

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
First Regular Session



HOUSE BILL NO. 11

Introduced by Rep. Raul V. Del Mar

EXPLANATORY NOTE

WHEREAS, Article X, Section 13 of the 1987 Constitution states that "local government units may group themselves, consolidate or coordinate their efforts, services, and resources for purposes commonly beneficial to them in accordance with law."

WHEREAS, Article X, Section 14 of the 1987 Constitution states that "the President shall provide for regional development councils or other similar bodies composed of local government officials, regional heads of departments and other offices, and representatives from non-government organizations within the region for purposes of administrative decentralization to strengthen the autonomy of units therein and to accelerate the economic and social development of the units in the region."

WHEREAS, consistent with these mandates, inter-local cooperation, public-private sector collaboration, and other cooperative arrangements with and among local government units, national government agencies and other government offices, private and business sector, and people's, non-government and civil society organizations are essential in order to coordinate efforts, services, and resources for common beneficial purposes.

WHEREAS, founded on the need to promote and develop shared assets and address trans-boundary issues and challenges attendant to a growing and rapidly urbanizing metropolis, public and private sector leaders and stakeholders of Cebu subscribe to the principles and premises of *Primus Inter Pares* (First Among Equals), inter-local and city region coordination, public-private sector partnership and collaboration, and citizen and civil society engagement for metropolitan development.

WHEREAS, anchored on the big picture, holistic, and long-term perspective of development, leaders and stakeholders emphasized the importance of evidence-based and expertise-supported planning, policy and decision-making.

WHEREAS, stakeholders in Metropolitan Cebu and surrounding areas in the Province of Cebu envision and aspire for a "Wholesome, Advanced, Vibrant, Equitable, and Sustainable (W.A.V.E.S.) Cebu in 2050 thru alignment of public and private sector efforts with the development strategy of competitiveness, liveability, mobility, and metropolitan management and the implementation of a roadmap for sustainable urban development.

WHEREAS, building and capitalizing on the gains of collaboration and engagement and in the pursuit of the Mega Cebu 2050 Vision, there is a need to establish the Mega Cebu Development Authority (MCDA) to initiate efforts, provide services, and coordinate policies, plans, programs, and projects with concerned local government units (LGUs), national government agencies (NGAs), government owned and controlled corporations (GOCCs), private sector and civil society, and constituent communities with regard to the development and promotion of shared assets and resources, delivery of common services and functions, all trans-boundary in nature, to achieve integrated, inclusive, and sustained development.

PURSUANT THERETO, stakeholders of highly urbanized cities of Cebu, Mandaue and Lapu-Lapu as well as the component cities of Danao, Talisay, Naga and Carcar, and the municipalities of Consolacion, Liloan, Compostela, Cordova, Minglanilla and San Fernando comprising the Metropolitan Cebu area, and surrounding cities and town in the Province of Cebu, civil society and private sector organizations aspire for a permanent, appropriate, and responsive institutional platform that commits to and is reflective of the principles and framework of inter-local and city-region collaboration, public-private sector partnership, citizen and civil society engagement, and evidence-based and expert-assisted planning and development.



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AN ACT
CREATING THE MEGA CEBU DEVELOPMENT AUTHORITY, 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 "Mega Cebu
2 Development Authority Act."

3 **SEC. 2. Declaration of Policies and Principles.**- It is hereby declared
4 policy of the State to promote and accelerate the sustainable development and
5 balanced growth of the Province of Cebu and the highly urbanized cities of Cebu,
6 Mandaue, and Lapu-Lapu, within the context of national policies for economic,
7 social, and environmental well-being.

8 It is likewise hereby declared to be the policy of the State to treat
9 Metropolitan Cebu and the Province of Cebu as a special development and
10 administrative area where certain policies, programs, and services affecting or
11 involving the Metropolitan Cebu area and the Province of Cebu, on a metro-wide
12 or multi-local government unit (LGU) level, are more efficiently and effectively
13 planned, supervised, implemented, and coordinated by a development authority as
14 created herein, without prejudice to the autonomy of the affected LGUs.

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

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

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

- 22 (a) *Business Sector* refers to for-profit and commercial enterprises or
23 businesses and business associations and coalitions; cross-industry,
24 multi-issue groups; cross-industry, issue-specific initiatives; industry-
25 focused initiative; including corporate philanthropic foundations.
- 26 (b) *Private Sector* refers to entities of the economy that are owned by private
27 citizens and not by the State, including those enterprises created either
28 for profit or non-profit and households.
- 29 (c) *Metropolitan Cebu Area or Metro Cebu* refers to the highly urbanized
30 cities of Cebu, Mandaue, and Lapu-Lapu, the cities of Danao, Talisay,
31 Naga, and Carcar, and the municipalities of Consolacion, Liloan,
32 Compostela, Cordova, Minglanilla, and San Fernando, all in the Province
33 of Cebu.

