SENATE

S. B. No. **3312**

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EXPLANATORY NOTE

Mindanao is an island in Southern Philippines with vast natural resources and skilled labor force. It contributes 34% of the national agricultural output and 44% of the domestic food trade. The island is the country's leading producer of major agri-industrial crops like rubber, cacao, pineapple, banana, coffee, cassava, corn and coconut. Further, it is richest in terms of biodiversity and is now emerging as a destination for tourists and investors due largely to its strategic geographic location and to the growing competitiveness of its important sectors such as agriculture and services. Mindanao has become the vanguard of trade and commerce because it is situated between the East and the West, and it is strategically proximate to key markets such as Brunei-Indonesia-Malaysia-the Philippines - East ASEAN Growth Area (BIMP-EAGA), Singapore, India and China.

However, according to the Philippine Human Development Report 2008/2009, as it was in 2003, seven (7) out of ten (10) bottom provinces in terms of human development index (HDI) are from Mindanao, namely, Zamboanga del Norte, Sarangani, Lanao del Sur, Basilan, Maguindanao, Tawi-Tawi and Sulu. The high incidence of poverty and low degree of human development mainly explain the vulnerability of Mindanao to armed conflict, which has further retarded the economic and social conditions of communities and caused the displacement and marginalization of its residents. Most importantly, it disrupted the fragile peace that the communities benefited through cooperation and dialogue.

To address these ubiquitous and compelling problems in Mindanao, a mechanism that will ensure the participation of all sectors in the island cannot be overemphasized. There is a need for an agency that looks beyond regional concerns and integrates and harmonizes peace and development efforts at a Mindanao-wide perspective. There must be an agency that ensures unity among diverse cultures, religious denominations and the programs and projects aimed at alleviating poverty do not result in conflict, and instead attract investments, generate employment, and uplift the quality of lives of Mindanaoans.

This bill, thus, proposes the creation of an institutionalized mechanism, which shall be known as the Mindanao Development Administration (MINDA) that will ensure coherence, consistency and continuity of development efforts in Mindanao.

Hence, an expeditious passage of the bill is earnestly sought.

  
SEN. MAR ROXAS

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AN ACT  
CREATING THE MINDANAO DEVELOPMENT ADMINISTRATION (MINDA)  
DEFINING ITS POWERS AND FUNCTIONS, AND PROVIDING FUNDS THEREFOR,  
AND FOR OTHER PURPOSES.

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

1 SECTION. 1. *Title.* - This Act shall be known as the "Mindanao Development  
2 Administration (MINDA) Act of 2009."

3 SEC. 2. *Declaration of Policy.* - It is hereby declared a policy of the State to  
4 accelerate the growth and development of Mindanao, by encouraging and increasing trade,  
5 tourism and investments, promoting private enterprise, and advancing efforts towards  
6 peace and development. Towards this end, an effective institutional mechanism shall be  
7 established to address the need for a coordinative and integrative approach for the  
8 formulation and implementation of various Mindanao-wide, interregional and region-  
9 specific programs, with Mindanao-wide impact. The government shall furthermore  
10 undertake efforts to promote the active participation of Mindanao and Palawan in the  
11 Brunei Darussalam-Indonesia-Malaysia-the Philippines - East ASEAN Growth Area (BIMP-  
12 EAGA).

13 SEC. 3. *Creation of the Mindanao Development Administration (MINDA).* - There  
14 is hereby created an agency to be known as the Mindanao Development Administration,

1 hereinafter referred to as MINDA or the Administration, which shall be governed by the  
2 provisions of this Act. The Administration shall be under the direct supervision of the  
3 President of the Philippines.

4 SEC. 4. *Coverage.* – The Administration shall cover all the provinces and  
5 municipalities/cities of Regions IX, X, XI, XII, Caraga and Autonomous Region in Muslim  
6 Mindanao (ARMM).

7 SEC. 5. *Principal Office and Term.* The Administration shall have its main office in  
8 Davao City. It may establish area management offices (AMOs) and such other offices, as it  
9 may deem necessary to achieve the objectives of this Act. The Administration shall have a  
10 term of fifty (50) years from the effectivity of this Act and renewable for the same period  
11 unless otherwise provided by law.

