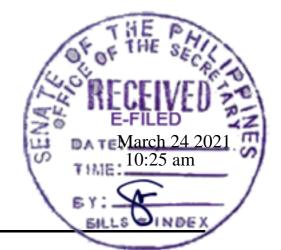
EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



SENATE S.B. No. 2116

Introduced by **SENATOR IMEE R. MARCOS**

AN ACT CREATING THE METRO-DAVAO REGIONAL DEVELOPMENT AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS AND PROVIDING FUNDS THEREFOR

EXPLANATORY NOTE

Section 1(1) of Article XII of the 1987 Philippine Constitution provides that "The goals of the national economy are a more equitable distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged."

Section 1(3) of the same article further provides that "In the pursuit of these goals, all sectors of the economy and all regions of the country shall be given optimum opportunity to develop. Private enterprises, including corporations, cooperatives, and similar collective organizations, shall be encouraged to broaden the base of their ownership."

Region XI, then known as Southern Mindanao, originally covered six (6) provinces: Compostela Valley, Davao del Norte, Davao del Sur, Davao Oriental, South Cotabato and Sarangani, and the cities of Davao, Digos, Panabo, Tagum, Samal, General Santos and Koronadal.

On September 2001, Executive Order No. 36 was enacted reorganizing the regions in Mindanao and renaming Region XI to Davao Region. The provinces of South Cotabato and Sarangani, and the cities of General Santos and Koronadal were transferred to Region XII.

Davao Region or Region XI now comprises five (5) provinces: Davao de Oro, Davao del Norte, Davao del Sur, Davao Oriental, and Davao Occidental. Based on 2015 Census of Population (POPCEN 2015) conducted by the Philippine Statistics Authority (PSA), Region XI has a total population of 4,893,318 people and comprises one highly urbanized city, five component cities, 43 municipalities, and 1,162 barangays.

On December 2020, Davao City Chamber of Commerce and Industry Inc. (DCCCII) President John Carlo Tria said that all business sectors in the region will see growth this 2021 as the country's economy recovers from the effects of the pandemic. He further emphasized that some of the growth drivers in the region will be its fruit exports. Davao Region is a known exporter of a variety of agricultural products like banana, coconut, cacao, durian, and livestock, among others. The continued growth of the agriculture sector gives optimism to the region's economy.

Davao Region's inflation of 1.3 percent in January 2021 was relatively lower than the same month of the previous year at 2.2 percent. According to the National Economic Development Authority (NEDA) Davao, amidst the debilitating impact of the pandemic on the economy, approved investment pledges registered in the Davao Region increased to PhP 2.4 billion in the second quarter of 2020, or higher by 79.29 percent as compared to PhP 497 million reported in the same quarter last year.

With a huge promising development ahead of the region, it is but fitting for the government to step in and help the region reach its goal especially in implementing the Davao Regional Development Plan 2017-2022 by establishing the region as a metropolitan center and a major contributor to Mindanao's development and economic contribution to the entire country.

This bill seeks to create the Metro-Davao Regional Development Authority (MDRDA) as part of the Overall Spatial Strategy to develop the Comprehensive Outcomes for Rural Empowerment (C.O.R.E) growth in the region. The provinces, cities, and municipalities within the Davao region whole-heartedly cooperate with one another, fully embracing the ideas of consolidation and inter-LGU cooperation as constituted and institutionalized in the Davao Integrated Development Plan (DICP).

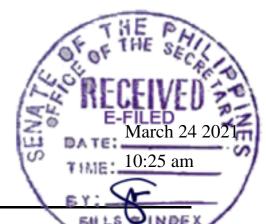
This bill also seeks the creation of a Network of Growth Centers, which is aligned with the Philippine Development Plan for 2017-2022, and will pursue a thorough rural empowerment program that will complement urban growth centers in terms of productivity and production of raw materials, and ensure dispersal of economic opportunities to prevent overcrowding in urban areas, and other related problems. Rural areas will be developed for economic and industrial prosperity, as well as for border and territorial security.

In view of the foregoing, the speedy passage of this bill is earnestly sought.

TIMEE h. MARCOS

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AN ACT CREATING THE METRO-DAVAO REGIONAL DEVELOPMENT AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS AND PROVIDING FUNDS THEREFOR

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 "Metro-Davao Regional Development Authority Act".

SEC. 2. *Declaration of Policy.* – It is the policy of the State to adopt measures to provide a better future to Filipinos throughout the country by boosting countryside development.

