



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Nineteenth Congress
Second Regular Session



HOUSE BILL NO. 9040

Introduced by Representatives
LORDAN G. SUAN, CHRISTIAN S. UNABIA, and BAMBI B. EMANO

EXPLANATORY NOTE

This bill seeks to create the Metropolitan Cagayan de Oro Development Authority, defining its powers and functions and providing funds therefor.

The Metropolitan Cagayan de Oro is a significant economic and cultural hub in the Philippines, experiencing rapid growth and urbanization. However, this growth also presents challenges such as inadequate infrastructure, environmental degradation, and uncoordinated development. There is a pressing need for a unified and coordinated effort to address these challenges and ensure the long-term well-being of the residents in the region.

As envisioned, the Metropolitan Cagayan de Oro Development Authority (MCDA) will provide oversight for services that significantly impact the entire metropolitan area. These services encompass development planning, transport management, solid waste disposal and management, flood control and sewerage management, urban renewal, zoning, land use planning and shelter services, health and sanitation, urban protection, pollution control, and public safety.

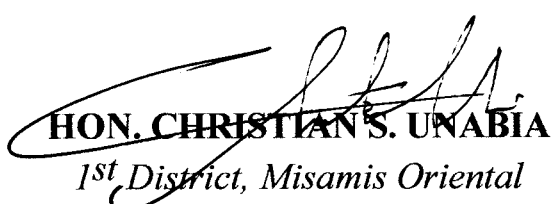
The MCDA will be tasked with formulating plans in line with the Northern Mindanao Regional Development Plan and the Philippine Development Plan, setting traffic, waste management, and public safety policies, preparing metropolitan-wide programs, monitoring the

implementation of these programs, and managing regulatory fees, among others.

The policy-making body of the MCDA will be the Metropolitan Cagayan de Oro Development Council, composed of the Chairperson of the Regional Development Council of Region X, the governors of the provinces of Misamis Oriental and Bukidnon, the city mayors of Cagayan de Oro and El Salvador, and the municipal mayors of the covered areas. This Council will have the power to approve development plans, investment programs and projects, formulate ordinances, resolutions, rules, and regulations, and recommend investment programs and infrastructure projects.

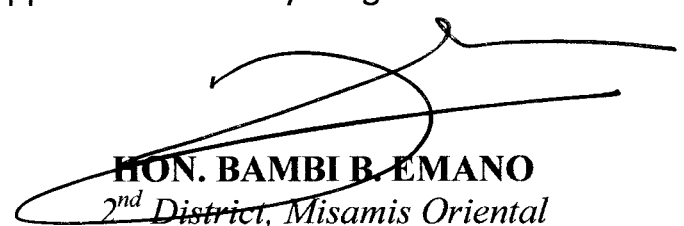
This bill aims to promote sustainable and inclusive development in Northern Mindanao through a unified approach that respects the autonomy of the local government units (LGUs) while providing a framework for coordinated development responsive to the region's rapid urbanization and interdependencies. It recognizes the distinctive development challenges and opportunities of the Metropolitan Cagayan de Oro region. It proposes a sustainable, inclusive, and integrated governance structure. It will empower the MCDA to lead and coordinate efforts towards sustainable and balanced development in the Metropolitan Cagayan de Oro area, ensuring a better quality of life for its residents, promoting economic growth, and preserving the region's natural and cultural heritage.

In light of the preceding, this bill's approval is fervently sought.



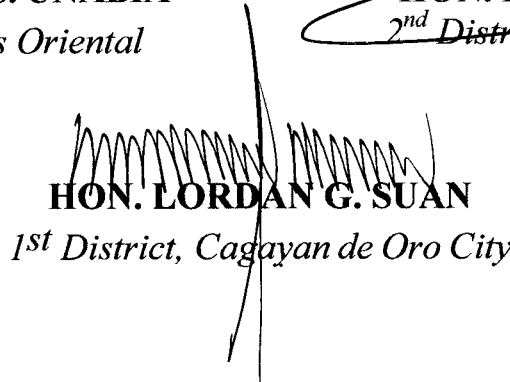
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HOUSE BILL NO. **9040**

Introduced by Representatives
LORDAN G. SUAN, CHRISTIAN S. UNABIA, and BAMBI B. EMANO

AN ACT
CREATING THE METROPOLITAN CAGAYAN DE ORO DEVELOPMENT
AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS, AND PROVIDING
FUNDS THEREFOR

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

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

3 SEC. 2. **Declaration of Policy.** – It is the policy of the State to promote
4 sustainable and inclusive development in Northern Mindanao through unified
5 and coordinated effort among local government units (LGUs) and stakeholders
6 in achieving economic growth, environmental sustainability and improved
7 quality of life for the residents. Towards this end, the State shall support the
8 establishment of special development and administrative region that expands
9 the physical areas for planning and service areas for urban service delivery.