12 SEC. 6. *Powers and Functions of the Mindanao Development Administration*  
13 *(MINDA).* - The Administration shall have the following powers and functions:

- 14 (a) Identify development priorities for Mindanao and formulate a Mindanao-wide  
15 and/or interregional strategies and approaches that is responsive to Mindanao's  
16 unique requirements, consistent with the over-all peace and development  
17 initiatives of the national government;
- 18 (b) Prioritize, integrate and pursue Mindanao-wide, interregional and region-  
19 specific programs, with Mindanao-wide impact;
- 20 (c) Promote and facilitate investments in any field that would enhance the  
21 development of Mindanao;
- 22 (d) Explore sources for financing priority Mindanao-wide, interregional and  
23 region-specific programs with Mindanao-wide impact;
- 24 (e) Engage, invest, or enter into joint venture with Filipino and foreign investors in  
25 such Mindanao-wide, interregional and region-specific programs with

1 Mindanao-wide impact as it may deem proper and necessary or contributory to  
2 the development of Mindanao;

3 (f) Receive and administer donations, contributions, grants, bequests or gifts in  
4 cash or in kind from foreign governments, international agencies, private  
5 entities, and other sources, including Official Development Assistance (ODA)  
6 agencies, for purposes that would contribute to the development of Mindanao,  
7 subject to existing laws, rules and regulations;

8 (g) Act as the implementing agency, whenever necessary, for the accomplishment  
9 of Mindanao-wide, interregional and region-specific programs with Mindanao-  
10 wide impact, including Official Development Assistance (ODA) projects,  
11 subject to such limitations prescribed by existing laws, rules, and regulations;

12 (h) Monitor, evaluate and formulate recommendations on the implementation of  
13 Mindanao-wide, interregional and region-specific programs with Mindanao-  
14 wide impact, including, but not limited to establishing appropriate mechanisms  
15 to ensure the timely implementation of Mindanao-wide and interregional  
16 projects, whenever necessary, including, but not limited to public-private  
17 partnership;

18 (i) Conduct policy research and advocate policies that will foster the integrated  
19 and balanced development of Mindanao;

20 (j) Recommend for approval by the National Economic Development Authority  
21 (NEDA) Board such Mindanao-wide, interregional and region-specific  
22 programs with Mindanao-wide impact;

23 (k) Act as the official and permanent Philippine Coordinating Office for BIMP-  
24 EAGA (PCOBE) and as lead agency of the government in coordinating the

1 formulation, implementation and monitoring of policies and programs and all  
2 activities related thereto, including but not limited to the following:

- 3 i. Closely coordinate with relevant stakeholders in all policy  
4 deliberations concerning BIMP-EAGA;
- 5 ii. Initiate and coordinate the establishment of BIMP-EAGA desks in  
6 concerned national agencies, local government units and private  
7 enterprises;
- 8 iii. Advocate for the adoption/approval of policies, initiatives and  
9 strategies that will enhance the country's participation in the BIMP-  
10 EAGA;
- 11 iv. Initiate and facilitate sourcing of technical and other forms of  
12 assistance to BIMP-EAGA projects/initiatives and ensure efficient and  
13 effective support services for the Philippines' BIMP-EAGA operations  
14 and coordinate budgetary requirements for this purpose;
- 15 v. Monitor developments in the BIMP-EAGA and follow-through  
16 agreements entered into by the Philippine parties; and,
- 17 vi. Create a BIMP-EAGA Advisory Board to be composed of the  
18 following:
  - 19 a. MINDA Chairperson as Head;
  - 20 b. Chairpersons of the RDCs of Regions IX, X, XI, XII and XIII, and  
21 REDPB of ARMM;
  - 22 c. The Chairperson of the House Committee on BIMP-EAGA Affairs  
23 who shall be an *ex-officio* member;
  - 24 d. City Mayor of Puerto Princesa;
  - 25 e. Provincial Governor of Palawan; and,

1 f. Two Philippine Country Representatives to the BIMP-EAGA  
2 Business Council (BEBC).

3 (l) To sue and be sued, enter into contracts, acquire, purchase, hold, lease, transfer,  
4 dispose of property of any kind or nature necessary to carry out the purposes of  
5 this Act;

6 (m) The Administration, through the MINDA Chairperson, shall submit to the  
7 President and both Houses of Congress annual reports on its accomplishments  
8 and activities; and,

9 (n) Discharge other functions which may be deemed necessary to accomplish the  
10 objectives and policies of this Act and/or as may be provided by law.

