

THIRTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

SENATE
OFFICE OF THE SECRETARY

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S E N A T E

S. No. 436

Introduced by Senator S. R. Osmeña III

EXPLANATORY NOTE

Article X, Sec. 11 of the 1987 Constitution provides that "The Congress may, by law, create special metropolitan political subdivisions, subject to a plebiscite. The jurisdiction of the metropolitan authority that will thereby be created shall be limited to basic services requiring coordination. Pursuant thereto, this bill seeks to create a special political subdivision to be known as the Metropolitan Cebu.

Over the years, Cebu has developed into a bustling metropolis. It is second to Metro Manila in terms of level of urbanization and economic growth. As in any other urbanized area, the demands for more effective delivery of basic services is tremendous. Immediate response to these needs is key to a sustained development of the Metropolitan Cebu Area. This bill therefor proposes the creation of an entity that will coordinate and best administer the efficient delivery of basic services.

In view of the foregoing, early passage of this bill is earnestly requested.

S. Osmeña III

SERGIO OSMEÑA III
Senator

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SENATE

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AN ACT
CREATING METROPOLITAN CEBU, ESTABLISHING THE METROPOLITAN
CEBU DEVELOPMENT AUTHORITY, DEFINING ITS POWERS AND
FUNCTIONS PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES

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

SECTION 1. **Declaration OF Policies.**- It is the declared policy of the
State to accelerate the improvement of the physical, economic and social
structure of local government units and consistent therewith, services and
resources to achieve commonly beneficial purposes.

SECTION 2. **Creation and Jurisdiction of Metropolitan Cebu: the
Metropolitan Cebu Development Authority.**- There is hereby created a
special metropolitan political subdivision to be known as Metropolitan Cebu,
embracing the cities of Cebu, Mandaue, Lapu-Lapu and Talisay and the
Municipalities of Cordova, Consolacion, Liloan, Compostela, Minglanilla and
Naga.

The affairs of Metropolitan Cebu shall be administered by the Metropolitan
Cebu Development Authority, hereinafter referred to as "MCDA".

SECTION 3. **Scope of MCDA Services.**- The MCDA shall primarily
render services that have metro-wide impact, transcending local political
boundaries of entailing huge expenditures, such that it would not be viable for
said services to be provided by the individual local government units (LGUs)
comprising Metropolitan Cebu. These services shall include:

1 a) Development planning that includes the preparation of medium and
2 long term development plans, the development and evaluation projects and
3 investment programs, the coordination of plans, programs and projects, and the
4 monitoring and evaluation of the progress and effects of project implementation;

5 b) Transport and traffic management designed to promote the safe and
6 convenient movement of persons and goods, which shall include the formulation,
7 coordination, and monitoring of policies, standards, programs and projects to
8 rationalize transport and traffic management operations and services, their
9 infrastructure requirement, provisions for the mass transport system and the
10 institution of a system to regulate road users;

11 c) Solid waste disposal and management that includes the formulation
12 and implementation of policies, standards, programs and projects for proper
13 sanitary waste disposal. It shall likewise include the establishment and operation
14 of sanitary land fill and related facilities and implementation of other alternative
15 programs intended to reduce, reuse and recycle solid waste;

16 d) Flood control and sewerage management that includes the formulation
17 and implementation of policies, standards, programs and projects for an
18 integrated flood control, drainage and sewerage system;

19 e) Urban renewal, zoning and land use planning, and shelter services that
20 shall include the formulation, adoption and implementation of policies, guidelines,
21 standards, rules and regulations, programs and projects to rationalize and
22 optimize urban land use and provide direction to urban growth and expansion,
23 the rehabilitation and development of slum and blighted areas, the development
24 of shelter and housing facilities and the provision of necessary social services;

25 f) Health and sanitation and environment pollution control that includes
26 the formulation and implementation of policies, rules and regulations, standards,
27 programs and projects for the promotion and safeguarding of the health and
28 sanitation of the region and for the enhancement of ecological balance;

1 g) Public safety that includes the formulation and implementation of
2 programs and policies and procedures to achieve public safety, especially
3 preparedness for preventive or rescue operations during times of calamities and
4 disasters such as conflagration, earthquakes, flood and tidal waves, and
5 coordination and mobilization of resources and the implementation of
6 contingency plans for the rehabilitation and relief operations in coordination with
7 national agencies concerned.

8 SECTION 4. **Metro Cebu Council.**- The governing board and policy
9 making body of the MCDA shall be the Metro Cebu Council, hereinafter referred
10 to as the "Council", composed of the mayors of the cities and municipalities
11 enumerated in Section 2 hereof and two (2) representatives from the private
12 sector to be appointed by them.