1 (d) *Mega Cebu* refers to the platform for inter-local cooperation, public-
2 private sector partnership, and local-regional-national-integration
3 promoting the “big picture perspective,” i.e., long term, multi-LGU, metro-
4 wide, and advancing collaborative planning and action on shared assets
5 and common trans-boundary concerns towards a sustainable, smart,
6 and inclusive Cebu. It is anchored on and considers the island-wide or
7 larger provincial area or whole of Cebu, and regional area or Visayas
8 context, while starting out its on-ground engagement and intervention at
9 the Metropolitan Cebu level. Conceptually, thus, Mega Cebu is larger
10 than Metro Cebu and considers the population of the entire ‘province’ or
11 ‘islands’ of Cebu in the year 2050, which is projected to reach more than
12 Ten (10) Million, the technical definition of a mega population being Ten
13 (10) million or more.

14 (e) *Metropolitan Cebu Roadmap* refers to the “Roadmap Study for
15 Sustainable Urban Development in Metro Cebu” that was commissioned
16 and subsequently adopted by the Metro Cebu Development and
17 Coordinating Board (MCDCB), was funded by the Government of Japan,
18 and completed by a team from the Japan International Cooperation
19 Agency (JICA).

20 **SEC. 4. Creation of the Mega Cebu Development Authority.-** There is
21 hereby created a special body to be known as the Mega Cebu Development
22 Authority, hereinafter referred to as “MCDA” or “Authority”, which shall be
23 organized within thirty (30) days after the approval of this Act, to coordinate and
24 promote socio-economic growth and sustainable development within Metro Cebu
25 and the Province of Cebu.

26 The MCDA shall execute the powers and functions herein vested which
27 shall, however, in no way diminish the autonomy of the LGUs in the Metropolitan
28 Cebu area and the Province of Cebu concerning purely local matters within the
29 framework and subject to the mandate and limitations of the Philippine
30 Constitution, pertinent provisions of the Local Government Code, and Section 5
31 hereof.

32 **SEC. 5. Constitution and Jurisdiction of the Mega Cebu Development
33 Authority.-** For the purposes of this Act, the MCDA shall comprise the core
34 metropolitan area embracing the highly urbanized cities of Cebu, Mandaue, and

1 Lapu-Lapu, the cities of Danao, Talisay, Naga and Carcar, as well as the
2 municipalities of Consolacion, Liloan, Compostela, Cordova, Minglanilla, and San
3 Fernando, and such other cities and municipalities as shall be included from time
4 to time under this Section or conferred by this Act, determined in accordance with
5 the procedures and requirements to be outlined in its implementing rules and
6 regulations.

7 **SEC. 6. Functions of the Mega Cebu Development Authority.**- Subject
8 to the approval of the LGUs concerned, the Authority shall primarily exercise the
9 following functions and services:

- 10 (a) Formulate, coordinate, regulate and monitor the short, medium, and
11 long-term plans, policies, and programs for the sustainable development
12 and integration of the Metropolitan Cebu area and the Province of Cebu,
13 including investment programs for the delivery of multi-LGU or
14 Metropolitan Cebu and the Province of Cebu services, land use, spatial,
15 and physical development using strong, coherent governing values and
16 shared vision, with focus on integrated systems for urban development;
- 17 (b) Render services that have multi-LGU or metropolitan wide coverage and
18 impact, transcending local geopolitical boundaries or entailing
19 substantial expenditures including, but not limited to: integrated and
20 infrastructure development and planning; transport and traffic
21 management; solid waste disposal and management; water, septage,
22 sewerage and storm water management; and disaster risk reduction and
23 management;
- 24 (c) Ensure that plans, policies, programs and services are pursued for the
25 purpose of realizing the Mega Cebu 2050 Vision of a Wholesome,
26 Advanced, Vibrant, Equitable, and Sustainable (W.A.V.E.S.) Cebu,
27 executing the Mega Cebu development strategy of competitiveness,
28 livability, mobility, and metropolitan management and implementing the
29 Metropolitan Cebu Roadmap, which are hereby adopted, and other
30 subsequent and related roadmaps for Metro Cebu and the Province of
31 Cebu;
- 32 (d) Ensure continuing research, evaluation, and monitoring to enhance
33 plans, policies, programs, services, and efforts to anticipate or respond

1 to the dynamic and changing realities and needs of metropolitan
2 development; and

3 (e) Perform other related functions required to achieve the Mega Cebu 2050
4 Vision and the objectives of the MCDA, including the undertaking of
5 delivery of services to the LGUs, when deemed necessary and subject
6 to prior coordination and consent of the LGU concerned.