10 SEC. 3. ***Creation of the Metropolitan Cagayan de Oro Development***

11 ***Authority.*** – There is hereby created a special body to be known as the
12 Metropolitan Cagayan de Oro Development Authority, hereinafter referred to
13 as “MCDA,” which shall be organized within thirty (30) days after the approval
14 of this Act, to coordinate and promote socioeconomic growth and sustainable
15 development of Metropolitan Cagayan de Oro.

16 The MCDA shall execute the powers and functions herein vested which
17 shall, however, in no way diminish the autonomy of the LGUs of Metropolitan
18 Cagayan de Oro concerning purely local matters, within the framework and
19 subject to the mandate and limitations of the Constitution and the pertinent
20 provisions of Republic Act No. 7160, otherwise known as the “*Local*
21 *Government Code of 1991.*”

22 SEC. 4. ***Jurisdiction of the MCDA.*** – The MCDA shall exercise jurisdiction
23 over the cities of Cagayan de Oro and El Salvador, and the municipalities of
24 Alubijid, Balingasag, Claveria, Gitagum, Initao, Jasaan, Laguindingan, Libertad,
25 Opol, Tagoloan and Villanueva in Misamis Oriental, and the municipalities of
26 Manolo Fortich, Baungon, Libona, Malitbog, Sumilao and Talakag in Bukidnon,
27 and such other cities and municipalities as may be created by law within these
28 LGUs.

29 SEC. 5. ***Scope of MCDA Services.*** — The MCDA shall deliver metro-wide
30 and across-boundaries services to the different LGUs in the entire metropolitan

area whose activities impact each other significantly and entail huge expenditures that would not be viable if provided by the individual LGUs.

These services include:

a) Development planning, which includes preparing medium-term and long-term development plans; developing, evaluating and packaging of projects; investments programming; and coordinating and monitoring plans, programs and project implementations;

b) Transport management, which includes formulating, coordinating, and monitoring policies, standards, programs and projects to rationalize the existing transport operations, infrastructure requirements, and promotion of safe and convenient movement of persons and goods; providing a mass transport system and instituting a system to regulate road users; administering and implementing all traffic enforcement operations, traffic engineering services and traffic education programs, including instituting a single ticketing system within the MCDA jurisdiction;

c) Solid waste disposal and management, which include formulating and implementing policies, standards, programs and projects for proper and sanitary waste disposal; establishing and operating a sanitary land fill and related facilities, such as waste-to-energy technologies; and implementing other alternative programs intended to reduce, reuse and recycle solid waste;

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) 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;

f) 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

g) Public safety, which includes formulating and implementing programs, policies and procedures to achieve public safety, especially preparedness for preventive or rescue operations during times of calamity and disasters such as conflagration, earthquakes, flood, and coordinating and mobilizing resources and implementing contingency plans for the rehabilitation and relief operations in coordination with national agencies concerned.

71 SEC. 6. ***Functions of the MCDA.*** – The MCDA shall exercise the following

72 functions:

73 a) Formulate plans aligned to the Northern Mindanao Regional
74 Development Plan (NMRDP) 2023-2028, Philippine Development Plan 2023-
75 2028, and succeeding national and regional development plans;

76 b) Set policies concerning traffic, waste management, and public safety
77 and security for Metropolitan Cagayan de Oro and coordinate, regulate, and
78 enforce the implementation of these programs and projects with concerned
79 national government agencies and LGUs;

80 c) Prepare and implement or manage metropolitan-wide programs and
81 projects for the delivery of specific services under its jurisdiction, subject to the
82 approval of the Metropolitan Cagayan de Oro Development Council created
83 under Section 7 of this Act;

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

89 e) Monitor the implementation of metropolitan-wide programs and
90 projects and identify implementation issues and appropriate solutions to
91 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 within the MCDA jurisdiction.

g) Prescribe and collect service and regulatory fees, and impose and collect fines and penalties within the MCDA jurisdiction;

h) Fix the compensation of the officers and personnel of the MCDA under the existing salary standardization law; and

i) Perform other functions, consistent with this Act, subject to approval by the Metropolitan Cagayan de Oro Development Council.

