

SENATE

9 MAY 11 P5:05

Senate Bill No. **3225**

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Introduced by SENATOR EDGARDO J. ANGARA

EXPLANATORY NOTE

In the past decades, development planning and development interventions in Mindanao were implemented in a fragmented manner. During that time, disintegrated and highly uneven development enveloped Mindanao as each region competed for scarce resources coming from Manila instead of complementing each other's economic strengths. Mindanao was also seen in the past as a mere supplier of food and raw materials to the factories and burgeoning cities of Manila and Cebu.

There was no integrated development plan for the entire island. What was prevailing then were regional plans which promoted the economic development of each of the regions comprising Mindanao but not in their totality as an island economy.

There was no mechanism that consolidates and integrates peace and development efforts in the island region.

However, due to the formation of the BIMP-EAGA, Mindanao emerged as the front door of investments and trade to the East EAGA Region.

The integration of Mindanao, which was built when Mindanao Economic Development Council (MEDCo) was created, has proven that an integrated, holistic, and Mindanao-wide approach to developing Mindanao is far more effective than the usual national-led and region-centric approach, which was what Mindanao had in the 70s and 80s, and which only accentuated Mindanao's fragmentation. A Mindanao-wide agency that sees through implementation of this transformation process, looks beyond the regions and integrates all development efforts at a Mindanao-wide level cannot be overemphasized.

This bill seeks to address such need – to create a permanent institution that will ensure that the Mindanao's Agenda is within the prism of national government priorities.

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


EDGARDO J. ANGARA

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AN ACT
CREATING THE MINDANAO ECONOMIC DEVELOPMENT AUTHORITY
(MEDA), DEFINING ITS POWERS AND FUNCTIONS, AND PROVIDING FUNDS
THEREFOR, AND FOR OTHER PURPOSES

*Be it enabled 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 Economic
2 **Development Authority (MEDA) Act of 2009.”**

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

13
14 **SEC. 3. Creation of the Mindanao Economic Development Authority.** - The
15 Mindanao Economic Development Authority, hereinafter referred to as the Authority, is hereby
16 created, which shall promote, coordinate, and facilitate the active and extensive participation of
17 all sectors to effect the socio-economic development of Mindanao. It shall also act as an

1 implementing agency for Mindanao-specific interregional and Mindanao-wide programs and
2 projects, whenever necessary.

3
4 **SEC. 4. Coverage.** – The Authority shall cover all the provinces and cities of Regions
5 IX, X, XI, XII, Caraga and Autonomous Region in Muslim Mindanao (ARMM).

6
7 **SEC. 5. Principal Office and Term.** The Authority shall have its main office at Davao
8 City. It may establish area management offices (AMOs) as it may deem necessary to achieve
9 the objectives of this Act. The Authority shall have a term of fifty (50) years from the
10 effectivity of this Act and renewable for the same period unless otherwise provided by law.

11
12 **SEC. 6. Powers and Functions of MEDA.** - In the exercise of those activities which
13 are Mindanao-wide and/or Mindanao-specific in character, the Authority shall have the
14 following powers and functions:

- 15 (a) Formulate an integrated development framework for Mindanao that is consistent
16 with the peace initiatives of the national government;
- 17 (b) Integrate, prioritize and program Mindanao-wide, interregional and region-specific
18 programs, activities and projects with Mindanao-wide impact;
- 19 (c) Advocate to the constituents of Mindanao, their elected representatives in
20 Congress, and the National Government, national policies that will foster the
21 integrated and balanced development of Mindanao;
- 22 (d) Promote and facilitate investments in any field which would enhance the socio-
23 economic development of Mindanao and uplift the living standards of the people
24 and their socio-political activities in close coordination with agencies primarily
25 mandated to undertake such function;
- 26 (e) Explore sources for financing priority Mindanao-wide and/or Mindanao-specific
27 interregional programs, projects and activities;

