

H. No. 6958
S. No. 3496

Republic of the Philippines
Congress of the Philippines
Metro Manila
Fourteenth Congress
Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-seventh day of July, two thousand nine.

[REPUBLIC ACT NO. 9996]

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

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

SECTION 1. *Title.* — This Act shall be known as the
"Mindanao Development Authority (MinDA) Act of 2010".

SEC. 2. *Declaration of Policy.* — It is hereby declared a
policy of the State to accelerate the socioeconomic growth of
Mindanao, increasing its trade, tourism and investments,
encouraging private enterprise and advancing efforts towards
peace and development. Towards this end, an effective
institutional mechanism shall be established to address the need
for a coordinated and integrated approach in the formulation
and implementation of various Mindanao-wide inter-regional
development plans, programs and projects.

The State shall further undertake efforts to promote the active participation of Mindanao and Palawan in the Brunei-Darussalam-Indonesia-Malaysia-the Philippines-East Asia Growth Area (BIMP-EAGA).

SEC. 3. *Creation of the Mindanao Development Authority.*

– The Mindanao Development Authority, hereinafter referred to as the Authority, is hereby created which shall promote, coordinate and facilitate the active and extensive participation of all sectors to effect the socioeconomic development of Mindanao.

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

SEC. 5. *Principal Office and Term.* – The Authority shall have its main office in Maramag, Bukidnon. It may establish area management offices (AMOs), if necessary, to achieve the objectives of this Act. The Authority shall also have a term of fifty (50) years from the effectivity of this Act and renewable for the same period unless otherwise provided by law.

SEC. 6. *Powers and Functions of the MinDA.* – In the exercise of those activities which are Mindanao-wide and/or Mindanao-specific in character, the Authority shall have the following powers and functions:

(a) Formulate an integrated development framework for Mindanao that is consistent with the peace and development initiatives of the national government, as far as practicable;

(b) Integrate, prioritize, program and implement, whenever allowed and authorized by applicable laws, Mindanao-wide, inter-regional and region-specific programs, activities and projects with Mindanao-wide impact, including Official Development Assistance (ODA) projects, subject to such limitations prescribed by existing laws, rules and regulations;

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

(d) Advocate to the constituents of Mindanao, their elected representatives in Congress and the national government, national policies that will foster the integrated and balanced development of Mindanao;

(e) Promote and facilitate investments in any field that would enhance the socioeconomic development of Mindanao and uplift the living standards of the people and their socio-political activities in close coordination with agencies primarily mandated to undertake such functions;

(f) Explore sources for financing priority Mindanao-wide and/or Mindanao-specific inter-regional programs, projects and activities;

(g) Coordinate and facilitate the extension of necessary planning, management and technical assistance to prospective and existing investors, complementary and in support of agencies primarily mandated to execute such functions;

(h) Establish a comprehensive and integrated database on Mindanao and the BIMP-EAGA needed for planning and decision making;

(i) Monitor, evaluate and formulate recommendations in the implementation of Mindanao-wide and/or Mindanao-specific inter-regional development programs, activities and projects;

(j) Provide strategic direction for Mindanao;

(k) Establish appropriate mechanisms to ensure the timely implementation of Mindanao-wide and/or Mindanao-specific inter-regional projects, whenever necessary, as far as practicable, including, but not limited to, public-private partnership;

(l) Review and recommend for approval by the National Economic and Development Authority (NEDA) Board such Mindanao-wide and Mindanao-specific inter-regional programs, projects, and plans by the national government and donor agencies subject to existing laws, rules and regulations;

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

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

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

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

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

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

(6) Represent and strengthen the participation of the Philippine-focus areas for the BIMP-EAGA which are Mindanao and Palawan;

(7) Closely coordinate with the private sector in all policy deliberations concerning the BIMP-EAGA;

(8) Act as a databank for the BIMP-EAGA and other related matters by collecting, consolidating and processing them for dissemination to various groups; and

(9) Formulate and develop new plans and/or programs for the Philippine participation in the BIMP-EAGA based on the consensus of the BIMP-EAGA Clusters and Working Groups and/or Heads of State, Signing Ministers and Senior Officials.