SEC. 7. *Metropolitan Cagayan de Oro Development Council.* — The governing board and the policy-making body of the MCDA is the Metropolitan Cagayan de Oro Development Council, herein referred to as the "*Council*," composed of the Chairperson of the Regional Development Council (RDC) of Region X, governors of the provinces of Misamis Oriental and Bukidnon, city mayors of Cagayan de Oro and El Salvador, and the municipal mayors of Alubijid, Balingasag, Claveria, Gitagum, Initao, Jasaan, Laguindingan, Libertad, Opol, Tagoloan, Villanueva in Misamis Oriental, Manolo Fortich, Baungon, Libona, Malitbog, Sumilao and Talakag in Bukidnon, who shall all serve in an *ex officio* capacity. The chairperson of the Council shall be appointed by the

President of the Philippines from a selection of nominees submitted by the Council and serve for a term of three (3) years.

The heads of the following Cagayan de Oro 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 Transportation 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 laws, rules and regulations.

SEC. 8. Functions of the Council. –The Council shall, as the policy-making body of the MCDA, exercise the following functions:

a) Approve development plans, investment programs and projects after consultation and coordination with the LGUs, RDC of Region X, and other stakeholders operating in the Metropolitan Cagayan de Oro area;

b) Formulate and issue ordinances, resolutions, rules and regulations deemed necessary by the MCDA to carry out the purposes of this Act;

c) Increase the rate of allowances and *per diems* of the members of the Council to be effective during the term of the succeeding Council, subject to pertinent laws, policies, rules and regulations;

d) Recommend investment programming for its plans and programs, as well as supervise the implementation of plans and programs which include the formulation and coordination of its related activities;

e) Coordinate and work closely with the DOTr and its attached agencies on the grant of franchises to safe, reliable and environment-friendly public utility vehicles within the MCDA jurisdiction;

f) Approve the annual budget of the MCDA for submission to the Department of Budget and Management (DBM) and endorse the annual and supplemental budgets of the MCDA; and

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

SEC. 9. *Effectivity of Ordinances and Resolutions.* — An ordinance or resolution passed by the Council, in the exercise of its rule-making power as provided in Section 8 of this Act, shall be posted in a bulletin board at the entrance of the MCDA building and in at least two (2) other conspicuous places

153 in the office of the MCDA within ten (10) days from its approval and shall take
154 effect fifteen (15) days after such posting.

155 Ordinance with penal sanctions shall be published in a newspaper of
156 general circulation within Metropolitan Cagayan de Oro and shall take effect
157 fifteen (15) days thereafter.

158 **SEC. 10. *Functions of the Chairperson.*** — The chairperson of the Council
159 shall exercise the following functions:

160 a) Appoint, subject to civil service laws, rules and regulations, all
161 subordinate officers and employees, who shall enjoy security of tenure and
162 may be removed only for cause in accordance with law;

163 b) Engage the services of experts or consultants either on full time or
164 part-time basis, as may be required in the performance of the chairperson's
165 functions and duties;

166 c) Execute the policies and measures approved by the Council and be
167 responsible for the efficient and effective day-to-day management of the
168 operations of the MCDA;

169 d) Prepare the annual budget for the operations of the MCDA for the
170 submission to the Council;

171 e) Submit for consideration of the Council such other duties and
172 measures as the chairperson may deem necessary to carry out the purposes
173 and provisions of this Act;

f) Prepare the staffing pattern and fix the number of subordinate officials and employees of the MCDA in accordance with the civil service laws, rules and regulations, and subject to the evaluation and approval of the DBM;

g) Exercise the power to discipline subordinate officials and employees under the provisions of existing laws and subject to the guidelines and policies set by the Council;

h) Prepare an annual report on the accomplishments of the MCDA at the close of each calendar year for submission to the Council and to the President of the Philippines; and

i) Perform such other duties as may be assigned by the President of the Philippines or by the Council.

SEC. 11. *Other MCDA Officials.* – The chairperson of the Council, as head of the implementing arm of the MCDA, shall be assisted by a General Manager, Assistant General Manager for Finance and Administration, Assistant General Manager for Planning and Assistant General Manager for Operations, all of whom shall be appointed by the President of the Philippines upon the recommendation of majority of the Council, subject to civil service laws, rules and regulations. These officials shall enjoy security of tenure and may be removed only for cause in accordance with law.

