



MEMORANDUM

FOR : **The General Manager**
Laguna Lake Development Authority

The Directors
Legal Affairs Service
Policy and Planning Service

The Executive Directors
Manila Bay Coordinating Office
Pasig River Coordinating and Management Office
River Basin Control Office
National Water Resources Board

All Bureau Directors

The Regional Executive Directors
Regions III, IV-A, and NCR

FROM : **The Undersecretary**
Special Concerns and Legislative Affairs

SUBJECT : **INVITATION TO CONSULTATIVE MEETING ON THE
CREATION OF MANILA BAY DEVELOPMENT
AUTHORITY FROM THE COMMITTEE ON GOVERNMENT
ENTERPRISES AND PRIVATIZATION (CGEP) OF THE
HOUSE OF REPRESENTATIVES**

DATE : **MAY 28 2024**

In reference to the Technical Working Group (TWG) meeting held last 22 May 2024, the Committee on Government Enterprises and Privatization (CGEP) is requesting the Department's position on the **Draft Substitute Bill** (in substitution for House Bills Numbered 2633 and 6122), to wit:

“AN ACT RATIONALIZING AND STRENGTHENING THE MANAGEMENT AND DEVELOPMENT OF THE MANILA BAY REGION, MERGING FOR THE PURPOSE THE MANILA BAY COORDINATING OFFICE (MBCO) AND THE PASIG RIVER COORDINATING AND MANAGEMENT OFFICE (PRCMO), THEREBY CREATING THE MANILA BAY DEVELOPMENT AUTHORITY, PRESCRIBING ITS POWERS, FUNCTIONS, AND DUTIES, PROVIDING FUNDS THEREFOR”

In this regard, may we respectfully request your participation in the upcoming **Consultative Meeting on 03 June 2024, Monday, 11:00 AM** at the **Assistant Secretary for International Affairs Conference Room, 5th Floor, Main Building** in preparation for the Committee meeting in the House of Representatives.

Attached herewith is the Draft Substitute Bill for your reference.


IGNATIUS LOYOLA A. RODRIGUEZ

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
Second Regular Session

House Bill Numbered _____
(In Substitution of House Bills Numbered 2633 and 6122)

Introduced by Representatives Edwin L. Olivarez, Virgilio S. Lacson, Steve Chiongbian Solon, Ricardo S. Cruz, Jr., Edsel A. Galeos, Bonifacio L. Bosita, JC Abalos, Raoul Dannel A. Manuel, Joey Sarte Salceda, Paul Ruiz Daza, Ruth Mariano-Hernandez, Ma. Theresa V. Collantes, (Reps. Barba, Labadlabad, Chua, etc.?)

AN ACT

RATIONALIZING AND STRENGTHENING THE MANAGEMENT AND DEVELOPMENT OF THE MANILA BAY REGION, MERGING FOR THE PURPOSE THE MANILA BAY COORDINATING OFFICE (MBCO) AND THE PASIG RIVER COORDINATING AND MANAGEMENT OFFICE (PRCMO), THEREBY CREATING THE MANILA BAY DEVELOPMENT AUTHORITY, PRESCRIBING ITS POWERS, FUNCTIONS, AND DUTIES, 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 *Manila Bay Development*
2 *Authority Act (MBDA).*

3
4 **Sec. 2. Declaration of Policy.** - It is hereby declared the policy of the State to promote
5 and accelerate the sustainable management and development of the Manila Bay
6 region, recognizing its importance as the country's epicenter for commercial,
7 industrial, and tourism activities, as well as its cultural and environmental
8 significance, while focusing on the maintenance of ecological balance and the
9 protection and enhancement of its natural resources.

10

1 Towards this end, the State shall formulate and implement policies, plans, programs,
2 and projects, particularly adopting the user-pays and polluter-pays principles, to
3 ensure adequate provision for environmental management and control, the
4 preservation of ecological systems, and the prevention of human induced ecological
5 disturbances, resource degradation, and pollution, resulting in an improved quality
6 of life.

7
8 The objectives shall be executed with utmost regard to appropriate provisions for the
9 conservation, rehabilitation, preservation, restoration, and maintenance of Manila
10 Bay waters, consistent with the plans and programs embodied in Republic Act (RA)
11 9275 known as the *Philippine Clean Water Act of 2004*, RA 9003 or the *Ecological*
12 *Solid Waste Management Act of 2000*, other pertinent laws, and the Writ of
13 Continuing Mandamus issued by the Supreme Court.

14
15 The State shall likewise ensure an efficient and effective utilization of the natural
16 resources of Manila Bay, encourage the participation of all sectors of society, and
17 maximize public involvement in natural resource management, conservation, and
18 protection.