7 **SEC. 7. Scope of Services of the Mega Cebu Development Authority.-**

8 In coordination with appropriate government units and agencies and relevant
9 private sector organizations, the scope of the services of the MCDA shall include:

10 (a) Spatial and integrated planning and infrastructure planning and
11 development, which includes the formulation, adoption, and
12 implementation of plans, policies, programs, projects, standards, rules,
13 and regulations to rationalize and optimize land use; conserve and
14 protect natural resources, provide direction to urban growth and
15 expansion within the context of smart, connected, compact and
16 sustainable growth; and the provision of necessary services;

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

30 (c) Solid waste management, which includes the formulation and
31 implementation of policies, standards, plans, programs, and projects for
32 proper and sanitary waste disposal; the establishment and operation of
33 sanitary landfill and related facilities; the establishment and operation of
34 alternative waste management facilities; and the implementation of

1 appropriate programs, projects, and services intended to manage,
2 dispose, reduce, reuse, and recycle solid waste;

3 (d) Water, septage and sewerage, and storm water management, which
4 includes the formulation and implementation of policies, standards,
5 plans, programs, and projects for water supply and water resources
6 management; integrated storm water management, drainage and flood
7 control; and septage and sewerage management system; and

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

14 **SEC. 8. Composition of the Mega Cebu Development Board (MCDB).-**

15 The governing and policy setting powers of the MCDA shall be vested in and
16 exercised by the Mega Cebu Development Board, hereinafter referred to as MCDB
17 or Board, which shall be composed of fifteen (15) ex-officio members and six (6)
18 regular members, as follows:

- 19 (a) Governor of the Province of Cebu, ex-officio;
- 20 (b) Mayors of the seven (7) cities of Metro Cebu, ex-officio;
- 21 (c) Mayors of the six (6) municipalities of Metro Cebu, ex-officio;
- 22 (d) President of the League of Municipalities of Cebu, ex-officio;
- 23 (e) Five (5) regular members from the private sector: three (3) from the
24 business sector and two (2) from the general public; and
- 25 (f) The General Manager of the Authority, to be appointed by majority vote
26 of the ex-officio members and regular members of the Board, who shall
27 be the sixth private sector representative in the Board, and shall serve
28 as the Chief Operating Officer of the MCDA.

29 The officers of the MCDB shall consist of one (1) Chairperson; one (1) co-
30 Chairperson representing the public sector and one (1) Co-Chairperson
31 representing the private sector. The Chairperson and the Co-Chairperson
32 representing the public sector shall be elected by majority vote of the Governor of
33 the Province of Cebu and the seven (7) mayors of the cities of Metro Cebu from

1 among themselves. The co-chairperson representing the private sector shall be
2 elected by the five (5) regular members representing the private sector.

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

9 Each member, ex officio or regular, shall have equal voting rights and shall
10 participate during the deliberations of the regular and special meetings of the
11 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
13 implementation of plans, projects, and activities affecting a particular LGU must
14 have the affirmative vote of the Mayor of the concerned LGU.

15 **SEC. 9. *Functions of the Mega Cebu Development Board.***- Subject to
16 the approval of the LGUs concerned, the MCDB shall perform the following
17 functions and powers:

- 18 (a) Adopt and approve rules and regulations to govern the conduct of
19 business of the Board;
- 20 (b) Approve the multi-LGU or metropolitan-wide short, medium, and long
21 term development plans, policies, and programs, and such projects
22 developed and packaged by its Research, Program, and
23 Organizational Development- Technical, Operations, and Planning
24 Office (RPOD-TOP), the various committees, and respective project
25 management offices;
- 26 (c) Promulgate policies and standards for metropolitan-wide application
27 governing the delivery of services, prescription and collection of
28 service and regulatory fees, and the imposition and collection of fines
29 and penalties, including the assessment and collection of
30 contributions, fees, and charges for the operation of the MCDA or use
31 of its facilities or services, as may be deemed necessary and proper;
- 32 (d) Approve the organizational structure of the Authority and, as endorsed
33 by the General Manager, confirm or define the duties and

