

**Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila**

Thirteenth Congress
First Regular Session

House Bill No. 2266



Introduced by Honorable Catalino V. Figueroa

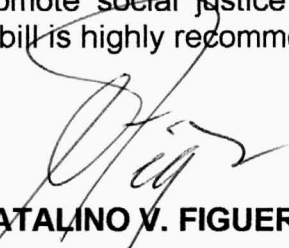
EXPLANATORY NOTE

This bill seeks the creation of the Samar Island Socio-Economic Planning and Development Authority, a body that shall promote an integrated socio-economic plan for the three (3) provinces of Samar Island in coordination with all agencies of the national government, the local government units and the private sectors, the NGO's and the like.

Samar Island is the third largest island in the country next to Luzon and Mindanao. It is composed of the provinces of Eastern Samar, Northern Samar and Western Samar and the City of Calbayog. Despite the fact that many government agencies are undertaking socio-economic development programs and projects. It seems that the economic development for Samar Island have been neglected and remains at a very slow pace as compared to the other neighboring provinces. This slow rate of economic progress can be traced to many a factor among which is the lack of economic direction and coordination among the various government agencies in the island.

There is a need, therefore, for a body that shall (1) initiate programs and activities using all available local and national resources of the government; (2) make representation with other planning bodies of the government and the private sectors for the purpose of re-aligning these programs; and (3) serve as the catalytical agent of the national government in pursuing the socio-economic program of Samar Island. It is hoped that through this measure, the island province will truly achieve economic progress.

In line with the state policy to promote social justice in all phases of national development, the approval of this bill is highly recommended.


CATALINO V. FIGUEROA

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**AN ACT
CREATING THE SAMAR ISLAND SOCIO-ECONOMIC PLANNING AND
DEVELOPMENT AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS,
AND APPROPRIATING FUNDS THEREFORE.**

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

Section 1. *Title.* This Act shall be known as the "Samar Island Socio-Economic Planning and Development Act of 2004."

Section 2. *Declaration of Policy.* It is hereby declared the policy of the State to promote social justice in all phases of national development, to develop a self-reliant and independent local economy effectively controlled by Filipinos and to achieve 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 3. *Creation.* To carry out the above-declared policies, there is hereby created a body to be known as the Samar Island Socio-Economic Planning and Development Authority hereinafter referred to as the Authority.

Section 4. *Supervision.* The Authority shall be under the supervision of the Office of the President. All policies and programs formulated, all orders, rules and regulations promulgated, and all appointments made by the Authority shall be subject to the approval of the President of the Philippines.

Section 5. *Territorial Jurisdiction.* Except as herein otherwise provided, the Authority shall cover the three provinces of Samar Island namely: Northern

Samar, Samar and Eastern Samar and the political subdivisions or units within their respective territorial jurisdiction.

Section 6. *Principal Office: Term.* The principal office of the Authority shall be located in the Municipality of Catbalogan, Province of Samar. It shall have provincial offices in the Municipality of Catarman, Province of Northern Samar and in the Municipality of Borongan, Province of Eastern Samar.

The Authority shall have a term of fifty (50) years from the effectivity of this Act renewable for the same period unless otherwise provided by law.

It shall exercise the powers and functions expressly vested in and conferred upon it by the provisions of this Act, in the most efficient and effective manner, or will and to the fullest possible extent, in the attainment of the purposes and objectives hereinafter enumerated.

Section 7. *Purposes and Objectives.* The Authority shall have the following purposes and objectives:

a) To formulate and adopt integrated and comprehensive long-term plans and programs relative to socio-economic development with particular attention on the socio-economic problems of the depressed areas which shall be submitted for approval to the President and for implementation by the government agencies concerned;

b) To regulate and control the utilization, exploitation, development and conservation of the natural resources in the area;

c) To undertake programs, projects or activities and/or to finance the construction of infrastructure projects such as river flow control, sewerage work, water supply, irrigation and such other related public works as may be required under its development plan or programs including the readjustment, relocation or restoration of population within the area as maybe necessary;

d) To pass upon, review or approve plans, programs and projects, prepared by local government offices/agencies within the area or to control, regulate and/or issue licenses, franchises or concessions relating to or for the

utilization and development of the natural resources of the area or any of the places within its territorial jurisdiction, subject to such limitations as are provided for by law or the Constitution;

e) To extend the Authority's expertise in planning, management and such other facilities as maybe necessary to prospective and present investors.

