

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
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HOUSE BILL NO. 6227

Introduced by
Representatives Raul V. Del Mar, Gabriel Luis R. Quisumbing, Joseph H. Durano,
Gerald Anthony V. Gullas Jr., Rodrigo A. Abellanos, Aileen C. Radaza, Gwendolyn F.
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AN ACT
CREATING THE MEGA CEBU DEVELOPMENT AUTHORITY, PRESCRIBING ITS
POWERS, FUNCTIONS AND DUTIES, PROVIDING FUNDS THEREFOR, AND FOR
OTHER PURPOSES

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

Section 1. Short Title. This Act shall be known as the “**Mega Cebu Development
Authority Act of 2015.**”

Section 2. Declaration of Policies and Principles. It is hereby the declared policy of
the State to promote and accelerate the sustainable development and balanced growth of
the Province of Cebu and the highly urbanized Cities of Cebu, Mandaue, and Lapu-Lapu,
within the context of national policies for economic, social, and environmental well-being.

It is likewise hereby declared to be the policy of the State to treat Metropolitan Cebu
as a special development and administrative region where certain policies, programs, and
services affecting or involving Metro Cebu, on a metro-wide or multi-LGU level, are more
efficiently and effectively planned, supervised, implemented, and coordinated by a
development authority as created herein, without prejudice to the autonomy of the affected
local government units.

Pursuant to these national policies, the following aspirations and principles are hereby declared:

- (a) To recognize a more institutionalized approach to metropolitan or multi-LGU and integrated development planning that is expertise-supported and evidence-based, participatory, responsible, accountable, and necessary for all or part of its community;
- (b) To foster cooperative relations between and among metropolitan and surrounding cities and towns in order to efficiently and effectively sustain efforts and meet the needs, promote and develop shared assets and resources, and provide services that transcend geopolitical municipal and city boundaries without prejudice to the autonomy of the affected local government units;
- (c) To ensure active participation by the private, business, and civil society sector in the governance, planning, implementation, monitoring and evaluation of plans, policies, standards, programs, projects, and services; and,
- (d) To implement a national government-approved Metropolitan Cebu Roadmap and other subsequent and related metro-wide or multi-LGU roadmaps and plans that ensure long-term, sustainable and continuing directions, priorities, and programs for and by the constituent local and national government agencies and units, private, business, and civil society sector.

Section 3. *Definition of Terms.* The following terms used in this Act shall have the meaning as stated below:

- (a) **Business Sector**- refers to for-profit, and commercial enterprises or businesses and business associations and coalitions (cross-industry, multi-issue groups; cross-industry, issue-specific initiatives; industry-focused initiative); including but not limited to, corporate philanthropic foundations.
- (b) **Civil Society** - refers to the wide array of non-governmental and not-for-profit organizations that have a presence in public life, expressing the interests and values of their members or others, based on ethical, cultural, political, scientific, religious or philanthropic considerations. Civil Society Organizations (CSOs) therefore refer to organizations such as: community groups, non-governmental organizations (NGOs), labor unions, indigenous groups, charitable organizations, faith-based organizations, professional associations, and foundations.

- (c) Private Sector/Entity –refers to entities of the economy that are owned by private citizens and not by the state, including those enterprises created either for profit or non-profit and households.
- (d) Metropolitan Cebu Area or Metro Cebu – covers the highly urbanized cities of Cebu, Mandaue, and Lapu-Lapu, the cities of Danao, Talisay, Naga and Carcar, and the municipalities of Consolacion, Liloan, Compostela, Cordova, Minglanilla and San Fernando.
- (e) Mega Cebu – refers to the platform (for inter-local cooperation, public-private sector partnership, and local-regional-national-integration) promoting the “big picture perspective” (i.e., long term, multi-LGU, metro-wide) and advancing collaborative planning and action on shared assets and common trans-boundary concerns towards a sustainable, smart, and inclusive Cebu. It is anchored on and considers the island-wide or larger provincial (whole Cebu) and regional (Visayas) context, while starting out its on-ground engagement and intervention at the Metropolitan Cebu (13 LGUs) level. Conceptually, thus, Mega Cebu is larger than Metro Cebu and considers the population of the entire ‘province’ or ‘island’ in the year 2050 - which is projected to reach more than 10 Million (reference: the technical definition of a mega population is 10 Million or more).
- (f) Metropolitan Cebu Roadmap – refers to the “Roadmap Study for Sustainable Urban Development in Metro Cebu” commissioned by the Metro Cebu Development and Coordinating Board (MCDCB), funded by the Government of Japan, and completed by a team from the Japan International Cooperation Agency (JICA).