13 The heads of the Department of Transportation and Communications
14 (DOTC) Department Works and Highways (DPWH), Department of Tourism
15 (DOT), Department of Budget and Management (DBM), Housing and Urban
16 Development Coordinating Committee (HUDCC), and Philippine National Police
17 (PNP) or their duly authorized representatives, shall attend meetings of the
18 council as non-voting members.

19 The Council shall be headed by a Chairman who shall be annually elected
20 from among its members, including the private sector representatives, He shall
21 be vested with the rank, rights and privileges, and subject to the disqualifications
22 and prohibitions of a cabinet member.

23 The Chairman shall be assisted by a general manager, an assistant
24 general manager for finance and administration, an assistant general manager
25 for planning and an assistant general manager for operations, all of whom shall
26 be appointed by the President with the consent and concurrence of the majority
27 Council, subject to civil service laws, rules and regulations. They shall enjoy
28 security of tenure and may be removed only for cause in accordance with law.

1 The chairman and members of the Council shall be entitled to allowances
2 and per diems in accordance with existing policies, rules and regulations.

3 SECTION 5. ***Functions and Powers of the Metro Cebu Development***

4 ***Authority.-*** The MCDA shall have the following functions and powers:

5 a) Formulate, coordinate and regulate the implementation of medium and
6 long-term plans and programs for the delivery of metro-wide services, land use
7 and physical development within Metropolitan Cebu, consistent with national
8 development objectives and priorities;

9 b) Prepare, coordinate and regulate the implementation of medium-term
10 investment programs for metro-wide services which shall indicate the sources
11 and used of funds for priority programs and projects, and shall include the
12 packaging of projects and their presentation of funding institutions;

13 c) Undertake and manage, through appropriate project management
14 offices it may create, metro-wide programs and projects for the delivery of
15 specific services under its jurisdiction, subject to the approval of the Council;

16 d) Coordinate and monitor the implementation of such plans, programs
17 and projects in Metro Cebu; identify bottlenecks and adopt solutions to problems
18 of implementation; Promulgate policies concerning traffic in Metro-Cebu and
19 coordinate and regulate the implementation of all programs and projects
20 concerning traffic operation, enforcement and management and other activities
21 and undertakings allied thereto;

22 e) Install and administer a single ticketing system, fix, impose and collect
23 fines and penalties for all kinds of violations of traffic rules and regulations,
24 whether moving or non-moving in nature, and confiscate and suspend or revoke
25 drivers licenses in the enforcement of such traffic laws and regulations, the
26 provisions of Republic Act No. 4136 and Presidential Decree No. 1605 to the
27 contrary notwithstanding. For this purpose, the Authority shall enforce all traffic
28 laws and regulations in Metro Cebu, through its traffic operation center, and may
29 deputize members of the PNP, traffic enforces of all local government units, duly

1 licensed security guards, or members of non-governmental organizations to
2 whom may be delegated certain authority, subject to such conditions and
3 requirements as the Authority may impose;

4 f) Assess, levy and collect fees and charges for the use of facilities or
5 services rendered and impose such fines as it may deem necessary and proper
6 in connection therewith;

7 g) Perform other related functions required to achieve the objectives of
8 MCDA, including the undertaking of delivery of basic services to the local
9 government units when deemed necessary, subject to prior coordination with
10 and consent of the local government unit concerned.

11 **SECTION 6. *Function of the Metro Cebu Council.***- The Council shall
12 have the following powers and functions:

13 a) Approve metro-wide plans, programs and projects and issue rules and
14 regulations and resolutions deemed necessary by the MCDA to carry out the
15 purposes of this Act;

16 b) Increase the rate of allowance and per diems of the members of the
17 Council to be effective during the term of the succeeding Council:

18 c) Fix the compensation of the officers and personnel of the MCDA, and
19 approve the annual budget thereof for submission to the (DBM); and

20 d) Promulgate rules and regulations and set policies and standards for
21 metro-wide application governing the delivery of basic services, the assessment,
22 levy and collection of service and regulatory fees, and the imposition and
23 collection of fines and penalties.

24 **SECTION 7. *Powers and Functions of the Chairman.***- ~~the~~ Chairman of
25 the Council shall have the following powers and functions:

26 a) Appoint, subject to civil service laws, rules and regulations, all
27 subordinate officers and employees, who shall enjoy security of tenure and may
28 be removed only for cause in accordance with law;

1 b) Engage the services of experts/ consultants either on full time or part
2 time bases, as may be required in the performance of his functions and duties
3 as may be determined by the Chairman;

4 c) Execute and administer the policies, measures and decisions
5 approved by the Council and be responsible for the efficient and effective day-
6 to-day management of the operations of the MCDA;

7 d) Prepare the annual budget for the operations of the MCDA for
8 submission to the Council;

9 e) Submit for consideration of the Council such other policies and
10 measures as he may deem necessary to carry out the purposes and provisions
11 of this Act;

12 f) Subject to the guidelines and policies set by the Council, prepare the
13 staffing pattern and fix the number of subordinate officials and employees of the
14 MCDA; and exercise the power to discipline subordinate officials and employees
15 under the provisions of the law;

16 g) Prepare an annual report on the accomplishments of the MCDA at the
17 close of each calendar year for submission to the Council and to the President
18 of the Philippines; and

19 h) Perform such other duties as may be assigned to him by the President
20 or by the Council.