Section 8. *Corporate Powers.* As a corporate body, the Authority shall exercise the following specific powers and functions:

a) To use a corporate name with the power of succession;

b) To sue and be sued in such corporate name;

c) To adopt, alter and use a corporate seal which shall be judicially noticed;

d) To execute policies, undertake the programs and implement the projects specified herein;

e) To enter into or make contracts of any kind to enable it to discharge its duties and functions and for the attainment of its purposes and objectives;

f) To acquire, purchase, lease or hold such personal and real property as it may deem proper or necessary in the transaction of its business and/or to lease, mortgage, sale, alienate or encumber such property;

g) To receive, take and hold bequests, devices, gifts or purchase, loan, lease by any lawful manner, and to manage, administer, either absolutely or in trust for any of its purposes any asset, grant or property, real or personal, from foreign or domestic sources, subject to such limitations as provided under existing laws and regulations and to convert such assets, grants or property; invest and re-invest the same under this provision and deal with and expand the assets and income in such manner as will best promote its purposes and objectives;

h) To issue, subject to the approval of the Board of Directors, such rules and regulations for the use of its properties and to improve or collect fees or tolls therefrom provided that all receipts or revenues derived by the Authority

from such fees, tolls and other charges are automatically appropriated for its own use:

i) To exercise the right of eminent domain through condemnation or appropriation proceedings in order to accomplish its purposes and objectives:

j) To contract indebtedness whenever it is essential to the proper transaction of its business or to carry out the corporate affairs of the authority subject to the approval of the President of the Philippines and upon the recommendation of the Secretary of Finance.

Section 9. *Authority to Contract Foreign Loans.* The Authority is hereby authorized to contract loans, credit, or indebtedness, in any convertible foreign currency or capital goods from time to time from foreign governments or any international financial institution or fund sources.

The President of the Philippines, by himself or through the Secretary of Finance or the Governor of the *Bangko Sentral ng Pilipinas*, is hereby further authorized to guarantee, absolutely and unconditionally, as primary obligation and not merely as surety, in the name and in behalf of the Republic of the Philippines, the payment of any loan herein authorized, as well as the performance of all or any of the obligations undertaken by the authority, pursuant to loan agreements entered into with foreign government or any international financial institutions.

The loans, credit or indebtedness contracted under this subsection and the payment of the principal interest and other charges therein as well as the importation of machineries, equipments, materials and supplies by the authority, paid the proceeds of any loan, credit or indebtedness insured under this act shall be exempt from all taxes, fees, imports, other charges and restrictions imposed by the Republic of the Philippines or any of its agencies and political subdivisions.

Section 10. *Structure, Staffing and Pay Scale.* The Board shall determine the organizational structure, staffing pattern, and pay scale of the authority and

officers and employees thereof conformably to that of existing government-owned or controlled corporations and subject to the evaluation or screening by the Civil Service Commission and the Office of the Compensation and Position Classification.

Section 11. *Merit System.* All Officials and employees of the authority shall be selected and appointed on the basis on the merit and fitness and in accordance with a comprehensive and progressive merit system, which shall be established by the authority immediately upon its organization. The Recruitment, transfer, promotion and dismissal of its personnel, including contractual workers shall be governed by such merit system.

Section 12. *Board of Directors.* The corporate powers and function of the authority shall be vested in and exercise by a Board o0f Directors, hereinafter referred to as the Board, which shall be composed of the following;

1. Secretary of Environment and natural Resources, as Chairman.
2. Governors of Northern Samar, Western Samar and Eastern Samar, Vice Chairman.
3. Chairman of Region VIII Development Council, Member.
4. Chairman of the Local Waterworks Utilities Administration, Member.
5. Regional Director of the National Economic Development Authority, Member.
6. Representative of the Department of Finance, Member.
7. Representative of the Department of Energy, Member.

Section 13. *Quorum.* The presence of the majority of the members of the Board shall constitute a quorum for the transaction of the business of the board.

Section 14. *Meetings.* The Board shall meet preferably at its principal office, at least once a month and as frequently as necessary to discharge its duties and responsibilities. The Board shall be convoked by the Chairman or upon the written request of at least two (2) of its member. Except as otherwise provided for in this act, the votes of a majority of the members constituting a

quorum shall be sufficient for the adoption of any rule, resolution, decision or any act of the Board.

Section 15. *Powers and Functions.* The board shall have the following powers and function:

a) To formulate policies, develop programs and established and promulgate rules and regulations to govern the conduct the affairs of the authority.

b) To adopt and approve the annual or supplemental budget of the authority to cover its financial operations:

c) To fix the compensation and allowances of all the officers and employees of the Authority including the Administrator, Senior Deputy Administrator and deputy Administrators:

d) Upon the majority vote of all members of the Board, to suspend, remove or otherwise discipline its officers and employees for just cause:

e) To submit an annual report to the President and render such special reports as maybe required or deemed necessary:

f) To perform such other functions as maybe necessary to carry out the provisions of this act.

