

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

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 961



Introduced by **Representative Eduardo Roa Rama Jr.**

EXPLANATORY NOTE

Metro Cebu continues to grow as businesses have reopened and investments have poured in. The Cebuano spirit of entrepreneurship, commerce and community has been central in the economic recovery and further development of Cebu. However, an unintended though natural consequence of the said progress is the aggravation of age-old problems from traffic to waste management which has had detrimental effects on the people of Cebu. In view thereof, there is a need for the establishment of an administrative body for the purposes of collaboration and coordination in the further development of Metro Cebu grounded on the principle of shared responsibility.

In 1995, with the passage of Republic Act No. 7924, Metro Manila was declared as a “special development and administrative region” and the Administration of “metro-wide” basic services affecting the region placed under a “development authority” referred to as the Metropolitan Manila Development Authority (“MMDA”). It performs seven basic metro-wide services in 12 cities and 5 municipalities in Metro Manila: (1) development planning; (2) Transport and traffic management; (3) Solid waste disposal and management; (4) Flood control and sewerage management; (5) Urban renewal, zoning and land use planning, and shelter services; (6) Health and sanitation, urban protection and pollution control; and (7) Public safety.

The creation of the MMDA has benefitted the 12 cities and five municipalities of Metro Manila by the streamlining of services which have a metro-wide impact that transcends local political boundaries or entails huge expenditures and it would not be viable if the service is to be provided by the individual LGU.

With the aspiration of a Metro Cebu that is more streamlined in promoting and developing shared assets among neighboring cities and municipalities, unification of traffic rules and regulations, consolidation of solid waste management procedures, among others. Several stakeholders from the public and private sector acknowledged the need to establish a development authority in order to adequately address the problems which arise and are experienced by the neighboring local government units, while guiding the further development of Metro Cebu.

The establishment of a Metropolitan Cebu Development Authority (“MCDA”) will ensure that there is proper coordination and collaboration in the creation of unified policy, in providing services to constituents and constituent local government units, development planning, the promotion of tourism

among other initiatives. Moreover, the MCDA shall further act as a coordinating body between national government agencies (NGAs), government owned and controlled agencies (GOCCs), civil society, and the private sector in order to achieve its goals of sustainable development for Metro Cebu as a whole.

The creation of the MCDA represents a tangible and meaningful significance for the future of our province. With this, the immediate passage of this bill is most earnestly sought.

A handwritten signature in black ink, consisting of a stylized 'E' followed by a long horizontal stroke.

EDUARDO ROA RAMA JR.

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AN ACT
CREATING THE METROPOLITAN CEBU DEVELOPMENT AUTHORITY (“MCDA”),
PRESCRIBING ITS FUNCTIONS AND DUTIES AND PROVIDING FUNDS THEREFOR

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

1 **SECTION. 1. *Short Title.*** – This Act shall be known as the “Metropolitan Cebu Development
2 Authority Act.”

3 **SEC. 2. *Declaration of Policies and Principles.*** – The State recognizes the need to provide an
4 efficient and expeditious delivery of basic services within Metropolitan Cebu. It is hereby the declared
5 policy of the state to promote and accelerate the sustainable development and balanced growth of the
6 Province of Cebu through the increased coordination and streamlining of basic services between the
7 highly urbanized cities of Cebu, Mandaue, and Lapu-Lapu and its neighboring cities and municipalities.

8 It is likewise hereby declared to be the policy of the State to treat Metropolitan Cebu and the
9 Province of Cebu as a special development and administrative region, delineating certain basic
10 metro-wide services affecting Metro Cebu and delegating the exercise of regulatory and supervisory
11 authority over the same to the Metropolitan Cebu Development Authority (“MCDA”). The MCDA
12 shall perform planning, monitoring and coordinative functions without prejudice to the local autonomy
13 of the affected Local Government Units (“LGUs”).

14 **SEC. 3. *Definition of Terms.***- As used in this Act:

15 (a) Metro-wide services refers to those services which have metro-wide impact and transcend

1 local political boundaries or entail huge expenditures as such that it would not be viable for said

services to be provided by the individual LGU comprising Metro Cebu. There are seven (7) basic metro-wide services:

- (i) Development planning;
- (ii) Transport and traffic management;
- (iii) Solid waste disposal and management;
- (iv) Flood control and sewerage management;
- (v) Urban renewal, zoning and land use planning, and shelter services;
- (vi) Health and sanitation, urban protection and pollution control; and
- (vii) Public safety.