(n) Receive and administer donations, contributions, grants, bequests or gifts, in cash or in kind, from foreign governments, international agencies, private entities and other sources, including ODA, to be used in the development of Mindanao, subject to existing laws, rules and regulations;

(o) To sue and be sued, enter into contracts, acquire, purchase, hold, lease, transfer, dispose of property of any kind or nature to carry out the purposes of this Act; and

(p) Discharge other functions that may be deemed necessary or as may be provided by law.

The Authority, through the MinDA Chairperson, shall submit to the President and both Houses of Congress annual reports on its accomplishments and activities.

SEC. 7. *Chairperson.* – The MinDA Chairperson shall be appointed by the President of the Philippines with a Cabinet rank and shall act as the Head of office. He/She shall serve a term of six (6) years from the date of his/her appointment unless removed for cause: *Provided*, That no person shall be appointed as Chairperson unless he/she is a holder of a degree in law or a masteral degree in any of the following fields: economics, business, public administration, law, management or their equivalent and have at least ten (10) years relevant experience in said fields: *Provided, further*, That he/she shall be a resident of Mindanao for at least five (5) years before the appointment: *Provided, finally*, That he/she shall also be the Philippine Senior Official for BIMP-EAGA and shall likewise be an *ex officio* member of the NEDA Board and the Tourism Infrastructure and Enterprise Zone Authority (TIEZA) Board.

The Chairperson shall have the following duties and functions:

(a) Call and preside meetings of the Board and see to it that the policies, programs and rules and regulations are implemented properly;

(b) Call on formidable players in the formulation and implementation of a comprehensive and integrated development plan for Mindanao, investment programs and the preparation of investment programming priorities, annual reports and other pertinent documents approved by the Authority;

(c) Identify solutions to key issues and concerns, taking into account related risks, affected parties and impact, in coordination with the Board and key stakeholders;

(d) Advocate the Authority's work among the various concerned sectors and stakeholders;

(e) Call on any agency, group, individual member of the Board, local government unit, and host community to address issues and concerns relating to implementation of major programs, projects and activities;

(f) Supervise the monitoring and timely implementation of Mindanao-wide and/or Mindanao-specific inter-regional programs, projects and activities;

(g) Endorse to the Board all policy recommendations, plans and programs for approval;

(h) Represent the Board in regular and special Cabinet meetings;

(i) Convene the BIMP-EAGA Advisory Board to discuss issues and concerns and recommend policies and programs to ensure the widest participation of Mindanao and Palawan in the BIMP-EAGA;

(j) Accept, on behalf of the Authority, donations, contributions, grants and bequests or gifts, in cash or in kind, from members, foreign governments, international agencies, private entities or any individual for purposes that will realize the functions of the Authority;

(k) Supervise administrative operations including disbursement of any fund of the Authority, subject to the usual accounting and auditing procedures, and submit reports thereon;

(l) Execute and administer the policies and measures approved by the Board;

(m) Appoint all employees of the Authority, and remove, dismiss or otherwise discipline for cause, such employees in accordance with the standard guidelines for recruitment, employment, and discipline in the Civil Service Code;

(n) Represent the Authority in all dealings with other offices, agencies, and instrumentalities of the government and with all persons and entities, public or private;

(o) Sign agreements and/or contracts on behalf of the Authority, including those for expert and consultant services and other reports of accountabilities emanating from the Authority; and

(p) Perform such other functions that the Board may direct to carry out the provisions of this Act.

SEC. 8. *Executive Director.* – An Executive Director shall be appointed by the President of the Philippines upon recommendation by the Chairperson: *Provided*, That no person shall be appointed as Executive Director unless he/she is a holder of a degree in any of the following fields: economics, business, public administration, law, management or their equivalent and have at least five (5) years relevant experience in said field: *Provided, further*, That he/she shall be a resident of Mindanao five (5) years prior to his/her appointment and has the requisite eligibilities for third level career service position pursuant to the career executive rank system: *Provided, finally*, That he/she shall reside in Mindanao during his/her incumbency.

The Executive Director shall assist the Chairperson in carrying out the functions of the Authority and shall, likewise, serve as the Secretary of the Board.