21 **SECTION 8. *Functions of the General Manager.***- The general
22 manager shall:

23 a) Assist the chairman in the administration of the MCDA and supervision
24 of subordinate personnel;

25 b) Assist the chairman in the supervision of the operation of the various
26 operating centers and units of MCDA;

27 c) Assist the chairman in the review of plans and programs for the MCDA
28 and for the Metro Cebu in the preparation of the annual report of the activities
29 and accomplishment of the MCDA; and

1 d) Perform such other duties and functions as may be lawfully delegated
2 or assigned by the Chairman from time to time.

3 SECTION 9. ***Institutional Linkages of the MCDA.***- The MCDA shall, in
4 carrying out its functions, consult, coordinate and work closely with the local
5 government units (LGUs), the National Economic and Development Authority
6 (NEDA) and other national government agencies mentioned in Section 4
7 hereof, and accredited people's organization (POs), non-governmental
8 organizations (NGOs), and the private sector operating in Metro Cebu, The
9 MCDA chairman or his authorized representative from among the Council
10 members, shall be ex-officio members of the boards of government
11 corporations and committees of the department and offices of government
12 whose activities are relevant to the objectives and responsibilities of the MCDA,
13 and which shall include, but not be limited to, MCWD, DOTC, DPWH, HUDCC
14 and the Department of Interior and Local Government (DILG).

15 The MCDA, upon consultation with the Regional Development Council
16 (RDC), as far as practicable, shall have a master plan that shall serve as the
17 framework for the local development plans of the component LGUs.

18 The MCDA shall submit its development plans and investment programs
19 to the NEDA for integration into the Medium-Term Philippine Development Plan
20 (MTPDP) and public investment program.

21 The implementation of the MCDA's plans, programs and projects shall be
22 undertaken by the LGUs, the concerned national government agencies, the
23 POs, NGOs and the private sector and the MCDA itself where appropriate. For
24 this purpose, the MCDA may enter into contracts, memoranda of agreement
25 and other cooperative arrangements with these bodies for the delivery of the
26 required services within Metropolitan Cebu.

27 The MCDA, shall, in coordination with the NEDA and the Department of
28 Finance, interface with the foreign assistance agencies for purposes of

1 obtaining financing support, grants and donations in support of its programs
2 and projects.

3 SECTION 10. **Sources of Funds; Operating Budget of MCDA.-** TO
4 carry out the purposes of this Act, the amount of THREE HUNDRED MILLION
5 PESOS (P300,000,000.00) is hereby authorized to be appropriated for the initial
6 operation of the MCDA. Thereafter, the annual expenditures, including capital
7 outlays, shall be provided in the General Appropriations Act.

8 In addition, to strengthen MCDA's operational requirements, the proceeds
9 from the revenue-raising powers under Section 5 hereof shall accrue exclusively
10 to MCDA;

11 The MCDA shall also assess and collect from its member-local
12 government units mentioned in Section 2 hereof the following fixed contributions.

13 a. Five (5%) percent of the total annual gross revenue of the
14 immediately preceding year including their IRA, in the case of municipalities;
15 and

16 b. Two and one-half (2 ½) percent of the total annual gross revenue of
17 the immediately preceding year including their IRA, in the case of the cities.

18 The contributions shall accrue and become payable monthly to the MCDA
19 by each city or municipality. In case of failure to remit the said contributions, the
20 DBM shall cause the disbursement of the equivalent amount to the MCDA,
21 chargeable against the IRA of the city or municipality concerned, the provisions
22 of Section 286 of the Local Government Code to the contrary notwithstanding.

23 SECTION 11. **Repealing Clause.-** All other laws, decrees, executive
24 orders, rules and regulations, or parts thereof inconsistent with or contrary to the
25 provisions of this Act are hereby repealed or modified accordingly.

26 SECTION 12. **Separability Clause. -** If any part of provision of this Act is
27 held unconstitutional or invalid, other parts or provisions thereof which are not
28 affected shall continue to remain in full force and effect.

1 SECTION 13. ***Effectivity.*** – This Act shall take effect fifteen (15) days following
2 the completion of its publication in at least two (2) newspapers of general
3 circulation.

Approved,