(b) Metropolitan Cebu Area refers to the highly urbanized cities of Cebu, Mandaue, and Lapu-Lapu, the component cities of Talisay, Danao, Naga, and Carcar, and the municipalities of Compostela, Liloan, Consolacion, Cordova, Minglanilla, and San Fernando.

SEC. 4. *Creation of the Metropolitan Cebu Development Authority.*- A special development and administrative body to be known as the Metropolitan Cebu Development Authority, hereinafter referred to as the “MCDA” which shall be organized within thirty (30) days after the approval of this Act, to be charged with the administration of metro-wide services and to coordinate, streamline, and promote the economic growth and sustainable development of Metropolitan Cebu.

The MCDA shall execute the powers and functions hereinafter provided for under this Act, with the goal of promoting collaboration and coordination with the LGUs for the further growth and development of Metropolitan Cebu. The MCDA shall, in all instances, act within its scope of authority and shall in no way unduly diminish the autonomy of the LGUs with regard to purely local matters.

Further, the MCDA shall not be vested with police power, let alone legislative power. All of its functions and powers shall only be administrative in nature. The Authority shall be attached to the Office of the President for policy and program coordination.

SEC. 5. *Jurisdiction of the Metropolitan Cebu Development Authority.*- The MCDA shall

2 have administrative jurisdiction over the metro-wide affairs of Metropolitan Cebu which includes the
3 following LGUs:

4 (a) The highly urbanized cities of Cebu, Mandaue and Lapu-Lapu;

5 (b) The component cities of Talisay, Danao, Naga, and Carcar;

6 (c) The municipalities of Compostela, Liloan, Consolacion, Cordova, Minglanilla, and San
Fernando; and

7 (d) Such other cities and municipalities to be included in the future, subject to the requirements
8 provided by legislative enactment.

9 **SEC. 6. *Scope of Services of the Metropolitan Cebu Development Authority.*** - In coordination
10 with appropriate government units and agencies the scope of the services of the MCDA shall include:

11 (a) Development planning, which includes preparing medium- and long-term development
12 plans; developing, evaluating and packaging of projects; Investments programming; and
13 coordinating and monitoring plans, program and project implementations;

14 (b) Transport and traffic management, which includes the formulation, coordination, and
15 monitoring of policies, standards, plans, programs and projects, including its implementation
16 and its integration with land use, rationalization of the existing transport operations,
17 infrastructure requirements, and use of thoroughfares; promotion of safe and convenient
18 movement of persons and goods; provision for and maintenance of mass transport system, road
19 infrastructure, and institution of a people-centered network of mobility, including
20 pedestrianization and non-motorized forms of transport, as well as a system to regulate road
21 users; and the administration and implementation of traffic enforcement operations, traffic
22 engineering services, and traffic education programs, including the institution of a single
23 ticketing system;

24 (c) Solid waste management, which includes the formulation and implementation of policies,
25 standards, plans, programs, and projects for proper and sanitary waste disposal; the
1 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.

The MCDA shall ensure the uniform, proper, and streamlined process of segregation, collection, transport, storage, treatment and disposal of solid waste between the LGUs in accordance with the Solid Waste Management Act. Further, the MCDA shall establish an MCDA incinerator for the purpose of burning the solid waste collected from the LGUs.

(d) Flood control and sewerage management, which include formulating and implementing policies, standards, programs, and projects for an integrated flood control, drainage, and sewerage 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 such as earthquakes and storms; management of information; coordination and mobilization of resources; and recovery, rehabilitation, and relief operations.

(f) Urban renewal, zoning, land use planning, and shelter services, which include formulating, adopting and implementing policies, standards, rules, and regulations, programs, and projects to rationalize and optimize urban land use and provide direction to urban growth and expansion, rehabilitating and developing slums and blighted areas, developing shelter and housing facilities, and providing necessary social services thereof;

(g) Health and sanitation, urban protection, and pollution control, which include formulating and implementing policies, rules and regulations, standards, programs, and projects for promoting and safeguarding health and sanitation to enhance ecological balance and prevent, control, and abate environmental pollution; and

(h) Public safety, which includes formulating and implementing programs, policies and procedure to achieve public safety, especially preparedness for preventive or rescue operations

during times of calamity and disaster such as conflagration, earthquakes, flood, and coordinating and mobilizing resources and implementing contingency plans for rehabilitation and relief operations in coordination with national agencies concerned.