- 1 (f) Coordinate and facilitate the extension of necessary planning, management, and
2 technical assistance to prospective and existing investors, complementary and in
3 support of agencies primarily mandated to execute such functions;
- 4 (g) Establish a comprehensive and integrated databases on Mindanao and BIMP-
5 EAGA necessary for planning and decision-making;
- 6 (h) Monitor, evaluate and formulate recommendations on the implementation of
7 Mindanao-wide and/or Mindanao-specific inter-regional development programs,
8 activities and projects;
- 9 (i) Act as the implementing agency, whenever necessary, for the accomplishment of
10 Mindanao-specific interregional or Mindanao-wide programs and projects,
11 including Official Development Assistance (ODA) projects, subject to such
12 limitations prescribed by existing laws, rules, and regulations;
- 13 (j) Provide strategic direction for Mindanao;
- 14 (k) Oversee mega infrastructure programs and projects with Mindanao-wide impact
15 such as the Mindanao Super Region Program;
- 16 (l) Establish appropriate mechanisms to ensure the timely implementation of
17 Mindanao-wide and Mindanao-specific interregional projects, whenever necessary,
18 including, but not limited to public-private partnership;
- 19 (m) Review and recommend for approval by the NEDA Board such Mindanao-wide
20 and Mindanao-specific inter-regional programs, projects, and plans by the national
21 government and donor agencies subject to existing laws, rules and regulations;
- 22 (n) Act as the official and permanent Philippine Coordinating Office for BIMP-EAGA
23 (PCOBE) and as lead agency of the government in coordinating the formulation
24 and implementation of policies and programs and monitoring of all activities
25 related thereto;
- 26 (o) Represent and strengthen the participation of the Philippine focus areas for BIMP-
27 EAGA which are Mindanao and Palawan;
- 28 (p) Closely coordinate with the private sector in all policy deliberations concerning
29 BIMP-EAGA;

- 1 (q) Act as a data bank for BIMP-EAGA and other related data by collecting,
2 consolidating and processing data and analyzing the resulting information and
3 thereafter disseminating the information gathered to various groups;
- 4 (r) Initiate and coordinate the establishment of BIMP-EAGA desks in concerned
5 national agencies, local government units and private enterprises;
- 6 (s) Undertake advocacy for the adoption/approval of new policies or policy changes
7 and the promotion of initiatives for the growth of the BIMP-EAGA;
- 8 (t) Formulate and develop new plans and/or programs for the Philippine participation
9 in the BIMP-EAGA based on the consensus of the BIMP-EAGA Clusters and
10 Working Groups, and/or Heads of State, Signing Ministers and Senior Officials;
- 11 (u) Initiate and facilitate sourcing of technical and other forms of assistance to BIMP-
12 EAGA projects/initiatives;
- 13 (v) Monitor developments in the BIMP-EAGA and follow-through agreements
14 entered into by the Philippine parties;
- 15 (w) Ensure efficient and effective technical and administrative support services for the
16 Philippines' BIMP-EAGA operations and coordinate budgetary requirements for
17 this purpose;
- 18 (x) Engage or invest on or enter into joint venture with Filipino and foreign investors
19 in such Mindanao-wide and/or interregional projects as it may deem proper and
20 necessary or contributory to the economic development of Mindanao;
- 21 (y) Receive and administer donations, contributions, grants, bequest or gifts in cash or
22 in kind from foreign governments, international agencies, private entities, and
23 other sources, including Official Development Assistance (ODA) agencies, for
24 purposes that would contribute to the development of Mindanao, subject to
25 existing laws, rules and regulations;
- 26 (z) To sue and be sued, enter into contracts, acquire, purchase, hold, lease, transfer,
27 dispose of property of any kind or nature necessary to carry out the purposes of
28 this Act;

1 (aa) Discharge other functions which may be deemed necessary or as may be provided
2 by law.

3 The Authority, through the MEDA Chairperson, shall submit to the President and both
4 Houses of Congress annual reports on its accomplishments and activities.

5
6 **SEC. 7. Chairperson.** - The MEDA Chairperson, hereinafter referred to as the
7 Chairperson, shall be appointed by the President of the Philippines with a cabinet rank and shall
8 act as the Head of office. He/she shall serve a term of six (6) years from the date of his
9 appointment unless removed for cause. He/she shall also be the Philippine Senior Official for
10 BIMP-EAGA. He/she shall likewise be a member of the National Economic Development
11 Authority (NEDA) Board.