Section 4. *Creation of the Mega Cebu Development Authority.* - There is hereby created a special body to be known as the Mega Cebu Development Authority, hereinafter referred to as “MCDA” or “Authority”, which shall be organized within thirty (30) days after approval of this Act, to coordinate and promote socio-economic growth and sustainable development within the islands and Province of Cebu. The affairs of the Metro Cebu Development and Coordinating Board (MCDCB) shall be hereinafter administered by the MCDA.

The MCDA shall execute the powers and functions herein vested which shall in no way diminish the autonomy of the local government units in the Metropolitan Cebu area and surrounding towns and cities of the Province of Cebu concerning purely local matters within the framework and subject to the mandate and limitations of the Constitution, pertinent provisions of the Local Government Code, and Section 5 hereof.

Section 5. *Constitution and Jurisdiction of the Mega Cebu Development Authority.* -

For purposes of this Act, the MCDA shall comprise the core metropolitan area embracing the highly urbanized cities of Cebu, Mandaue, and Lapu-Lapu and the cities of Danao, Talisay, Naga and Carcar as well as the municipalities of Consolacion, Liloan, Compostela, Cordova, Minglanilla and San Fernando, and such other cities and municipalities as shall be included from time to time under this section or conferred by this Act, determined in accordance with the procedures and requirements outlined in the implementing rules and regulations.

Section 6. *Powers and Functions of the Mega Cebu Development Authority.* - The Authority shall primarily seek to:

- (a) Formulate, coordinate, regulate and monitor the short, medium, and long-term plans, policies and programs for the sustainable development and integration of Metropolitan Cebu Area, including investment programs for the delivery of multi-LGU or metropolitan wide services, land use, spatial and physical development using strong, coherent governing values and shared vision, with focus on integrated systems for urban development;
- (b) Render services that have multi-LGU or metropolitan wide coverage and impact, transcending local geopolitical boundaries or entailing substantial expenditures including, but not limited to: integrated and infrastructure development and planning; transport and traffic management; solid waste disposal and management; water, septage, sewerage and storm water management; and disaster risk reduction and management;
- (c) Ensure that plans, policies, programs and services are pursued for the purpose of realizing the Mega Cebu 2050 Vision of a Wholesome, Advanced, Vibrant, Equitable, and Sustainable (W.A.V.E.S.) Cebu, executing the Mega Cebu development strategy of competitiveness, livability, mobility, and metropolitan management and implementing the Metropolitan Cebu Roadmap and other subsequent and related roadmaps;
- (d) Ensure continuing research, evaluation, and monitoring to enhance plans, policies, programs, services and efforts to anticipate or respond to the dynamic and changing realities and needs of metropolitan development;
- (e) Perform other related functions required to achieve the Mega Cebu 2050 Vision and objectives of the MCDA, including the undertaking of delivery of services to the local

government units, when deemed necessary and subject to prior coordination and consent of the local government unit concerned.

Section 7. *Scope of Services of the Mega Cebu Development Authority.* In coordination with appropriate government units and agencies and relevant private sector organizations, the scope of services of MCDA shall include, but not limited to:

- (a) Spatial and integrated planning, and infrastructure planning and development, which includes the formulation, adoption, and implementation of plans, policies, programs, projects, standards, rules and regulations to rationalize and optimize land use; conserve and protect natural resources, provide direction to urban growth and expansion within the context of smart, connected, compact and sustainable growth; and the provision of necessary services;
- (b) Transport and traffic management which includes the formulation, coordination, and monitoring of policies, standards, plans, programs and projects, including its implementation and its integration with land use, rationalization of the existing transport operations, infrastructure requirements, and use of thoroughfares; promotion of safe and convenient movement of persons and goods; provision for and maintenance of mass transport system, road infrastructure, and institution of a people-centered network of mobility (including pedestrianization and non-motorized forms of transport) as well as a system to regulate road users; and the administration and implementation of traffic enforcement operations, traffic engineering services, and traffic education programs, including the institution of a single ticketing system;
- (c) Solid waste management, which includes the formulation and implementation of policies, standards, plans, programs and projects for proper and sanitary waste disposal; the establishment and operation of sanitary landfill and related facilities; the establishment and operation of alternative waste management facilities; and the implementation of appropriate programs, projects, and services intended to manage, dispose, reduce, reuse, and recycle solid waste;
- (d) Water, septage and sewerage, and storm water management, which includes the formulation and implementation of policies, standards, plans, programs and projects for water supply and water resources management; integrated storm water management, drainage and flood control; and septage and sewerage management system;

- (e) Disaster risk reduction and management, which includes the formulation and implementation of plans, programs, projects, policies, standards and procedures to achieve public safety, especially preparedness for preventive or rescue operations during times of calamities and disasters; management of information; coordination and mobilization of resources; and recovery, rehabilitation, and relief operations.

Section 8. *Composition of the Mega Cebu Development Board (MCDB).* The governing and corporate powers of the MCDA shall be vested in and exercised by the Mega Cebu Development Board (hereinafter referred to as MCDB or Board) composed as follows:

- (a) Governor of the Province of Cebu;
- (b) Mayors of the 13 cities and municipalities of Metro Cebu;
- (c) President of the league of municipalities of Cebu;
- (d) Congressional District Representatives of all congressional districts of Cebu;
- (e) Directors of National Government Agencies and other government instrumentalities in Region VII as may be necessary to pursue the mandate and scope of services of MCDA and as provided for under Section 7 hereof;
- (f) Heads of private sector and civil society organizations, associations, and coalitions coming from business, service, and investment; environment and social development; and other relevant sectors, following a nomination process and criteria as set out below; *Provided, however,* that the total number of the private sector and civil society organizations hereof shall not be less than seven (7) but not more than one-third (1/3) of the total composition of the Board;
- (g) Chairperson of the Institutional Development Committee;
- (h) Chairpersons of the Public Service Commissions;
- (i) General Manager of the Authority, to be recommended by the Executive Committee and confirmed by the MCDB, who shall serve as the Chief Operating Officer of the MCDA and ex-officio member of the MCDB.

The officers of the MCDB shall consist of one (1) Chairperson and two (2) Co-Chairpersons to be elected from among its members. The Chairperson shall be elected from among the Governor and Metro Cebu Mayors on an annual basis by at least a 2/3 vote of all members of the Board. He or she shall assume office following the election and until re-elected or until a successor shall have been elected.

The two (2) Co-Chairpersons shall be elected to represent one (1) from the public sector, and another one (1) from the private sector. The post of the Co-Chairpersons (public and private sector) shall be for a three-year period and subject to re-election. The Co-

Chairperson from the private sector shall automatically assume as the Chairperson of the Executive Committee as provided in Section 10 hereof.

All members of the MCDB shall serve only during their incumbency and tenure of office (as representative of an organization, agency, or unit), unless sooner removed for cause. In case of removal for cause, the replacement shall only serve the unexpired portion of the term.

No representative of any organization shall be appointed or designated as representative from the private sector and civil society unless chosen through a nomination process in accordance with the implementing rules and regulations concerning the private sector and civil society organizations.

Each member shall have equal voting rights and participate during the deliberations of the regular and special business of the MCDB; *Provided that*, twenty (20) members of the MCDB shall constitute a quorum for the conduct of regular and special meetings. All other procedural matters including the conduct of meetings; identification, nomination, and election of members from among the private sector and civil society as well as from national government agencies and other government instrumentalities shall be prescribed in its internal rules.