SEC. 7. *Functions of the Metropolitan Cebu Development Authority.*- The MCDA shall exercise the following functions:

(a) Formulate, coordinate, regulate and monitor the short, medium, and long-term plans, policies, and programs for the sustainable development and integration of the Metropolitan Cebu area and the Province of Cebu.

(b) Set policies concerning traffic, waste management, and public safety and security for Metropolitan Cebu and coordinate, regulate, and enforce the implementation of these programs and projects with concerned national government agencies and LGUs;

(c) Prepare and implement or manage metropolitan-wide programs and projects for the delivery of specific services under its jurisdiction, subject to the approval to the Metropolitan Cebu Development Council;

(d) Review and recommend to the Metropolitan Cebu Development Council policies regarding development permits for residential, commercial, or industrial purposes and other major land development that have metropolitan-wide impact on transportation and traffic, proposed to be implemented by or in the LGUs within Metropolitan Cebu;

(e) Monitor the implementation of metropolitan-wide programs and projects and identify implementation issues and appropriate solutions to address them;

(f) Install and administer a single ticketing system, fix, impose, and collect fines and penalties for all kinds of violations of traffic rules and regulations, whether moving or non-moving in nature, and confiscate and suspend or revoke driver's licenses in the enforcement of such traffic laws and regulations;

(g) Prescribe and collect services and regulatory fees, and impose and collect fines and

penalties; and

(h) Perform other functions, subject to approval by the Metropolitan Cebu Development Council.

SEC. 8. *Metropolitan Cebu Development Council (MCDC)*.- The governing and policy setting powers of the MCDA shall be vested in and exercised by the Metropolitan Cebu Development Council (the “MCDC”), which shall be comprised of the governor of the province of Cebu, the mayors of the cities and municipalities enumerated in Section 5 hereof, the President of the League of Municipalities of Cebu, who shall serve in an ex officio capacity, and the Chairperson of the MCDA, to be elected from among its members to serve a term of three (3) years.

The heads of the following Cebu regional offices of national government agencies shall attend all meetings of the Council as non-voting members: National Economic and Development Authority (NEDA); Department of Human Settlements and Urban Development (DHSUD); Department of Public Works and Highways (DPWH), Department of the Interior and Local Government (DILG), Department of Environment and Natural Resources (DENR), Department of Health (DOH); Department of Information and Communications Technology (DICT), Department of Energy (DoE), Department of Tourism (DoT), Department of Transportation (DoTr); Land Transaction Office (LTO), and Philippine National Police (PNP).

The Chairperson and members of the Council, except ex officio members, are entitled to allowance and per diems in accordance with existing policies, rules, and regulations on the matter.

All regular members of the MCDB including the General Manager must have been residents of the cities of Cebu or Province of Cebu for at least three (3) years preceding their appointment. They shall serve for a term of one (1) year until their re-election or successors shall have been elected, unless sooner removed for cause. In case of removal of a member for cause, the replacement shall only serve the unexpired portion of the term.

Each member, ex officio or regular, shall have equal voting rights and shall participate during

the deliberations of the regular and special meetings of the MCDB: Provided, That eleven (11) members of the MCDB shall constitute a 12 quorum for the conduct of regular and special meetings: Provided, further, That the implementation of plans, projects, and activities affecting a particular LGU must have the affirmative vote of the Mayor of the concerned LGU.

SEC. 9. Functions of the Metro Cebu Development Council.- The MCDB shall perform the following functions and powers:

- (a) Approve plans, programs, and projects, and issue rules and regulations deemed necessary by the MCDA to carry out the purposes of this Act;
- (b) Subject to pertinent laws, policies, rules and regulations, increase the rate of allowances and per diems of the members of the Council to be effective during the term of the succeeding Council; fix the compensation of the officers and personnel of the MCDA in accordance with the Salary Standardization Law; and approve the annual budget of the MCDA 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 and set policies and standards for application governing the delivery of basic services, prescribe and collect service and regulatory fees, and impose and collect fines and penalties;
- (e) Endorse the annual as well as the supplemental budgets of the MCDA; and
- (f) Perform such other acts and assume such other functions as may be necessary to carry out the provisions of this Act.