SEC. 9. *Board of Directors.* - The Authority's overall directions and thrusts shall be provided and approved, unless provided otherwise in this Act, by the MinDA Board of Directors, hereinafter referred to as the Board. It shall be composed of the following members:

- (a) The MinDA Chairperson;
- (b) The Chairpersons of the Regional Development Councils (RDCs) of Regions IX, X, XI, XII and XIII and the Regional Economic Development and Planning Board (REDPB) of the ARMM;
- (c) A Senator, upon designation by the Senate President, who shall be an *ex officio* member;
- (d) The Chairperson of the House Committee on Mindanao Affairs, who shall be an *ex officio* member;
- (e) The Chairperson of the House Committee on BIMP-EAGA Affairs, who shall be an *ex officio* member;
- (f) A Mindanao Local Chief Executive (LCE) designated by the Union of Local Authorities of the Philippines (ULAP);
- (g) The President of the Mindanao Confederation of Governors, City Mayors and Municipal Mayors League Presidents;
- (h) The Administrator of the Southern Philippines Development Authority (SPDA);
- (i) The Head of the Office on Muslim Affairs (OMA) or its successor-in-interest; and
- (j) The three (3) representatives from the private sector to be appointed by the President, upon the recommendation of the Board comprising of one (1) representative each from the:

- (1) Mindanao Business Sector;
- (2) Mindanao Academic Sector; and
- (3) Mindanao Nongovernment Organization (NGO) Sector.

The term of the three (3) representatives from the private sector shall be six (6) years: *Provided*, That at the initial appointment of such members, the second member to be appointed shall only serve a term of four (4) years and the third member to be appointed shall only serve a term of two (2) years: *Provided, further*, That they shall continue to hold office until their successors shall have been appointed. All vacancies, prior to the expiration of the term, shall be filled for the unexpired term only.

Members of the Board shall receive a *per diem* of not more than Five thousand pesos (P5,000.00) for every Board meeting: *Provided, however*, That the *per diem* collected per month does not exceed the equivalent of four (4) meetings: *Provided, further*, That the amount of *per diem* for every Board meeting may be increased by the President but such amount shall not be increased within two (2) years after its last increase.

The Board shall have the following functions:

- (a) Provide direction and guidance for the Authority's work and thrusts for Mindanao;
- (b) Ensure that the goals and policies of the Authority are consistent with the overall national development goals and objectives;
- (c) Ensure that the programs of the Authority are consistent with regional and local development plans, programs and projects and vice versa for purposes of harmonization;
- (d) Explore sources for financing of priority Mindanao-wide and/or Mindanao-specific inter-regional plans, programs, projects and activities;

(e) Create committees/task forces as may be deemed necessary in the accomplishment of duties and functions;

(f) Determine schedules, establish voting procedures, criteria for the constitution of a quorum and other rules and regulations in the conduct of Board meetings; and

(g) Perform such other functions as may be necessary to carry out the purposes of this Act.

SEC. 10. *Executive Committee.* – The Board shall constitute an Executive Committee, hereinafter referred to as the ExeCom, from among its membership to act, for and on its behalf when the Board is not in session, on urgent matters as may be deemed necessary by the Chairperson. To ensure inter-regional representation and participation, the following shall comprise the ExeCom:

(a) The MinDA Chairperson;

(b) The Chairpersons of the RDCs and REDPB;

(c) The Representative from the Mindanao Business Sector;
and

(d) The Representative from the Mindanao
NGO Sector.

SEC. 11. *BIMP-EAGA Advisory Board.* – There is hereby constituted a BIMP-EAGA Advisory Board to be composed of the following:

(a) MinDA Chairperson as Head;

(b) Chairpersons of the RDCs of Regions IX, X, XI, XII and XIII and the REDPB of ARMM;

(c) A Senator, upon designation by the Senate President, who shall be an *ex officio* member;

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

(e) Mayor of Puerto Princesa City;

(f) Provincial Governor of Palawan; and

(g) Two (2) Philippine Country Representatives to the BIMP-EAGA Business Council (BEBC).