19
20 **Sec. 3. Creation of Manila Bay Development Authority.** - There is hereby created
21 a Government-Owned or Controlled Corporation (GOCC) to be known as the
22 **Manila Bay Development Authority**, hereinafter known as the **Authority**, to
23 preserve, rehabilitate, preserve, manage, develop, and operate the Manila Bay
24 Region, in accordance with the provisions of this Act. The Authority shall be an
25 attached agency of the Department of Environment and Natural Resources (DENR),
26 for policy and program coordination and administrative supervision.

27
28 The Manila Bay Coordinating Office (MBCO) and the Pasig River Coordinating and
29 Management Office (PRCMO), both under the DENR will be subsumed under the
30 Authority, having the same mandate to ensure the continuity of the plans and
31 programs for the rehabilitation and development of the Manila Bay region.

32
33 The Authority shall prioritize the protection, preservation, and rehabilitation of the
34 natural resources and biodiversity of Manila Bay region and shall be established into
35 a self-sustaining commercial, financial, industrial, leisure, tourism, and investment
36 institution, generating employment opportunities, and attracting and promoting local
37 and foreign investments, *Provided*, That the exercise of the Authority's powers and
38 functions shall in no way diminish the autonomy of the local government units
39 (LGUs) concerning purely local matters within the framework, and shall be subject

1 to the mandate and limitations of the Constitution and the pertinent provisions of the
 2 Local Government Code of 1991.

3

4 **Sec. 4. MBCO and PRCMO Offices, Functions, and Personnel, Subsumed Under**
 5 **the Authority.** - The Authority shall entirely subsume the Manila Bay Coordinating
 6 Office (MBCO) and its Site Coordinating and Management Offices in the National
 7 Capital Region (NCR), Region 3 (Central Luzon), and Region 4A
 8 (CALABARZON), and the Pasig River Coordinating and Management Office
 9 (PRCMO), with their applicable powers, functions, personnel, funds, and
 10 appropriations, records, and equipment and property.

11

12 **Sec. 5. Territorial Jurisdiction.** - The Authority shall have jurisdiction over the
 13 following One Hundred Twenty-Seven (127) LGUs:

14

MANILA BAY DEVELOPMENT AUTHORITY (MBDA)			
NATIONAL CAPITAL REGION (NCR)			
1. City of Manila	4. Makati City	7. Navotas City	9. Pasay City
2. City of San Juan	5. Malabon City	8. Parañaque City	10. Pasig City
3. Las Piñas City	6. Mandaluyong City		11. Valenzuela City
CENTRAL LUZON - REGION III			
<u>BATAAN (12)</u>			
1. Abucay	4. Dinalupihan	7. Mariveles	10. Orion
2. Bagac	5. Hermosa	8. Morong	11. Pilar
3. Balanga City	6. Limay	9. Orani	12. Samal
<u>BULACAN (24)</u>			
1. Angat	7. Calumpit	13. Meycauayan	19. Pulilan
2. Balagtas	8. Doña Remedios	14. Norzagaray	20. San Ildefonso
3. Baliwag	9. Guiguinto	15. Obando	21. San Jose Del Monte
4. Bocaue	10. Hagonoy	16. Pandi	22. San Miguel
5. Bulakan	11. Malolos	17. Paombong	23. San Rafael
6. Bustos	12. Marilao	18. Plaridel	24. Santa Maria

NUEVA ECIJA (30)

- | | | | |
|------------------------------|------------------|-------------------|---------------------------|
| 1. Aliaga | 9. General Tinio | 17. Pantabangan | 25. Santa Rosa |
| 2. Bongabon | 10. Guimba | 18. Peñaranda | 26. Santo Domingo |
| 3. Cabanatuan | 11. Jaen | 19. Quezon | 27. Science City of Muñoz |
| 4. Cabiao | 12. Laur | 20. Rizal | 28. Talavera |
| 5. Carranglan | 13. Licab | 21. San Antonio | 29. Talugtug |
| 6. Gabaldon | 14. Llanera | 22. San Isidro | 30. Zaragoza |
| 7. Gapan | 15. Lupao | 23. San Jose City | |
| 8. General Mamerto Natividad | 16. Palayan City | 24. San Leonardo | |

PAMPANGA (22)

- | | | | |
|------------|--------------|------------------|----------------|
| 1. Angeles | 7. Guagua | 13. Mexico | 19. Sasmuan |
| 2. Apalit | 8. Lubao | 14. Minalin | 20. Sta. Ana |
| 3. Arayat | 9. Mabalacat | 15. Porac | 21. Sta. Rita |
| 4. Bacolor | 10. Macabebe | 16. San Fernando | 22. Sto. Tomas |
| 5. Candaba | 11. Magalang | 17. San Luis | |
| 6. Florida | 12. Masantol | 18. San Simon | |