11 **SEC. 7. Chairperson.** - The MINDA Chairperson, hereinafter referred to as the  
12 Chairperson, shall be appointed by the President of the Philippines with a cabinet rank,  
13 who shall serve for a term of six (6) years unless removed for cause. *Provided,* That no  
14 person shall be appointed as Chairperson unless he/she is a holder of a Masters Degree in  
15 any of the following fields: economics, business, public administration, law, management or  
16 their equivalent and have at least ten (10) years relevant experience in said field. *Provided,*  
17 *further,* That the Chairperson shall be a resident of Mindanao for at least two (2) years prior  
18 to the commencement of his/her term and during his/her incumbency.

19 The Chairperson shall have the following duties and functions:

20 (a) Call and preside the meetings of the MINDA Board;

21 (b) Call on relevant stakeholders in the formulation and implementation of  
22 Mindanao-wide, interregional and region-specific programs with Mindanao-  
23 wide impact; and address issues and concerns relating to implementation of  
24 such programs;

- 1 (c) Endorse to the MINDA Board all policy recommendations, plans, programs,  
2 and projects for approval;
- 3 (d) Represent the MINDA Board in regular and Special Cabinet Meetings;
- 4 (e) Convene the BIMP-EAGA Advisory Board to discuss issues and concerns, and  
5 recommend policies and programs to ensure the widest participation of  
6 Mindanao and Palawan in BIMP-EAGA;
- 7 (f) Accept, in behalf of MINDA, donations, contributions, grants and bequests or  
8 gifts, in cash or in kind, from members, foreign governments, international  
9 offices, private entities or any individual for purposes that will realize the  
10 functions of the Administration;
- 11 (g) Supervise administrative operations including disbursement of any fund of the  
12 MINDA subject to Commission on Audit's accounting and auditing procedures,  
13 and submit reports thereon;
- 14 (h) Appoint all employees of the Authority, and remove, dismiss or otherwise  
15 discipline for cause, such employees in accordance with the standard guidelines  
16 for recruitment, employment, and discipline in the Civil Service Code;
- 17 (i) Represent the Authority in all dealings with other offices, agencies, and  
18 instrumentalities of the Government and with all persons and entities, public or  
19 private;
- 20 (j) Enter into agreements and/or contracts in behalf of the MINDA;
- 21 (k) He/she shall also be the Philippine Senior Official for BIMP EAGA;
- 22 (l) He/she shall likewise be an *ex-officio* member of the NEDA Board; and
- 23 (m) Perform such other functions that the MINDA Board may direct to carry out  
24 the provisions of this Act.

1           SEC. 8. *Administrator* – There shall be an Administrator who shall assist the  
2 Chairperson in carrying out the functions of Administration and shall likewise serve as the  
3 Secretary of the MINDA Board. *Provided*, That no person shall be appointed as  
4 Administrator unless he/she is a holder of a Degree in any of the following fields:  
5 economics, business, public administration, law, management or their equivalent and have  
6 at least five (5) years relevant experience in said field; *Provided, further*, That the  
7 Chairperson shall be a resident of Mindanao for at least two (2) years prior to the  
8 commencement of his term and during his incumbency; *Provided, finally*, That he must  
9 possess the requisite eligibilities for third level career service position pursuant to the career  
10 executive rank system.

11           SEC. 9. *Mindanao Development Administration (MINDA) Board.* – The Mindanao  
12 Development Administration (MINDA) Board, hereinafter referred to as the “Board,” shall  
13 provide the overall directions and thrusts unless provided otherwise in this Act. It shall be  
14 composed of the following members:

15           (a) The MINDA Chairperson;

16           (b) The Chairpersons of the Regional Development Councils (RDCs) of Regions IX,  
17           X, XI, XII and XIII, and the Regional Economic Development and Planning  
18           Board (REDPB) of ARMM;

19           (c) A representative from the Senate who shall be an *ex-officio* member;

20           (d) The Chairperson of the House Committee on Mindanao Affairs who shall be an  
21           *ex-officio* member;

22           (e) The President of the Mindanao Confederation of Governors’, City Mayors’ and  
23           Municipal Mayors’ League Presidents;

24           (f) The Administrator of the Southern Philippines Development Authority  
25           (SPDA); and,



1 (g) The four (4) representatives from the Private Sector to be appointed by the  
2 President, upon the recommendation of the Chairperson and Board members,  
3 comprising of the representatives of the following:

4 i. One (1) from the Mindanao Business Sector;

5 ii. One (1) from the Mindanao Academe Sector; and

6 iii. Two (2) from the Mindanao Non-Government Organization (NGO) Sector.