12 The Chairperson shall have the following duties and functions:

- 13 (a) Call and preside at the meetings of the MEDA Advisory Board and see to it that
14 the policies, programs, and rules and regulations developed and promulgated by it
15 are implemented properly;
- 16 (b) Call on development players in the formulation and implementation of a
17 comprehensive and integrated development plan for Mindanao, investment
18 programs including the preparation of a system of investment programming
19 priorities, annual reports and other pertinent documents approved by MEDA;
- 20 (c) Identify solutions to key issues and concerns taking into account related risks,
21 affected parties and impact, in coordination with the Board and key stakeholders,
22 whenever necessary;
- 23 (d) Advocate the Authority's work for Mindanao among the various concerned sectors
24 and stakeholders;
- 25 (e) Call on any agency, group, individual member of the Board, local government
26 unit, and host community to address issues and concerns relating to
27 implementation of major programs, projects and activities;
- 28 (f) Supervise the monitoring and timely implementation of Mindanao-wide and/or
29 Mindanao-specific inter-regional programs, projects and activities;

- 1 (g) Endorse to the MEDA Advisory Board all policy recommendations, plans,
2 programs, and projects for approval;
- 3 (h) Represent the MEDA Advisory Board in regular and Special Cabinet Meetings;
- 4 (i) Convene the BIMP-EAGA Advisory Board to discuss issues and concerns, and
5 recommend policies and programs to ensure the widest participation of Mindanao
6 and Palawan in BIMP-EAGA;
- 7 (j) Accept, in behalf of MEDA, donations, contributions, grants and bequests or gifts,
8 in cash or in kind, from members, foreign governments, international offices,
9 private entities or any individual for purposes that will realize the functions of the
10 Authority;
- 11 (k) Supervise administrative operations including disbursement of any fund of the
12 MEDA subject to usual accounting and auditing procedures, and submit reports
13 thereon;
- 14 (l) Execute and administer the policies and measures approved by the MEDA
15 Advisory Board;
- 16 (m) Appoint all employees of the Authority, and remove, dismiss or otherwise
17 discipline for cause, such employees in accordance with the standard guidelines for
18 recruitment, employment, and discipline in the Civil Service Code;
- 19 (n) Represent the Authority in all dealings with other offices, agencies, and
20 instrumentalities of the Government and with all persons and entities, public or
21 private;
- 22 (o) Sign agreements and/or contracts in behalf of the Authority, including those for
23 expert and consultant services and other reports of accountabilities emanating
24 from the Authority;
- 25 (p) Perform such other functions that the MEDA Advisory Board may direct to carry
26 out the provisions of this Act.
- 27

28 **SEC. 8. *Executive Director*** - An Executive Director shall be appointed by the
29 President of the Philippines upon recommendation by the Chairperson. He/she shall possess the

1 requisite eligibilities for third (3rd) level career service position. He/she shall assist the
2 Chairperson in carrying out the functions of Authority and shall likewise serve as the Secretary
3 of the MEDA Advisory Board.

4
5 **SEC. 9. MEDA Advisory Board.** – The Authority’s overall directions and thrusts shall
6 be provided and approved, unless provided otherwise in this Act, by the MEDA Advisory
7 Board, hereinafter referred to as the Board. It shall be composed of the following members:

8 (a) The MEDA Chairperson;

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

12 (c) The Chairperson of the House Committee on Mindanao Affairs;

13 (d) The Chairperson of the House Committee on BIMP-EAGA Affairs;

14 (e) The Vice President for Mindanao of the Union of Local Authorities of the
15 Philippines (ULAP);

16 (f) The President of the Mindanao Confederation of Governors’, City Mayors’ and
17 Municipal Mayors’ League Presidents;

18 (g) The Administrator of the Southern Philippines Development Authority (SPDA);
19 and,

20 (h) The three (3) representatives from the Private Sector to be appointed by the
21 President, upon the recommendation of the Chairperson and Board members,
22 comprising of one representative each from the:

23 i. Mindanao Business Sector

24 ii. Mindanao Academe Sector

25 iii. Mindanao Non-Government Organization (NGO) Sector

26 Members of the Board shall receive a per diem of not more than Five Thousand Pesos
27 (P5,000) for every board meeting: Provided, however, that the per diem collected per month
28 does not exceed the equivalent of four (4) meetings. Provided, further, that the amount of per

1 diem for every board meeting may be increased by the President but such amount shall not be
2 increased within two (2) years after its last increase.

