



HOUSE OF REPRESENTATIVES

H. No. 6958

BY REPRESENTATIVES ROMUALDO, DATUMANONG, MANGUDADATU, RODRIGUEZ, SANTIAGO (N.), AMANTE, AMATONG, ANTONINO-CUSTODIO, AQUINO (J.), ARBISON, BALINDONG, CAGAS, CLARETE, CLIMACO, DAYANGHIRANG, DILANGALEN, DIMAPORO, DUMARPA, ECLEO, EMANO, GARAY, GARCIA (V.), HOFER, JAAFAR, JALOSJOS, JALOSJOS-CARREON, LAGDAMEO, OLAÑO, PANCRUDO, PICHAY, PINGOY, PIÑOL, UNGAB, YU, ZUBIRI, GUINGONA, GO, UY (R.A.), NOGRALES, ALFELOR, CUA (J.), ALMARIO AND GULLAS, PER COMMITTEE REPORT NO. 2482

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

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

1 SECTION 1. *Title.* – This Act shall be known as the “Mindanao
2 Development Authority (MinDA) Act of 2009”.

3 SEC. 2. *Declaration of Policy.* – It is hereby declared a policy of the
4 State to accelerate the socioeconomic growth and development of Mindanao,
5 by encouraging and increasing trade, tourism and investments, encouraging
6 private enterprise, and advancing efforts towards peace and development.
7 Furthermore, the State shall undertake efforts to promote the active

1 participation of Mindanao and Palawan, insofar as it relates to the Brunei
2 Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area
3 (BIMP-EAGA).

4 Towards this end, an effective institutional mechanism shall be
5 established to address the need for a coordinative and integrative approach for
6 the formulation and implementation of various inter-regional and/or Mindanao-
7 wide development plans, programs and projects.

8 *SEC. 3. Creation of a Mindanao Development Authority.* – There is
9 hereby created the Mindanao Development Authority, hereinafter referred to as
10 the MinDA, which shall promote, coordinate, and facilitate the active and
11 extensive participation of all sectors to effect peace and development in
12 Mindanao.

13 The MinDA shall be attached to the Office of the President. It shall
14 have its main office in Davao City. It may establish area management offices
15 (AMOs) as it may deem necessary to achieve the objectives of this Act.

16 *SEC. 4. Coverage.* – The MinDA shall cover all the provinces and
17 cities of Regions IX, X, XI, XII, Caraga, and the Autonomous Region in
18 Muslim Mindanao (ARMM): *Provided*, That the Province of Palawan shall be
19 included in its coverage only as it pertains to its involvement in the
20 BIMP-EAGA.

21 *SEC. 5. Powers and Functions.* – The MinDA shall have the following
22 powers and functions:

23 (a) Identify development priorities for Mindanao and formulate a
24 comprehensive and integrated development framework for Mindanao that is
25 consistent with the overall peace and development initiatives of the national
26 government in coordination with the local government units and other national
27 government agencies concerned and the autonomous regional government in
28 Muslim Mindanao;

1 (b) Prioritize, integrate and implement, whenever necessary, inter-
2 regional and/or Mindanao-wide programs and projects cutting across regional
3 boundaries, including Official Development Assistance (ODA) projects,
4 subject to such limitations prescribed by existing laws, rules and regulations;

5 (c) Recommend to and, whenever necessary, call upon the proper
6 agencies on the technical support, physical assistance and, generally, the level
7 of priority to be accorded to agricultural, industrial, commercial, infrastructure,
8 environmental, and technological programs and projects soliciting or requiring
9 direct or indirect help from or through the national government or any of its
10 instrumentalities;

11 (d) Encourage investments including the promotion of joint venture
12 projects in Mindanao by extending the necessary planning, management, and
13 technical assistance to prospective and existing investors in coordination with,
14 or whenever necessary, by calling upon such agencies primarily mandated to
15 undertake such function;

16 (e) Solicit, receive and administer donations, contributions, grants,
17 bequests or gifts in cash or in kind from foreign governments, international
18 agencies, private entities, and other sources, including ODA agencies for
19 purposes that would contribute to the development of Mindanao, subject to
20 existing laws, rules and regulations;

21 (f) Recommend for approval by the National Economic and
22 Development Authority (NEDA) Board such inter-regional and Mindanao-
23 wide programs and projects;

24 (g) Act as the official and permanent Philippine Coordinating Office
25 for BIMP-EAGA (PCOBE) and as lead agency of the government in
26 coordinating the formulation and implementation of policies and programs and
27 the monitoring of all activities related thereto, including but not limited to the
28 following:

1 (1) Coordinate with relevant stakeholders in all policy deliberations
2 concerning the BIMP-EAGA;

3 (2) Initiate and coordinate the establishment of the BIMP-EAGA desks
4 in concerned national agencies, local government units and private enterprises;

5 (3) Advocate for the adoption/approval of policies, initiatives and
6 strategies that will enhance the country's participation in the BIMP-EAGA;