The Davao Region has a strategic role as a metropolitan center which is recognized as a critical factor in Mindanao's development and economic contribution to the country's national growth. The provinces and their respective local government units (LGUs) embrace the concept of consolidation and cooperation to adopt a Comprehensive Outcomes for Rural Empowerment (C.O.R.E.) growth strategy to promote connectivity and development of the region, as well as to establish a sustainable and cohesive regional plan for the Davao region. As such, the provinces of Davao de Oro, Davao del Norte, Davao del Sur, Davao Occidental and Davao Oriental, and the cities and municipalities therein, as well as Davao City, shall henceforth be constituted as a special development and administrative region, which shall be known as the Metro-Davao Region.

Within the framework and subject to the mandate and limitations of the Constitution, the Metro-Davao Region shall be developed into a sustainable, industrial, commercial, financial and investment center, to generate employment opportunities in the region and to attract and promote productive local and foreign investments.

SEC. 3. Creation of the Metro-Davao Region Development Authority. – The Metro-Davao Region Development Authority, herein after referred to as the MDRDA, is hereby created to oversee and administer the delivery of basic urban services requiring coordination among the different local government units within the Metro-

Davao Region. These basic urban services shall include, among others: land use, planning and zoning; traffic management; public safety; urban development and renewal; management and control of local government efforts during calamities and emergencies affecting public welfare and safety; and sanitation and waste management.

The MDRDA shall perform planning, monitoring and coordinative functions, and in the process, exercise regulatory authority and control over the delivery of metrowide services within the Metro-Davao Region, without diminution of the autonomy of the local government units concerning matters beyond the ambit of the scope of the MDRDA's Services as provided for in the succeeding section.

- **SEC. 4.** Scope of MDRDA Services. The services under the jurisdiction of the MDRDA are those services which have metro-wide impact and which transcend legal and political boundaries, or which entail expenditures which the individual LGUs which compose the Metro-Davao Region would not be able to undertake on their own. These services include:
- A. Development planning, which includes the preparation of medium and long-term development plans which shall govern the development of the LGUs within the Metro-Davao region, the evaluation and packaging of projects; investment programming, inward investment promotion and coordination, and monitoring of plans, programs and project implementation;
- B. Uniform transport and traffic management, which includes the formulation, coordination and monitoring of policies, standards, programs and projects to rationalize existing transport operations, infrastructure requirements, the use of thoroughfares, and promotion of safe and convenient movement of persons and goods within the Metro-Davao Region; provision of a mass transport system within the Metro-Davao Region and the establishment of a system to regulate road users; administration and implementation of all traffic enforcement operations, traffic engineering services and traffic education programs, including the establishment of a single ticketing system in the Metro-Davao Region.
- C. Solid waste disposal and management, which include formulation, and implementation of policies, standards, programs, and projects for proper and sanitary waste disposal. It shall likewise include the establishment and operation of sanitary landfill and related facilities, and the implementation of other alternative programs intended to reduce, reuse, and recycle solid waste.
- D. Flood control and sewerage management, which include the formulation and implementation of policies, standards, programs and projects for an integrated flood control, drainage, and sewerage system.
- E. Urban renewal, zoning, land use planning, and shelter services which includes the formulation, adoption and implementation of policies, standards, rules

and regulations, programs and projects to rationalize and optimize urban land use and provide direction to urban growth and expansion, the rehabilitation and development of slum and blighted areas, the development of shelter and housing facilities and the provision of necessary social services for the inhabitants of the Metro-Davao region.

- F. Health and sanitation, urban protection and pollution control which include the formulation and implementation of policies, rules and regulations, standards, programs and projects for the promotion and safeguarding of the health and sanitation of the region and for the enhancement of ecological balance and the prevention, control and abatement of environmental pollution.
- G. Public safety, which includes the formulation and implementation of programs and policies and procedures to achieve public safety, especially preparedness for preventive or rescue operations during times of calamities and disasters such as conflagrations, earthquake, flood and tidal waves; and mobilization of resources and the implementation for rehabilitation and relief operations in coordination with national agencies concerned.
- H. Formulate, in consultation with the National Economic Development Authority and other national government agencies, the creation of developmental centers for tourism, agriculture, manufacturing, industrial parks, learning, finance, trade and commerce, tertiary and specialized health services, administration, real estate, as well as other zones that will contribute to the growth and advancement of the region.
- I. Implementation of all policies, projects and programs for the economic development of the metro-Davao Region.
- **SEC. 5.** Functions of the MDRDA. The MDRDA shall exercise the following functions:
- A. Formulate and create, in six year intervals, a comprehensive and detailed development plan for the Metro-Davao Region (Metro-Davao Region Development Plan), which shall embody a list of projects in accordance with the Philippine Development Plan and in consultation with NEDA and the LGUs that compose the Metro-Davao region;
- B. Ensure that all other programs and projects for implementation in the Metro-Davao region are aligned with the Metro-Davao Region Development Plan;
- C. Prepare, implement and manage Metro-Davao wide programs and projects for the delivery of specific services under its jurisdiction;
- D. Formulate, prepare, implement, and manage programs and plans which would advance the development of the Metro-Davao Region and uplift the standard of living of individuals therein;