SEC. 10. Functions of the Chairperson of the Council.- The Chairperson of the Council, herein referred to as the Chairperson, shall exercise the following functions:

- (a) Appoint, subject to civil service laws, rules and regulations, all 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 expert or consultants either on 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 MCDA;

(c) Prepare the annual budget for the operations of the MCDA for the 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 MCDA in accordance with Civil Service laws, rules and regulations, and evaluation and approval of the DBM and exercise the power to discipline subordinate officials and employees under the provisions of law;

(f) Prepare an annual report on the accomplishment of the MCDA at the close of each calendar year for submission to the Council and to the President of the Philippines: and

SEC. 11. *Creation of the Office of the MCDA General Manager and Assistant General*

Managers.- There shall be created an Office of the MCDA General Manager which comprises the MCDA General Manager, the Assistant General Manager for Finance and Administration, the Assistant General Manager for Planning, and the Assistant General Manager for Operations. The office shall be headed by the General Manager and vested with executive powers to manage the affairs and further the purposes of the MCDA.

All of the officials above mentioned shall be appointed by the President of the Philippines upon recommendation of the majority of the Council, subject to civil service laws, rules and regulation.

These officials shall enjoy security of tenure and may be removed only for cause in accordance with law.

2 The Assistant General Manager for Planning must have at least five (5) years extensive
experience in development and planning or must hold a Master's degree in urban planning or similar
disciplines.

3 **SEC. 12. *Functions of the General Manager.***- The General Manager of the MCDA shall have
4 the following functions:

5 (a) Appoint, subject to civil service laws, rules and regulations, all subordinate officers and
6 employees, who shall enjoy security of tenure and may be removed only for cause in
7 accordance with law. The Chairperson is authorized to engage the services of expert or
8 consultants either on full time or part-time basis, as may be required In the performance of the
9 Chairperson's functions and duties;

10 (b) Execute the policies and measures approved by the Council and be responsible for the
11 efficient and effective day-to-day management of the operations of the MCDA;

12 (c) Prepare the annual budget for the operations of the MCDA for the submission to the
Council:

13 (d) Submit for consideration of the Council such other duties and measures as the chairperson
14 may deem necessary to carry out the purposes and provisions of this Act;

15 (e) Subject to the guidelines and policies set by the Council, prepare the staffing pattern and fix
16 the number of subordinate officials and employees of the MCDA in accordance with Civil
17 Service laws, rules and regulations, and evaluation and approval of the DBM and exercise the
18 power to discipline subordinate officials and employees under the provisions of law;

19 (f) Prepare an annual report on the accomplishment of the MCDA at the close of each calendar
20 year the for submission to the Council and to the President of the Philippines: and

21 (g) The General Manager shall serve as the Chief Operating Officer of the MCDA.

22 **SEC. 13. *Functions of the Assistant General Manager for Finance and Administration.***- The

1 Assistant General Manager for Finance and Administration shall perform the following functions:

(a) Determine the financial and administrative requirements of the Authority for the metro-wide services including sourcing and allocation of funds;

(b) Conduct a continuing financial and management analysis of the integration of metro-wide services; and

(c) Plan and provide services relative to supply, general services, legal, human resource management and development, accounting, fiscal planning, treasury and budget and such other related services.

He shall perform such other duties as are incidental or related to the above functions of as may be assigned from time to time.

SEC. 14. *Functions of the Assistant General Manager for Planning.*- The Assistant General Manager for Planning shall perform the following functions:

(a) Formulate development plans, and land use and zoning plans geared toward the organized socio-economic and physical development of the Metropolitan Manila;

(b) Monitor the implementation and financing of development plans, programs and projects in Metropolitan Manila;

(c) Plan and program metro-wide projects and activities included in the Metropolitan Development Plan, and formulate appropriate performance indicators to assess attainment of development targets; and

(d) Conduct researches, surveys and other studies in support of policy and program formulation.

He shall perform such other duties as are incidental or related to the above functions or as may be assigned from time to time.