Section 9. Powers and Functions of the Mega Cebu Development Board. The MCDB shall serve as the highest governing body of the Authority and shall perform the following functions and powers:

- (a) Adopt and approve rules and regulations to govern the conduct of business of the Board;
- (b) Approve the multi-LGU or metropolitan-wide short, medium, and long-term development plans, policies, and programs, and such projects developed and packaged by the RPOD-TOPO, the various Committees, Commissions, and respective project management offices;
- (c) Promulgate policies and standards for metropolitan-wide application governing the delivery of services, prescription and collection of service and regulatory fees, and the imposition and collection of fines and penalties, including the assessment and collection of contributions, fees, and charges for the operation of the MCDA or use of facilities or services, as may be deemed necessary and proper;
- (d) Approve the organizational structure of the Authority, and as endorsed by the Executive Committee, confirm or define the duties and responsibilities of all officers and employees, including the appointment of key officials of the Authority, and fix

the compensation and benefits of officers and personnel, including the granting of incentives;

- (e) Approve the appointment or removal of the General Manager, Assistant General Managers, or Chairpersons of the different commissions and committees as may be endorsed by the Executive Committee;
- (f) Approve, endorse, and incorporate plans, policies, programs, and projects formulated by local government units and other public sector agencies, including those areas and services which were not included in the Metropolitan Cebu Roadmap, after proper consultation and coordination;
- (g) Submit to the National Economic Development Authority (NEDA) Board its plans, programs, projects and activities to enable adoption, endorsement, approval, integration and/or progressive roll out of integrated and system-wide plans, programs, projects, and spatial urban and rural design decisions;
- (h) Form, establish, organize and maintain commissions to provide multi-LGU or metropolitan wide services, in accordance with relevant Philippine laws; where the majority members of the board of directors of the commissions so created shall be from members of the MCDB, with one (1) of the directors being the Chairperson or Co-Chairperson of the MCDB;
- (i) Enter into contract and own properties; receive funding, payments, grants, contributions and donations; sue and be sued in order to carry out its duties and functions as provided for in this Act;
- (j) Establish a conflict management committee to address conflicts to which all entities and/or individuals will resort to, at the first instance;
- (k) Perform any and all related acts to carry out its mandate and perform its objectives, including the undertaking of delivery of services to the local government units when deemed necessary, subject to prior coordination with and consent of the local government unit concerned;
- (l) Adopt, alter, and use a corporate seal; and,
- (m) Carry out the purposes and provisions of this Charter.

Section 10. *Creation and Composition of the Executive Committee of the Mega Cebu Development Board.* A body corporate to be known as the Executive Committee is hereby created where corporate powers are vested to manage the affairs and further the purposes of the MCDA. It shall be composed of the following members, to wit:

- (a) Chairperson, Private Sector Co-chair of the Board;

- (b) Governor or Representative of the Province of Cebu;
- (c) Congressional District Representative who shall be elected from among the District Representatives of Cebu;
- (d) Mayor, or in his absence, Vice Mayor, representing all the cities within Metro Cebu;
- (e) Mayor, or in his absence, Vice Mayor, representing all the municipalities within Metro Cebu;
- (f) President of the league of municipalities of Cebu;
- (g) Heads of the private sector and civil society organizations (MCDB member); one from the business or for-profit sector and another one from the civil society or non-profit sector who shall be elected as representatives from among the private sector and civil society organizations;
- (h) Chairperson of the Institutional Development Committee;
- (i) Chairpersons of the Public Service Commissions; and,
- (j) General Manager of the Authority;

Section 11. *Powers and Functions of the Executive Committee.* The Executive Committee of the Mega Cebu Development Board shall have the following powers and functions:

- (a) Formulate, prescribe, amend and endorse rules and regulations to govern the conduct of its business;
- (b) Endorse to the MCDB for approval, the creation and organization of the Institutional Development Committee, Public Service Commissions, and other committees as may be necessary to fulfill the mandate of the Authority;
- (c) Endorse to the MCDB for approval, the organizational structure of the Authority, define the composition, duties and responsibilities of all officers and employees, including the appointment of key officials of the Authority;
- (d) Identify, select, appoint, suspend, remove or discipline the General Manager and other key officials by majority vote of all the members of the Executive Committee and endorse same to the MCDB for approval;
- (e) Fix the compensation, benefits, and incentives of key officials and other staff of the MCDA to perform finance and administration (to include human resources management, audit, legal, reputation and risk management, IT); research and knowledge management (to include monitoring and evaluation, education, communications and stakeholder relations); planning, development, and technical support (to include project development); and operations and services (to include