E. To designate priority development areas in the Metro-Davao region, in accordance with the Metro-Davao Region Development Plan, and plan and implement projects therein;

- F. To designate and implement priority infrastructure projects in the Metro-Davao region, in coordination with the national agencies concerned and the LGUs in which such projects shall be undertaken;
- G. Establish a mechanism for conducting consultations with LGUs within its jurisdiction on plans, programs and projects within the Metro-Davao region;
- H. Monitor the implementation of region-wide programs and projects, and identify implementation issues and appropriate solutions to address them;
- I. Plan and undertake the relocation or resettlement of inhabitants of any LGU within its jurisdiction, as may be deemed necessary and beneficial by the MDRDA, in coordination with the affected LGUs;
- J. Adopt and implement measures and standards for environmental pollution control of all areas within its territory;
- K. Prescribe and collect uniform service and regulatory fees, as well as impose and collect uniform fines and penalties; and
- L. Perform other functions, subject to approval by the Metro-Davao Regional Development Council.
- **SEC. 6.** Composition of the Metro-Davao Regional Development Authority. The governing board and policy making body of the Metro-Davao Regional Development Authority shall be the Metro-Davao Regional Development Council, herein referred to as the Council, composed of the Chairperson of the Regional Development Council XI, city mayor of Davao City, and the governors of the provinces of Region 11, specifically governors for Davao de Oro, Davao del Norte. Davao del Sur, Davao Occidental, and Davao Oriental.

The heads of the following Davao Regional Offices of national government agencies shall attend all meetings of the Council as non-voting member:

- a) Department of Public Works and Highways (DP WH);
- b) Department of the Interior and Local Government (DILG);
- c) Department of Environment and Natural Resources (DENR);
- d) Department of Information and Communications Technology (DICT);
- e) Department of Energy (DOE);
- f) Department of Tourism (DOT);
- g) Land Transportation Office (LTO); and

h) Philippine National Police (PNP) Regional Office.

The Council shall be led by a Chairperson and Vice-Chairperson, both shall be elected from among its members, to serve for a term of three (3) years each. The Chairperson shall be assisted by the following:

a) General Manager

- b) Assistant General Manager for Finance and Administration, who shall be a Chartered Financial Analyst or a Certified Public Accountant
- c) Assistant General Manager for Planning, who shall be have obtained a degree in Environmental Planning or its equivalent and
- d) Assistant General Manager for Operations

All of whom shall be appointed by the President of the Philippines upon recommendation of a majority of the Council, subject to civil service laws, rules, and regulations. The abovementioned officers shall enjoy security of tenure and may only be removed for cause in accordance with law.

The chairperson and members of the Council are entitled to allowances and per diems in accordance with relevant policies, rules, and regulations.

- **SEC. 7.** Functions of the MDRDC. The Council is the policy-making body of the MDRDA and shall exercise the following functions:
- A. Approve plans, programs, and projects, and issue rules and regulations deemed necessary by the MDRDA to carry out the purposes of this Act;
- B. Increase the rate of allowances and per diems of the members of the Council to take effect during the term of the succeeding Council. It shall fix the compensation of the officers and personnel of the MDRDA, and approve the annual budget of the MDRDA for submission to the Department of Budget and Management (DBM);
- C. Recommend investment programming for its plans and programs, as well as supervise the implementation of plans and programs which includes the formulation and coordination of its related activities;
- D. Promulgate rules and regulations, as well as set policies and standards for the delivery of basic services;
 - E. Prescribe service and regulatory fees, and set fines and penalties;
- F. Formulate programs and policies to create developmental centers for tourism, agriculture, manufacturing and industry, learning, finance, trade and commerce, tertiary and specialized health services, administration, real estate, and other zones that will contribute to the growth and advancement of the region;
 - G. Endorse the annual and supplemental budgets of the MDRDA; and