- 1 responsibilities of all officers and employees, including the
2 appointment of key officials of the Authority, and fix the compensation
3 and benefits of officers and personnel, including the granting of
4 incentives;
- 5 (e) Create a Conflict Management Committee (CMC) to address any
6 controversy primarily between and among members from the LGUs,
7 national government agencies, private and business sectors, and civil
8 society. The CMC shall enjoin parties to settle the dispute through
9 dialogue. If a settlement is not reached, any unresolved controversy
10 shall be settled thru mediation and arbitration by the CMC. Any of the
11 parties may appeal the CMC resolution to the Board, whose decision
12 shall be final and executory.
- 13 (f) Appoint or remove the General Manager, Assistant General Managers,
14 or the heads of the different offices, in accordance with law;
- 15 (g) Incorporate and endorse the plans, policies, programs, and projects
16 formulated by LGUs and other public sector agencies, including those
17 areas and services which were not included in the Metropolitan Cebu
18 Roadmap, after proper consultation and coordination;
- 19 (h) Submit to the National Economic Development Authority (NEDA)
20 Board its plans, programs, projects, and activities to enable adoption,
21 endorsement, approval, integration, or progressive roll out of
22 integrated and system-wide plans, programs, projects, and spatial
23 urban and rural design decisions;
- 24 (i) Form, establish, organize, and maintain offices or service units to
25 provide multi-LGU or metropolitan wide services, in accordance with
26 relevant Philippine laws;
- 27 (j) Enter into contract and own properties; receive funding, payments,
28 grants, contributions, and donations; sue and be sued in order to carry
29 out its duties and functions as provided for in this Act;
- 30 (k) Establish a conflict management committee to address conflicts to
31 which all entities or individuals will resort to, at the first instance;
- 32 (l) Perform any and all related acts to carry out its mandate and perform
33 its objectives, including the undertaking of delivery of services to the
34 LGU concerned;

- (m) Adopt, alter, and use a corporate seal; and,
 - (n) Carry out the purposes and provisions of this Charter.

SEC. 10. Creation of the Office of the MCDA General Manager.- There is hereby created the Office of the MCDA General Manager, to be headed by the General Manager and vested with executive powers to manage the affairs and further the purposes of the MCDA.

SEC. 11. Functions of the General Manager.- The General Manager of the MCDA shall have the following functions:

- (a) Formulate, prescribe, amend, and endorse rules and regulations to govern the conduct of the Office of the General Manager;
 - (b) Endorse to the MCDB for approval, the creation and organization of the Institutional Development Office (IDO), Public Service Offices (PSOs), and other offices as may be necessary to fulfil the mandate of the Authority;
 - (c) Identify, select, appoint, suspend, remove, or discipline the officers and personnel below the positions of Assistant General Managers and the managers or heads of offices or services, subject to approval by the MCDB;
 - (d) Indorse for approval of the Board, the compensation, benefits, and incentives of key officials and other staff of the MCDA who will perform the following: finance and administration, to include human resources management, audit, legal, reputation and risk management, and information technology (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;
 - (e) Endorse to the MCDB the multi-LGU or metropolitan-wide short, medium, and long-term development plans and programs which includes the formulation and coordination of related activities in Metropolitan Cebu;
 - (f) Endorse the annual and supplemental budgets of the Authority to the Board; and

1 (g) Perform such other acts and assume such other functions as may be
2 necessary to carry out the provisions of this Charter.

3 **SEC. 12. *Creation of Institutional Development Office.***- There shall be
4 created an Institutional Development Office (IDO) in the Office of the General
5 Manager to provide support in the operations and implementation of the internal
6 programs and requirements of the MCDA. The IDO shall oversee the various
7 components, operations, and processes of MCDA such as: finance and
8 administration, to include human resources management, audit, legal, reputation
9 and risk management, and information technology (IT); research and knowledge
10 management, to include monitoring and evaluation, education, communications,
11 and stakeholder relations; planning, development, and technical support, to include
12 project development; and operations and services, to include project management
13 and service delivery.

14 The head of the IDO, as Assistant General Manager, shall report directly to
15 the General Manager.

16 **SEC. 13. *Creation of Public Service Offices.***- There shall be created a
17 Public Service Office (PSO) for each of the five (5) initial focal areas of MCDA, as
18 follows: Integrated Development and Spatial Planning (IDSP); Transport and
19 Traffic Management (TTM), Solid Waste Management (SWM); Water Supply
20 Management, including septage and sewerage, and storm water management,
21 (WSM); and Disaster Risk Reduction and Management (DRRM).

22 Each PSO shall be headed by an Assistant General Manager, who shall
23 report directly to the General Manager. National government agencies (NGAs),
24 GOCCs, LGUs and other organizations mandated to provide services in these focal
25 areas shall be invited to coordinate their programs and projects with the
26 appropriate PSO.