- project management and service delivery); *Provided that*, the General Manager and Assistant General Managers shall be exempt from Civil Service rules and regulations;
- (f) Endorse to the MCDB the multi-LGU or metropolitan-wide short, medium, and long-term development plans and programs, and such projects developed and packaged by the RPOD-TOPO, the various Committees, Commissions, and respective project management offices;
 - (g) Recommend investments programming for its plans and programs, as well as supervise the implementation of plans and programs which includes the formulation and coordination of related activities in Metropolitan Cebu;
 - (e) Endorse the annual and/or supplemental budgets of the Authority to the Board; and,
 - (f) Perform such other acts and assume such other functions as may be necessary to carry out the provisions of the Charter.

Section 12. *Creation of Institutional Development Committee.* There shall be created an Institutional Development Committee (IDC) which is necessary to provide support to MCDA's operations and implement the internal programs and requirements of the MCDA; with such committee overseeing the various components, operations, and processes of MCDA such as finance and administration (to include human resources management, audit, legal, reputation and risk management, IT); research and knowledge management (to include monitoring and evaluation, education, communications and stakeholder relations); planning, development, and technical support (to include project development); and operations (to include project management and service delivery).

The Chair of the committee represents the IDC in the MCDB and Executive Committee. Any MCDB or Executive Committee Member may opt to observe or be a part of the IDC.

Section 13. *Creation of Public Service Commissions.* There shall be created Public Service Commissions (PSCs) for the five (initial) focal areas of MCDA, including Integrated Development and Spatial Planning (IDSP), Transport and Traffic Management (TTM), Solid Waste Management (SWM), Water Supply Management (including septage and sewerage, and storm water) (WSM) and Disaster Risk Reduction and Management (DRRM).

The PSCs, led by its respective Chairpersons, shall be composed of MCDB members or other parties interested in contributing to the five focal areas. NGAs, GOCCs, LGUs and other organizations mandated to provide services in these five focal areas shall be invited to the appropriate PSC for membership or coordination.

Section 14. *Creation of the Research, Program, and Organizational Development – Technical, Operations, and Planning Office.* There shall be created a Research, Program and Organizational Development – Technical, Operations, and Planning Office (RPOD-TOPO) which is necessary to deliver the MCDA's mandate, provide support, and manage its operations. The RPOD-TOPO shall serve as the coordinating and operations office, and process facilitator for the Authority; providing finance and administration, research, knowledge management and planning expertise and services, technical support, operations, service delivery and project management, as well as guidance to the Board, Executive Committee, other Committees and Commissions; facilitate the organization, integration, and complementation of the Authority's various functions, structures, plans, programs, projects and services; and serve as Secretariat of the MCDB, Executive Committee, other Committees and Commissions, to keep a record and have custody of the proceedings of all sessions and/or meetings.

The RPOD-TOPO shall consist of the General Manager, Assistant General Managers, appropriate supervisory and other employees of the MCDA. The General Manager (GM), selected and appointed on the basis of defined competence and qualities, shall:

- (a) Assist in the administration of the MCDA and supervision of subordinate personnel;
- (b) Assist in the supervision of the operation of the various committees, commissions, and offices of the MCDA;
- (c) Assist in the preparation and review of plans and programs of the MCDA for multi-LGU or the Metropolitan Cebu Area; and the preparation of the annual report of activities and accomplishments of the MCDA;
- (d) Assist in the preparation of the annual budget and financial report for the operations of the MCDA for submission to and endorsement of the Executive Committee, and approval by the Board;
- (e) Perform such other duties and functions as may be lawfully delegated or assigned from time to time.