H. Perform such other acts and assume such other functions as may be necessary to carry out the provisions of this Act.

- **SEC. 8.** Functions of the Chairperson. The Chairperson shall exercise the following functions:
- A. Appoint, subject to civil service laws, rules and regulations, al subordinate officers and employees, who shall enjoy security of tenure and may be removed only for cause in accordance with law. The Chairperson is authorized to engage the services of experts or consultants, either on a full time or part-time basis, as may be required in the performance of the chairperson's functions and duties
- B. Execute the policies and measures approved by the Council and be responsible for the efficient and effective day-to-day management of the operations of the MDRDA;
- C. Prepare the annual budget for the operations of the MDRDA for submission to the Council;
- D. Submit for consideration of the Council such other duties and measures as the Chairperson may deem necessary to carry out the purposes and provisions of this Act;
- E. Subject to the guidelines and policies set by the Council, prepare the staffing pattern and fix the number of subordinate officials and employees of the MDRDA, and exercise the power to discipline subordinate officials and employees under the provisions of law;
- F. Prepare an annual report on the accomplishments of the MDRDA at the close of each calendar year for submission to the Council and to the President of the Philippines; and
- G. Perform such other duties as may be assigned to him by the President of the Philippines or by the Council.
- **SEC. 9.** *Functions of the General Manager.* The General Manager shall exercise the following functions:
- A. Assist the chairperson in the administration of the MDRDA and supervision of subordinate personnel;
- B. Assist the chairperson in the supervision of the operation of the various operating centers and units of MDRDA;
- C. Assist the chairperson in the review of plans and programs for the MDRDA and for the cities and municipalities in the preparation of the annual report of activities and accomplishments of the MDRDA; and
- D. Perform such other duties and functions as may be lawfully delegated or assigned by the chairperson from time to time.

SEC. 10. *Institutional Linkages of the MDRDA.* – The MDRDA shall, in carrying out its functions, consult, coordinate and work closely with the LGUs, the Regional Development Council for Region XI and other national government agencies, people's organizations, non-government organizations, and the private sector operating in the Metro-Davao Region. The MDRDA shall have amaster plan that shall serve as the framework for the local development plans of the component provinces and LGUs, which local development plans shall, at al times, be aligned with the Metro-Davao Regional Development Program (MDRDP). In case of conflict between the MDRDP and the local development plans of the component provinces and LGUs of the Metro-Davao region, the former shall prevail.

The MDRDA shall submit the Council's approved development plans and investment programs to the Regional Development Council XI for integration in the DRDP and public investment program. The implementation of the MDRDA's plans, programs, and projects shall be undertaken by the provinces, LGUs, concerned national government agencies, people's organizations, non-government organizations, private sector, and the MDRDA itself, when appropriate. For this purpose, the MDRDA may enter into contracts or memoranda of agreement with these bodies for the delivery of the required services within Metro-Davao Region.

The MDRDA shall, in coordination with the National Economic and Development Authority (NEDA) and Department of Finance (DOF), interface with foreign assistance agencies for purposes of obtaining financing support, grants, and donations in support of its programs and projects.

SEC. 11. Sources of Funds and Operating Budget of the MDRDA. –

- A. To carry out the purposes of this Act, the amount of Five (5) Billion pesos (P 5,000,000,000) is hereby authorized to the appropriated for the initial operation of the MDRDA. Thereafter, the annual expenditures including capital outlays of the MDRDA shall be provided in the General Appropriations Act.
- B. The MDRDA is likewise empowered to levy fines and impose fees and charges for various services rendered, which charges shall be uniform throughout the Metro-Davao Region.
- C. Five percent (5%) of the total annual gross revenue of the preceding year, net of the internal revenue allotment, of each local government unit mentioned in Section 3 of this Act, shall accrue and become payable monthly to the MDRDA by each city or municipality. In case of failure to remit the said fixed contribution, the DBM shall cause the disbursement of the same to MDRDA chargeable against the IRA allotment of the city or municipality concerned, the provisions of Section 286 of RA 7160, as amended, otherwise known as the "Local Government Code of 1991", to the contrary notwithstanding.

SEC. 12. *Transitory Provisions.* – To prevent disruption in the delivery of basic urban services pending the full implementation of the MDRDA's organizational structure and staffing pattern, all officials and employees of the provinces and LGUs shall continue to exercise their duties and functions and receive their salaries and allowances until they shall have been given notice of change of duties and functions, and of being transferred to another office or position.

The civil service laws, rules, and regulations pertinent to the displacement of personnel affected by this Act shall be strictly enforced. The National Government shall provide such amount as may be necessary to pay the benefits accruing to displace employees at the rate of one and one-fourth (1-1/4) months salary for every year of service: *Provided*, that is qualified for retirement under existing retirement laws, said employees may receive the benefits thereunder.

- **SEC. 13.** Separability Clause. If, for any reason or reasons, any part or provision of this Act shall be declared as unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.
- **SEC. 14.** Repealing Clause. All provisions of existing laws, orders, rules and regulations or parts thereof which are in conflict or inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.
- **SEC. 15.** Effectivity. This act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in two (2) newspaper of general circulation.

Approved,