SEC. 15. *Functions of the Assistant General Manager for Operations.*- The Assistant General Manager for Operations shall perform the following functions:

- 1 (a) Establish a mechanism for coordinating and operationalizing the delivery of metro-wide
2 basic services;
- 3 (b) Maintain a monitoring system for the effective evaluation of the implementation of
4 approved policies, plans and programs for the development of Metropolitan Manila;
- 5 (c) Mobilize the participation of local government units, executive departments or agencies of
the national government, and the private sector in the delivery of metro-wide services; and
- 6 (d) Operate a central radio communication system.

7 He shall perform such other duties as are incidental or related to the above functions or as may be
8 assigned from time to time.

9 **SEC. 16. *Institutional Linkages.***- The MCDA shall, in order to aid the implementation and
10 delivery of basic metro-wide services, establish institutional linkages and relations with appropriate
11 government agencies and units and the private sector at the local, regional, national, and international
12 levels concerning matters relevant to its mandate for the development of the Metropolitan Cebu area.
13 In carrying out its functions, the MCDA shall consult, coordinate and work closely with the LGUs, the
14 national government agencies, accredited people's organizations (POs), Non-governmental
15 organizations (NGOs), civil society organizations, and the private sector operating in the Metropolitan
16 Cebu area.

17 In order to streamline and integrate the policies and programs undertaken in Metropolitan
18 Cebu, the MCDA shall submit their Council's approved development plans, investment programs and
19 projects for integration to the parties affected, including the LGUs, NGAs, GOCCs and other relevant
20 organizations where appropriate.

21 The LGUs, NGAs and GOCCs shall also submit their approved development plans, investment
22 programs and projects to the MCDA for integration. For this purpose , the MCDA may enter into
23 contracts or memoranda of agreement, and other cooperative arrangements with these entities for the
24 delivery of the required services with Metropolitan Cebu.

1 The MCDA shall, in coordination with the NEDA and the Department of Finance (DoF),
2 interface with foreign assistance agencies for the purpose of obtaining financing support, grants and
3 donations in support of its programs and projects.

4 **SEC. 17. *Sources of Funds and Operating Budget of the MCDA.***- For its initial operations, in
5 order to properly carry out the mandate of this Act, an amount necessary for the operations shall be
6 appropriated by the National Government for the MCDA through the General Appropriations Act.
7 Thereafter, the annual expenditures, including but not limited to - capital expenditures, maintenance
8 expenses, organizational expenses, operating expenses, personnel expenses including capital outlays -
9 shall be provided for in the General Appropriations Act as a Special Development Authority Under the
10 Office of the President.

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

15 In case of grants, in cash or in kind, from foreign governments or their agencies and
16 instrumentalities, or multilateral institutions or organizations, acceptance thereof shall be subject to
17 prior clearance and approval of the Council and the President of the Philippines or the authorized
18 representative, based on the recommendation of the Secretary of Finance. In case of donations, in cash
19 or in kind, from foreign governments, acceptance thereof shall require prior clearance and approval by
20 the Council and the President of the Philippines, or the authorized representative based on the
21 recommendation of the Secretary of Foreign Affairs.

22 The MCDA is likewise empowered to levy fines, and impose fees and charges for various
23 services rendered.

24 The MCDA shall undertake continuing negotiations among the member LGUs and GOCCs to
25 commit annual financial contributions for the operations of the MCDA.

1 **SEC. 18. *Use of Income.***- To carry out the purposes of this Act, the MCDA is hereby
2 authorized, in addition to its allocation from the annual General Appropriations Act, to use revenues
3 generated from various services it has rendered and contributions collected from LGUs to further it's
4 purpose. Provided that the MCDA shall not be exempt to the auditing requirements, standards, and
5 procedures of existing laws.

6 **SEC. 19. *Implementing Rules and Regulations.***- Within six (6) months after the approval of
7 this Act, the MCDA shall promulgate its Implementing Rules and Regulations thereby setting policies
8 and standards for metro-wide application including but not limited to the delivery of basic services,
9 road traffic rules and regulations, solid waste management and garbage disposal, the collection of fees,
10 the imposition of fines and penalties, and such other matters necessary for the implementation of this
11 Act.

12 **SEC. 20. *Separability Clause.***- If any provision or part hereof is declared unconstitutional or
13 invalid, such parts or portions not affected thereby shall remain in full force and effect.

14 **SEC. 21. *Effectivity Clause.***- This Act shall take effect fifteen (15) days following completion
of its publication in at least two (2) newspapers of general circulation.

15 Approved.