7 Members of the Board shall receive a *per diem* of not more than Five Thousand  
8 Pesos (Php5, 000) for every board meeting: *Provided, however,* That the *per diem* collected  
9 per month does not exceed the equivalent of four (4) meetings. *Provided, further,* That the  
10 amount of *per diem* for every board meeting may be increased by the President but such  
11 amount shall not be increased within two (2) years after its last increase.

12 The Board shall have the following functions:

13 (a) Provide direction and guidance for the Administration's work and thrusts for  
14 Mindanao;

15 (b) Ensure that the goals and policies of the Administration are consistent with the  
16 overall national development goals and objectives;

17 (c) Ensure that the Mindanao development framework is consistent with the over-  
18 all peace and development initiatives of the national government;

19 (d) Explore possible sources for financing of priority Mindanao-wide, interregional  
20 and region-specific programs with Mindanao-wide impact;

21 (e) Create committees/task forces as may be deemed necessary in the  
22 accomplishments of its duties and functions;

23 (f) To issue rules and regulations consistent with the provisions of this Act as may  
24 be necessary to accomplish and implement the purpose, objectives and policies  
25 provided herein; and,

1 (g) Perform such other functions as may be necessary to carry out the purposes of  
2 this Act.

3 SEC. 10. *Executive Committee.* - The Board shall constitute an Executive  
4 Committee, hereinafter referred to as the ExeCom, from among its membership to act,  
5 for and on its behalf when the Board is not in session, on urgent matters as may be  
6 deemed necessary by the Chairperson. To ensure inter-regional representation and  
7 participation, the following shall comprise the Execom:

8 (a) The MINDA Chairperson;

9 (b) The Chairpersons of the RDCs and REDPB;

10 (c) The Representative from the Mindanao Business Sector; and

11 (d) The Representative from the Mindanao Non-Government Organization  
12 (NGO) Sector.

13 The Administrator, as Head of the Secretariat, shall provide technical assistance to  
14 the ExeCom.

15 SEC. 11. *Organizational Structure.* - The Chairperson shall determine the  
16 organizational structure and staffing pattern of the Administration subject to existing civil  
17 service and salary standardization laws. The Chairperson may reorganize the  
18 Administration and may create or abolish divisions, units, or branches therein as the  
19 exigencies of the affairs of the Administrator may require.

20 SEC. 12. *Appropriations.* - The appropriations for (Mindanao Economic  
21 Development Council (MEDCo) under the current General Appropriations Act shall be  
22 used to carry out the implementation of this Act. Thereafter, such sums as may be necessary  
23 for its continued implementation shall be included in the annual General Appropriations  
24 Act.

1            **SEC. 13. *Transitory Provision*** - The Mindanao Economic Development Council  
2 (MEDCo), created under Executive Order 512, and Executive Order 244, as amended, is  
3 hereby abolished.

4            The unexpended appropriations of the abovementioned agency are hereby  
5 transferred to MINDA including its existing records, properties, equipment, facilities and  
6 other assets.

7            The current officials and employees of MEDCo shall be transferred as far as  
8 practicable to the appropriate unit of MINDA as determined by the Chairperson. There  
9 shall be no demotion in ranks and positions and no diminution in salaries, benefits,  
10 allowances and emoluments of all personnel transferred to MINDA.

11           **SEC. 14. *Repealing Clause***. - All laws, decrees, executive orders, rules and  
12 regulations, or parts thereof inconsistent with or contrary to the provisions of this Act are  
13 hereby repealed or modified accordingly.

14           **SEC. 15. *Separability Clause***. - If any part or provision of this Act is held  
15 unconstitutional or invalid, other parts or provisions thereof, which are not affected, shall  
16 continue to remain in full force and effect.

17           **SEC. 16. *Effectivity***. - This Act shall take effect fifteen (15) days following  
18 completion of its publication in at least two (2) newspapers of general circulation.

19

20            Approved,