There shall be appointed Assistant General Managers for Finance and Administration; Research and Knowledge Management; Planning, Development, and Technical Support; and Operations and Service Delivery who shall be chosen based on academic qualifications, competence, and experience, and perform their roles, responsibilities, and functions in accordance with their respective Terms of References.

These departments will be staffed by appropriately qualified personnel with relevant academic backgrounds and work experiences consistent with the purpose, functions, requirements, and scope of the Authority.

All employees of the MCDA shall be subject to periodic monitoring and evaluation.

Section 15. *Creation of Conflict Management Committee.* There shall be created a Conflict Management Committee to address any controversy, primarily between and among members from the local government units and agencies, private and business sectors, and civil society. The parties shall first attempt to settle the dispute through dialogue. If a settlement is not reached, any unresolved controversy shall be settled thru mediation and arbitration by the Conflict Management Committee whose decision shall be final and executory.

Section 16. *Institutional Linkages.* The MCDA shall establish institutional linkages and relations with appropriate government agencies and units, private sector and civil society organizations at the local, regional, national, and international levels concerning matters of import and relevance to Mega Cebu or the Metropolitan Cebu area.

For this purpose and guided by rules and regulations, the MCDA shall carry out its functions in consultation and close coordination with the LGUs, government agencies and private sector and/or civil society organizations. To facilitate coordination and alignment, LGUs, NGAs, GOCCs and other relevant organizations shall submit their policies, plans, programs, and projects, particularly those that may affect or have an impact on Mega Cebu or the Metropolitan Cebu area and related to the five (initial) focal areas as outlined in Section 7 hereof.

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

In the implementation of MCDA's plans and programs utilizing local, national and other funds, which shall be undertaken either by the local government unit, national government agency, or other public and private sector organizations responsible for the delivery of such services, the MCDA may enter into contracts, memoranda of agreement and other cooperative arrangements with these entities for the delivery of the required services.

The MCDA shall also coordinate and interface with foreign assistance and other agencies for the purpose of obtaining financing and technical support, and securing contributions, grants and donations from various sources to support its operations or undertake its programs and projects.

Section 17. *Focal Persons.* There shall be appointed a focal person from each MCDB member, from the LGU, National Government Agency or GOCC, private and civil society sector to ensure close coordination with MCDA for the implementation, coordination, and monitoring of plans, policies, programs, projects and services.

Section 18. *Appropriations and Financing.* For the organizational and operating expenses of the Authority, an initial fund of ONE BILLION (P 1,000,000,000.00) shall be appropriated by the National Government. Thereafter, the National Government shall appropriate annually and include in the General Appropriations Act the funds as may be needed or necessary for its personnel, capital expenditures, maintenance and other operating expenses and for the continued implementation of this Act.

The operations of the Authority shall likewise be supported through financial contributions and technical assistance from member LGUs, NGAs and GOCCs, civil society and the private sector, and other local and international organizations in the form of grants, donations, contributions, payments, penalties, fees and charges.

Section 19. *Good Governance Clause.* The MCDA adheres to the principles of good governance that ensures commitment to: values and ethical conduct of its business; transparency in transactions; an effective audit system; statutory and legal compliance; adequate disclosures and effective decision-making to achieve its objectives.

Section 20. *Implementing Rules and Regulations.* Within six (6) months from the approval of this Act, the rules and regulations to carry out the provisions of this Act shall be formulated and approved by the MCDA.

Section 21. *Transitory Provision.* To prevent disruption in the implementation of the development strategy and roadmap for sustainable urban development and pending the full implementation of the MCDA's organizational structure and staffing pattern, the Metro Cebu Development and Coordinating Board (MCD CB) shall continue to exercise their mandate, including its coordination efforts and other functions. All properties presently in use or under the accountability of the MCD CB and all its obligations, indebtedness, or liabilities shall be transferred to and assumed by the MCDA created under this Act.

Section 22. *Separability Clause.* If any provision or part hereof, is held invalid or unconstitutional, the other provisions not otherwise affected shall remain in full force and effect.

Section 23. *Effectivity Clause.* This Act shall take effect fifteen (15) days following completion of its publication in at least one (1) newspaper of general circulation.

Approved.