Whenever the Board deems it necessary for the authority to incur an indebtedness to carry out the provisions of this act, it shall, by resolution, so declare and state the purpose for which the projected debt is to be incurred.

The resolution shall be passed by the affirmative vote of at least a simple majority of all members of the Board, subject to the approval of the President of the Philippines, upon the recommendation of the Secretary of Finance, after consultation with the provincial planning Board of the three provinces and the monetary Board of *Bangko Sentral ng Pilipinas*.

SECTION 16. *Administration.* The Board shall have an Administrator to be appointed by the President of the Philippines who shall be the Chief Executive Officer of the Authority. The administrator shall serve for a term of four (4) years

subject to removal upon recommendation of the Board at the pleasure of the President.

Preferably, the Administrator shall possess at least a masteral degree in Economics or shall have attended an MBA course at a reputable institution of higher learning for at least two (2) consecutive terms. He must also have held for at least five (5) years an executive or managerial position. And he must be a native of the area and is an actual resident thereof.

SECTION 17. *Duties and Responsibilities of the Administrator.* The Administrator shall perform the following duties and functions:

- a) Submit for the concurrence of the Board the policies and measures which he believe to be necessary to carry out the provisions of this Act;
- b) Execute and administer the policies and measure approved by the Board;
- c) Direct and supervise the operation and internal administration of the Authority. He may, for efficiency and effectiveness, delegate certain administrative responsibilities to other officers of the Authority subject to the rules and regulations of the Board;
- d) Represent the Authority in all dealings with other offices, agencies and instrumentalities of the government and with all other persons, entities or enterprises whether public or private, domestic or foreign;
- e) Sign contracts entered into or conducted by the Board and such other correspondence and documents of the Authority;
- f) Represent the Authority either personally or through counsel in any legal action or proceedings;
- g) Exercise such other duties and functions as maybe granted to him by the Board;

SECTION 18. *The Senior Deputy Administrator and Deputy Administrator*
There shall be a Senior Deputy Administrator and three (3) Deputy Administrator

who shall be appointed by the President of the Philippines upon the recommendation of the Board of Directors;

The Senior Deputy Administrator shall possess the same qualifications as that of the Administrator and shall serve for a term of four (4) years. He shall act as the Acting Chief Executive Officer of the Authority and shall perform the duties and responsibilities of the Administrator as specified in Section 17 thereof in the event of the latter's illness or temporary incapacity or resignation, death or is removed for a cause.

The Deputy Administrators who shall be directly responsible to the Administrator for the affairs of the Authority in their respective territorial jurisdiction shall head the Provincial offices of the Authority. A Deputy Administrator must possess a masteral degree in Economics or in any related field and must have a minimum of two (2) years of executive or managerial positions. In addition, he must be a native of the province and is an actual resident thereof.

The Deputy Administrators shall perform the following duties and functions:

1. Execute and administer the policies and measure of the Authority as approved by the Board in their respective provincial offices;
2. Direct the operational control and internal administration of the Authority's provincial offices;
3. Represent the provincial office of the Authority in all dealings with other offices, agencies and instrumentalities of the government in all provincial affairs;
4. Exercise such other duties or functions as maybe granted to Him by the Board and as directed by the Administrator.

SECTION 19. *Departments.* There shall be created within the Authority the following service departments: Administration. Operation. Finance and Management. Planning and Programming. Legal. Auditing and such other

department, division, sections or unit as the Board may deem necessary to carry out its powers and functions. The tenure, qualification and compensation of the personnel of these departments or any of its unit shall be determined and fixed by the Board.

SECTION 20. *Auditing.* A duly-appointed representative of the Commission on Audit whose salary shall be determined and paid according to law shall head the Auditing Department. All personnel of the Auditing Department shall be appointed and their number and salaries fixed by the Commission on Audit.

SECTION 21. *Appropriations.* The amount of Fifty Million Pesos (P50,000,000,000.00) is hereby appropriated for the necessary initial operating expenses of the Authority out of any fund in the National Treasury not otherwise appropriated. Thereafter, such sum as maybe necessary for the continued operation of the Authority shall be included in the annual General Appropriations Act.

SECTION 22. *Applicability of Corporation Law.* The provisions of the Corporation Law as amended in so far as they are not inconsistent with this Act shall be applicable to the operation of the Authority.

SECTION 23. *Separability Clause.* Should any provision of this Act be declared unconstitutional, no other provision shall be affected thereby.

SECTION 24. *Repealing Clause.* All laws, decrees, orders, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SECTION 25. *Effectivity.* This Act shall take effect upon its approval.

Approved.