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

196 SEC. 12. ***Functions of the General Manager.*** — The general manager
197 shall exercise the following functions:

198 a) Assist the chairperson in the administration of the MCDA and
199 supervision of subordinate personnel;

200 b) Assist the chairperson in the supervision of the operation of the
201 various centers and units of the MCDA;

202 c) Assist the chairperson in the review of plans and programs for the
203 MCDA and for the cities and municipalities in the preparation of the annual
204 report of activities and accomplishments of the MCDA; and

205 d) Perform such other duties and functions as may be lawfully delegated
206 or assigned by the chairperson from time to time.

207 SEC. 13. ***Institutional Linkages of the MCDA.*** - The MCDA shall, in
208 carrying out its functions, consult, coordinate and work closely with the LGUs,
209 RDC of Region X, and other national government agencies, people's
210 organizations, non-government organizations, and the private sector operating
211 in Metropolitan Cagayan de Oro. The MCDA shall adopt a master plan that
212 shall serve as the framework for the local development plans of the
213 component LGUs and aligned with the NMRDP.

214 The MCDA shall submit the Council's approved development plans and
215 investment programs to the RDC of Region X for integration in the plans,
216 programs and projects that shall be undertaken by the LGUs, concerned
217 national government agencies, people's organizations, non-government
218 organizations, private sector and the MCDA itself where appropriate. For this
219 purpose, the MCDA may enter into contracts or memoranda of agreement
220 with these bodies for the delivery of the required services within Metropolitan
221 Cagayan de Oro.

222 The MCDA shall, in coordination with the NEDA and Department of
223 Finance, interface with foreign assistance agencies for purposes of obtaining
224 financing support, grants and donations in support of its programs and
225 projects.

226 **SEC. 14. *Metropolitan Cagayan de Oro Police District* .** – There is hereby
227 established a police body to be known as the Metropolitan Cagayan de Oro
228 Police District (MCPD). The MCPD shall be under the administrative control and
229 operational supervision of the National Police Commission and headed by a
230 Police Brigadier General. The MCPD shall assume and perform the following
231 functions:

232 a) Assume operational control over the local police offices in areas
233 within the jurisdiction of the MCDA;

234 b) Ensure that peace, order and safety within the MCDA are maintained
235 at all times;

236 c) Integrate law enforcement and police operations capabilities within
237 the MCDA and further promote efficiency in enforcing laws and ordinances
238 therein; and

239 d) Coordinate with the MCDA, Regional Police Office, LGUs and other
240 relevant agencies and recommend plans and programs to be implemented
241 within the MCDA.

242 SEC. 15. **Sources of Funds.** – The amount necessary for the operation of
243 the MCDA shall be included in the annual General Appropriations Act.

244 The operations of the MCDA shall likewise be supported through
245 financial contributions and technical assistance from member LGUs, national
246 government agencies and government-owned or controlled corporations
247 (GOCCs) and the private sector, and other local and international organizations
248 in the form of grants, donations, contributions, payments, penalties, fees and
249 charges.

250 In case of grants, in cash or in kind, from foreign governments or their
251 agencies and instrumentalities, or multilateral institutions or organizations,
252 acceptance thereof shall be subject to prior clearance and approval of the
253 Council and the President of the Philippines or the authorized representative,
254 based on the recommendation of the Secretary of Finance.

255 In case of donations, in cash or in kind, from foreign governments,
256 acceptance thereof shall require prior clearance and approval by the Council
257 and the President of the Philippines, or the authorized representative based on
258 the recommendation of the Secretary of Foreign Affairs.

259 The Council shall undertake continuing negotiations among the member
260 LGUs and GOCCs to commit annual financial contributions for the operations of
261 the MCDA.

262 SEC. 16. **Implementing Rules and Regulations.** – Within ninety (90) days
263 from the effectivity of this Act, the Chairperson shall, in consultation with the
264 Council, promulgate the necessary rules and regulations for the effective
265 implementation of this Act.

266 SEC. 17. **Separability Clause.** – If any provision of this Act is declared
267 unconstitutional or invalid, the remaining parts or provisions not affected shall
268 remain in full force and effect.

269 SEC. 18. **Repealing Clause.** – All laws, executive orders, issuances, rules
270 and regulations, or parts hereof inconsistent with the provisions of this Act are
271 repealed or modified accordingly.

272 SEC. 19. **Effectivity.** – This Act shall take effect fifteen (15) days after its
273 publication in the *Official Gazette*, a newspaper of general circulation, or a
274 website provided for by law.

Approved,