27 **SEC. 14. *Creation of the Research, Program, and Organizational***
28 ***Development- Technical, Operations, and Planning Office.***- There shall be
29 created a Research, Program and Organizational Development – Technical,
30 Operations, and Planning Office (RPOD-TOPO) which is necessary to deliver the
31 MCDA's mandate, provide support and management of its operations. The RPOD-
32 TOPO shall serve as the coordinating and operations office and process facilitator

1 for the Authority, providing finance and administration, research, knowledge
2 management and planning expertise and services; technical support, operations,
3 service delivery and project management as well as guidance to the Board, the
4 General Manager, and other offices or services; facilitate the organization,
5 integration, and complementation of the Authority's various functions, structures,
6 plans, programs, projects and services; and provide secretariat support to the
7 MCDB, other offices and services, and to keep a record and have custody of the
8 proceedings of all sessions of the MCDB or meetings of the PSOs.

9 The RPOD-TOPO shall be headed by an Assistant General Manager,
10 supported by appropriate supervisory and other officers of the MCDA. The
11 Assistant General Manager (AGM) for the RPOD-TOPO, appointed on the basis
12 of defined competence and qualities, shall:

- 13 (a) Assist in the administration of the MCDA and supervision of
14 subordinate personnel;
- 15 (b) Assist in the supervision of the operation of the various committees and
16 offices of the MCDA;
- 17 (c) Assist in the preparation and review of plans and programs of the MCDA
18 for submission to and endorsement of the Executive Committee, and
19 approval by the Board; and
- 20 (d) Perform such other duties and functions as may be lawfully delegated
21 or assigned from time to time.

22 There shall be appointed managers for finance and administration; research
23 and knowledge management; planning, development, and technical support; and
24 operations and service delivery who shall be chosen based on academic
25 qualifications, competence, and experience.

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

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

31 **SEC. 15. Institutional Linkages.-** The MCDA shall establish institutional
32 linkages and relations with appropriate government agencies and units and the

1 private sector at the local, regional, national, and international levels concerning
2 matters of import and relevance to Mega Cebu or the Metropolitan Cebu area.

3 For this purpose and guided by rules and regulations, the MCDA shall carry
4 out its functions in consultation and close coordination with the LGUs, government
5 agencies, the private sector, and civil society organizations. To facilitate
6 coordination and alignment, LGUs, NGAs, GOCCs and other relevant
7 organizations shall submit their policies, plans and programs, and projects,
8 particularly relating to the initial five (5) focal areas outlined in Section 7 hereof,
9 that may affect or have an impact on the Mega Cebu or the Metropolitan Cebu
10 area.

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

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

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

25 **SEC. 16. Appropriations and Financing.-** For the organizational and
26 operating expenses of the Authority, an initial fund of One Billion Pesos
27 (P1,000,000,000.00) shall be appropriated by the National Government.
28 Thereafter, the National Government shall allocate in the annual General
29 Appropriations Act the funds needed by the MCDA for personnel, capital
30 expenditures, maintenance and other operating expenses and for the continued
31 implementation of this Act.

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

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

7 The MCDB shall undertake continuing negotiations among the member
8 LGUs and GOCCs to commit annual financial contributions for the operations of
9 the MCDA.

10 **SEC. 17. Use of Income.-** To carry out the purposes of this Act, the MCDA
11 is hereby authorized, in addition to its allocation from the annual General
12 Appropriations Act, revenues generated from various services rendered, and
13 annual contributions from LGUs, to retain and utilize its income: *Provided*, That
14 nothing herein shall be deemed to exempt the MCDA to the auditing requirements,
15 standards, and procedures of existing laws.

16 **SEC. 18. Good Governance Clause.-** The MCDA adheres to the principles
17 of good governance that ensures commitment to values and ethical conduct of its
18 business; transparency in transactions; an effective audit system; statutory and
19 legal compliance; adequate disclosures; and effective decision-making to achieve
20 its objectives.

21 **SEC. 19. Implementing Rules and Regulations.-** Within six (6) months
22 from the approval of this Act, the rules and regulations to carry out the provisions
23 of this Act shall be formulated and approved by the MCDA.

24 **SEC. 20. Separability Clause.-** If any provision or part hereof is held invalid
25 or unconstitutional, the other provisions not otherwise affected shall remain in full
26 force and effect.

27 **SEC. 21. Effectivity Clause.-** This Act shall take effect fifteen (15) days
28 following completion of its publication in at least one (1) newspaper of general
29 circulation.

30 Approved,