7 (4) Initiate and facilitate sourcing of technical and other forms of
8 assistance to BIMP-EAGA projects/initiatives and ensure efficient and
9 effective support services for the Philippines' BIMP-EAGA operations and
10 coordinate budgetary requirements for this purpose,

11 (5) Monitor developments in the BIMP-EAGA and follow-through
12 agreements entered into by the Philippine parties; and

13 (6) Create a BIMP-EAGA Advisory Board to be composed of the
14 following:

15 (6.1) MinDA Chairperson as Head;

16 (6.2) Chairpersons of the Regional Development Councils (RDCs) of
17 Regions IX, X, XI, XII and XIII, and the Regional Economic Development
18 and Planning Board (REDPB) of the ARMM;

19 (6.3) Chairperson of the Special Committee on East ASEAN Growth
20 Area of the House of Representatives who shall be an *ex officio* member;

21 (6.4) City Mayor of Puerto Princesa;

22 (6.5) Provincial Governor of Palawan; and

23 (6.6) Two (2) Philippine country representatives to the BIMP-EAGA
24 Business Council (BEBC)

25 (h) Discharge other functions which may be deemed necessary or as
26 may be provided by law.

1 SEC. 6. *Board of Directors.* – The powers and functions of the MinDA
2 shall be vested in and exercised by a Board of Directors, hereinafter referred to
3 as the Board, which shall be composed of the following members:

4 (a) The MinDA Chairperson;

5 (b) The Chief Executive Officer, as Vice Chairperson;

6 (c) The Chairpersons of the RDCs of Regions IX, X, XI, XII and XIII,
7 and the REDPB of the ARMM;

8 (d) A Senator, upon designation by the Senate, who shall be an
9 *ex officio* member;

10 (e) The Chairperson of the House Committee on Mindanao Affairs
11 who shall be an *ex officio* member;

12 (f) The President of the Mindanao Confederation of Governors', City
13 Mayors' and Municipal Mayors' League Presidents;

14 (g) The Administrator of the Southern Philippines Development
15 Authority (SPDA); and

16 (h) Five (5) representatives from the private sector to be appointed by
17 the President, upon the recommendation of the Chairperson and the Board,
18 namely:

19 (1) One (1) to represent the Mindanao business sector;

20 (2) One (1) to represent the Mindanao academe sector;

21 (3) Three (3) to represent the Mindanao nongovernment organization
22 (NGO) sector.

23 The MinDA Chairperson shall be appointed by the President of the
24 Philippines with a cabinet rank, who shall serve for a term of six (6) years
25 unless removed for cause: *Provided*, That no person shall be appointed as
26 Chairperson unless he/she is a holder of a degree in law or a masteral degree in
27 any of the following fields: economics, business, public administration, law,
28 management or their equivalent and have at least ten (10) years relevant

1 experience in said fields: *Provided, further*, That the Chairperson shall be a
2 resident of Mindanao for at least five (5) years before the appointment:
3 *Provided, finally*, That he/she shall likewise be an *ex officio* member of the
4 NEDA Board.

5 The term of the five (5) representatives from the private sector shall be
6 six (6) years: *Provided*, That at the initial appointment of such members, the
7 three (3) members who are last to be appointed shall only serve a term of four
8 (4) years: *Provided, further*, That they shall continue to hold office until their
9 successors shall have been appointed. All vacancies, prior to the expiration of
10 the term, shall be filled for the unexpired term only.

11 *The Chairperson shall be the presiding officer. In his absence, the Vice*
12 *Chairperson shall act as the presiding officer. In the absence of both the*
13 *Chairperson and the Vice Chairperson, the Board shall elect a temporary*
14 *presiding officer who shall act for the duration of the said absence only.*

15 The Board shall meet regularly at least once in a quarter and as
16 frequently as necessary. Special meetings may be called upon by the
17 Chairperson or upon the written request of a majority of its members. Except
18 when otherwise provided for in this Act, the vote of a majority of the members
19 constituting a quorum shall be sufficient for the adoption of any rule,
20 resolution, decision or act of the Board.

21 The members of the Board shall be entitled to reimbursement of actual
22 expenses incurred subject to existing laws, rules and regulations.

23 *SEC. 7. Powers and Functions of the Board.* – The Board shall have
24 the following powers and functions:

25 (a) Formulate policies, guidelines and programs to effectively
26 implement and carry out the purposes, objectives and powers of the MinDA;

27 (b) Promulgate such rules and regulations as may be necessary and
28 proper for the effective exercise of the powers and functions, as well as the

1 discharge of the duties and responsibilities of the MinDA, its officers and
2 employees;

3 (c) Pass upon and approve the appointment of the principal officers of
4 the MinDA as nominated by the Chief Executive Officer, and by a majority
5 vote of the Board members, suspend, remove or otherwise discipline for cause
6 such principal officers;

7 (d) Determine and approve the organizational structure of the MinDA,
8 create such positions as may be necessary for the economical, effective and
9 efficient discharge of its functions and responsibilities;

10 (e) Review and approve the annual and supplemental budgets including
11 annual plans, programs and projects of the agency as submitted by the Chief
12 Executive Officer;

13 (f) Render annual reports and such special reports as may be requested
14 by the President of the Philippines and both Houses of Congress; and

15 (g) Exercise and perform such other powers and functions as may be
16 necessary to carry out the provisions of this Act.