The BIMP-EAGA Board shall convene, from time to time, to discuss issues and recommend policies and programs to ensure the widest participation of Mindanao and Palawan in the activities of the BIMP-EAGA. It shall make recommendations to the Chairperson, being the Head of the PCOBE. The PCOBE, in consultation with the BIMP-EAGA Board, will draw up its own procedures for making recommendations, finalizing decisions and overseeing implementation of BIMP-EAGA activities in Mindanao and Palawan.

SEC. 12. *Organizational Structure.* – The Chairperson shall determine the organizational structure, staffing pattern and pay scales of the Authority subject to existing civil service and compensation laws. The Chairperson may reorganize the Authority and may create or abolish divisions, units or branches therein as the exigencies of the affairs of the Authority may require.

SEC. 13. *Merit System.* – All officials and employees of the MinDA shall be selected and appointed on the basis of merit and fitness in accordance with civil service law, rules and regulations. The recruitment, transfer, promotion, and dismissal of all its personnel including temporary workers shall be governed by a merit system that will be established by the MinDA in compliance with existing laws, rules and regulations.

SEC. 14. *Transitory Provision.* – The Mindanao Economic Development Council (MEDCo), created under Executive Order No. 512 (s. 1992) and as amended by Executive Order No. 244

(s. 2000), Executive Order No. 354 (s. 2004), Executive Order No. 357 (s. 2004) and Executive Order No. 757 (s. 2008) is hereby abolished. All its budgetary appropriations, finances, properties, records, equipment, rights and other assets as well as liabilities are hereby transferred to the Authority.

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

The Authority shall continue to hold office in Davao City until such time that a permanent structure shall have been established in Maramag, Bukidnon.

SEC. 15. *Appropriations.* – The amount necessary to finance the initial implementation of this Act shall be charged against the current year's appropriations of the MEDCo. Thereafter, the current budget shall be increased by one hundred percent (100%), which amount shall be included in the annual General Appropriations Act (GAA) for its continued implementation.

The current appropriations of the MEDCo shall be transferred to the MinDA to commence its activities.

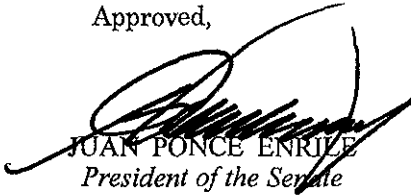
SEC. 16. *Implementing Rules and Regulations.* – The MinDA shall adopt rules and regulations to implement the provisions of this Act within sixty (60) days from the date of its approval.

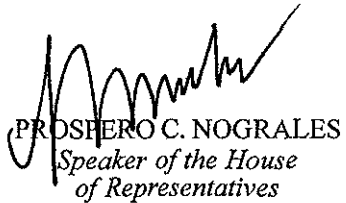
SEC. 17. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with or contrary to the provisions of this Act are hereby repealed or modified accordingly.

SEC. 18. *Separability Clause.* – If any part or provision of this Act is held unconstitutional or invalid, other parts or provisions hereof which are not affected shall continue to remain in full force and effect.

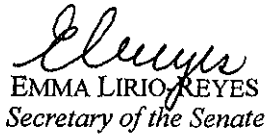
SEC. 19. *Effectivity.* – This Act shall take effect fifteen (15) days following completion of its publication in at least two (2) newspapers of general circulation.

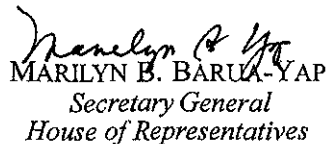
Approved,


JUAN PONCE ENRILE
President of the Senate

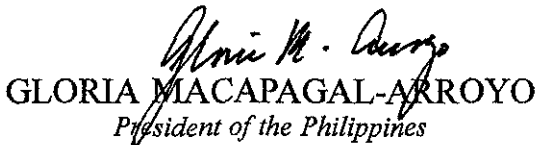

PROSPERO C. NOGRALES
*Speaker of the House
of Representatives*

This Act which is a consolidation of House Bill No. 6958 and Senate Bill No. 3496 was finally passed by the House of Representatives and the Senate on January 26, 2010.


EMMA LIRIO REYES
Secretary of the Senate


MARILYN B. BARUA-YAP
*Secretary General
House of Representatives*

Approved: FEB 17 2010


GLORIA MACAPAGAL-ARROYO
President of the Philippines

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