3 The Board shall have the following functions:

- 4 (a) Provide direction and guidance for the Authority's work and thrusts for Mindanao;
- 5 (b) Ensure that the goals and policies of the Authority are consistent with the overall
6 national development goals and objectives;
- 7 (c) Ensure that the programs of the Authority are consistent with regional and local
8 development plans, program and projects, and vice versa for purposes of
9 harmonization;
- 10 (d) Explore sources for financing of priority Mindanao-wide and/or Mindanao-specific
11 inter-regional plans, programs, projects and activities;
- 12 (e) Create committees/task forces as may be deemed necessary in the
13 accomplishments of its duties and functions;
- 14 (f) Determine schedules, establish voting procedures, criteria for the constitution of a
15 quorum, and other rules and regulations in the conduct of Board meetings; and
- 16 (g) Perform such other functions as may be necessary to carry out the purposes of this
17 Act.

18

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

- 24 (a) The MEDA Chairperson
- 25 (b) The Chairpersons of the RDCs and REDPB
- 26 (c) The Representative from the Mindanao Business Sector
- 27 (d) The Representative from the Mindanao Non-Government Organization (NGO)
28 Sector.

1 The Executive Director, as the Board Secretary, shall provide technical assistance to the
2 ExeCom.

3
4 **SEC. 11. *BIMP-EAGA Advisory Board.*** There is hereby constituted a BIMP-EAGA
5 Advisory Board to be composed of the following:

6 (a) MEDA Chairperson as Head;

7 (b) Chairpersons of the RDCs of Regions IX, X, XI, XII and XIII, and REDPB of
8 ARMM;

9 (c) City Mayor of Puerto Princesa;

10 (d) Provincial Governor of Palawan; and,

11 (e) Two Philippine Country Representatives to the BIMP-EAGA Business Council
12 (BEBC).

13 The BIMP-EAGA Board shall convene, from time to time, to discuss issues and
14 recommend policies and programs to ensure the widest participation of Mindanao and Palawan
15 in the activities of BIMP-EAGA. It shall make recommendations to the Chairperson, being the
16 Head of the PCOBE. The PCOBE, in consultation with the BIMP-EAGA Board, will draw up
17 its own procedures for making recommendations, finalizing decisions and overseeing
18 implementation of BIMP-EAGA activities in Mindanao and Palawan.

19
20 **SEC. 12. *Organizational Structure.*** - The Chairperson shall determine the
21 organizational structure, staffing pattern, and pay scales of the Authority subject to existing
22 civil service and compensation laws. The Chairperson may reorganize the Authority and may
23 create or abolish divisions, units, or branches therein as the exigencies of the affairs of the
24 Authority may require.

25
26 **SEC. 13. *Transitory Provision*** - The Mindanao Economic Development Council
27 (MEDCo), created under Executive Order 512, and Executive Order 244, as amended, is
28 hereby abolished.

1 The unexpended appropriations of the abovementioned agency are hereby transferred
2 to MEDA including its existing records, properties, equipment, facilities and other assets.

3 The MEDA shall absorb the existing plantilla positions and incumbent staff of MEDCo
4 who shall continue to perform their respective duties and responsibilities and receive the
5 corresponding salaries and benefits, in the fulfillment of the powers and functions of MEDA.

6
7 **SEC. 14. *Appropriations.***- The amount necessary to finance the initial implementation
8 of this Act shall be charged against the current year's appropriations of the Mindanao
9 Economic Development Council (MEDCo). Thereafter, the current budget shall be increased
10 by 100%, which amount shall be included in the Annual General Appropriations Act (GAA)
11 for its continued implementation.

12 The current appropriations of MEDCo shall be transferred to the Mindanao Economic
13 Development Authority to commence its activities.

14
15 **SEC. 15. *Repealing Clause.*** - All laws, decrees, executive orders, rules and
16 regulations, or parts thereof inconsistent with or contrary to the provisions of this Act are
17 hereby repealed or modified accordingly.

18
19 **SEC. 16. *Separability Clause.*** - If any part or provision of this Act is held
20 unconstitutional or invalid, other parts or provisions thereof, which are not affected, shall
21 continue to remain in full force and effect.

22
23 **SEC. 17. *Effectivity.*** - This Act shall take effect fifteen (15) days following completion
24 of its publication in at least two (2) newspapers of general circulation.

25
26 Approved,