17 SEC. 8. *Chief Executive Officer.* – The MinDA shall have a Chief
18 Executive Officer who shall be appointed by the President of the Philippines
19 and who shall be responsible for the day-to-day administration and internal
20 operations of the MinDA: *Provided,* That no person shall be appointed as
21 Chief Executive Officer unless he/she is a holder of a degree in any of the
22 following fields: economics, business, public administration, law, management
23 or their equivalent and have at least five (5) years relevant experience in said
24 fields: *Provided, further,* That the Chief Executive Officer shall be a resident
25 of Mindanao five (5) years prior to his appointment and has the requisite
26 eligibilities for third level career service position pursuant to the career
27 executive rank system: *Provided, finally,* That the Chief Executive Officer
28 shall reside in Mindanao during his/her incumbency.

1 SEC. 9. *Powers and Functions of the Chief Executive Officer* - The
2 management of the day-to-day operations of the MinDA shall be vested in the
3 Chief Executive Officer, who shall have the following powers and duties:

4 (a) Direct and supervise the management and operation of the MinDA
5 and, for this purpose, may delegate any or some operational and administrative
6 responsibilities and duties to the other officers of the MinDA as may be
7 necessary;

8 (b) Enter into and execute, on behalf of the MinDA, all contracts and
9 agreements which the MinDA may enter into;

10 (c) Submit to the Board an annual budget and such supplemental
11 budgets as may be necessary for its consideration and approval;

12 (d) Represent the MinDA in all dealings with other offices, agencies,
13 persons or entities, domestic or foreign, government or private;

14 (e) Appoint the subordinate officers and personnel of the MinDA and
15 discipline them for cause in accordance with civil service laws, rules and
16 regulations; and

17 (f) Exercise and perform such other powers and duties as may be
18 assigned by the Board.

19 SEC. 10. *Merit System*. - All officials and employees of the MinDA
20 shall be selected and appointed on the basis of merit and fitness in accordance
21 with civil service laws, rules and regulations. The recruitment, transfer,
22 promotion, and dismissal of all its personnel including temporary workers shall
23 be governed by a merit system that will be established by the MinDA in
24 compliance with existing laws, rules and regulations.

25 SEC. 11. *Appropriations*. - To carry out the provisions of this Act, the
26 current appropriations of the Mindanao Economic Development Council
27 (MEDCo) shall be transferred to the MinDA to commence its activities. The

1 subsequent appropriations for MinDA needed for its continued operations shall
2 be included in the annual General Appropriations Act (GAA).

3 SEC. 12. *Abolition of the Mindanao Economic Development Council.* –
4 The Mindanao Economic Development Council (MEDCo), created under
5 Executive Order No. 512 (s. 1992), as amended by Executive Order
6 No. 244 (s. 2000), Executive Order No. 354 (s. 2004), Executive Order No.
7 357 (s. 2004) and Executive Order No. 757 (s. 2008) is hereby abolished. All
8 its budgetary appropriations, finances, properties, records, equipment, rights
9 and other assets as well as liabilities are hereby transferred to the MinDA.

10 There shall be no mandatory separation of any employee as a result of
11 the conversion of the MEDCo to MinDA. All incumbent officers and
12 employees of the MEDCo shall continue in office as officers and personnel of
13 the MinDA without demotion in rank nor diminution in pay and fringe
14 benefits. However, if any employee elects to leave the service or retire, the
15 said employee shall be entitled to claim separation or retirement benefits as
16 may be provided under existing laws governing the civil service or other laws
17 and issuances, whichever may be beneficial to the employee concerned.

18 SEC. 13. *Implementing Rules and Regulations.* – The MinDA shall
19 adopt rules and regulations to implement the provisions of this Act within sixty
20 (60) days from the date of its approval.

21 SEC. 14. *Repealing Clause.* – Executive Order No. 512 (s. 1992),
22 Executive Order No. 244 (s. 2000), Executive Order No. 354 (s. 2004),
23 Executive Order No. 357 (s. 2004), and Executive Order No. 757 (s. 2008) are
24 hereby repealed. All laws, decrees, executive orders, rules and regulations or
25 parts thereof inconsistent with or contrary to the provisions of this Act are also
26 hereby repealed or modified accordingly.

1 SEC. 15. *Separability Clause.* – If any part or provision of this Act is
2 held unconstitutional or invalid, the other parts or provisions hereof which are
3 not affected thereby shall continue to remain in full force and effect.

4 SEC. 16. *Effectivity.* – This Act shall take effect fifteen (15) days
5 following the completion of its publication in at least two (2) newspapers of
6 general circulation.

Approved,

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