TARLAC (6)

- | | | |
|-----------|---------------|----------------|
| 1. Bamban | 3. Concepcion | 5. Tarlac City |
| 2. Capas | 4. La Paz | 6. Victoria |

CALABARZON REGION IV-A

CAVITE (19)

- | | | | |
|-------------------|----------------------|----------------|-------------------------|
| 1. Alfonso | 6. Gen. E. Aguinaldo | 11. Magallanes | 16. Rosario |
| 2. Amadeo | 7. General Trias | 12. Maragondon | 17. Tanza |
| 3. Cavite City | 8. Imus | 13. Mendez | 18. Ternate |
| 4. City of Bacoor | 9. Indang | 14. Naic | 19. Trece Martires City |
| 5. Dasma | 10. Kawit | 15. Noveleta | |

QUEZON (3)

1. Real 2. Sampaloc 3. Tayabas City

1 Considering the interconnectedness of the Manila Bay and the Laguna De Bay, the
2 Laguna Lake Development Authority (LLDA) and the Authority shall exercise
3 concurrent jurisdiction over areas within the jurisdiction of the LLDA for policy
4 making purposes, to ensure a comprehensive and harmonized strategy for the
5 conservation and sustainable development of both bays. *Provided, That LLDA shall*
6 *retain its powers, functions, and jurisdiction pursuant to RA 4850, An Act Creating*
7 *the Laguna Lake Development Authority, Prescribing its Powers, Functions and*
8 *Duties, Providing Funds Therefor and for Other Purposes, as amended. For this*
9 *purpose, the LLDA shall retain the exclusive jurisdiction over the following fifty-*
10 *eight, (58) LGUs, excluding the Cities of Manila, Pasay, and Pasig, which shall be*
11 *transferred to the Authority:*

12

LAGUNA LAKE DEVELOPMENT AUTHORITY (LLDA)			
NCR (7)			
1. Caloocan City	3. Muntinlupa City	5. Quezon City	
2. Marikina City	4. Pateros	6. Taguig City	
REGION IV-A			
<u>LAGUNA (30)</u>			
1. Alaminos	9. Famy	17. Majayjay	25. San Pablo City
2. Bay	10. Kalayaan	18. Nagcarlan	26. Santa Cruz
3. Biñan	11. Liliw	19. Paete	27. Santa Maria
4. Calamba	12. Los Baños	20. Pagsanjan	28. Santa Rosa City
5. Calauan	13. Luisiana	21. Pakil	29. Siniloan
6. Cavinti	14. Lumban	22. Pangil	30. Victoria
7. City of Cabuyao	15. Mabitac	23. Pila	
8. City of San Pedro	16. Magdalena	24. Rizal	
<u>RIZAL (14)</u>			
1. Angono	5. Cainta	9. Pililla	13. Taytay

- | | | | |
|---------------|-------------|---------------|------------|
| 2. Antipolo | 6. Cardona | 10. Rodriguez | 14. Teresa |
| 3. Baras | 7. Jalajala | 11. San Mateo | |
| 4. Binangonan | 8. Morong | 12. Tanay | |

CAVITE

- | | | | |
|------------|--------------------|-----------|------------------|
| 1. Carmona | 2. Gen. M. Alvarez | 3. Silang | 4. Tagaytay City |
|------------|--------------------|-----------|------------------|

QUEZON (4)

- | |
|-----------|
| 1. Lucban |
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1
2 The transfer of the Cities of Manila, Pasay, and Pasig from LLDA to the Authority
3 shall be done in a progressive manner, but should not exceed more than two (2)
4 years.

5
6 The metes and bounds of the Manila Bay region shall encompass the entirety of the
7 Manila Bay watershed, which measures about 17,000 square kilometers and with a
8 coastline of 190 kilometers which spans across the NCR, Regions III, and IV-A. It
9 shall also include the bay surface area and Manila Bay's tributaries and waterways.

10
11 **Sec. 6. Location of Principal Office.** - The Authority shall maintain its principal
12 office at a convenient place within the region, but it may have branch offices in other
13 places that are necessary for the proper conduct of its business.

14
15 **Sec. 7. Special Powers and Functions.** - The Authority shall exercise the following
16 special powers and functions:

- 17
18 a) Periodically conduct, monitor, and update a comprehensive survey of the
19 physical and natural resources of Manila Bay Region, its social, cultural,
20 historical and economic conditions, hydrologic characteristics, energy
21 prospects, scenic and tourist spots, regional problems, and other areas of
22 concern. Thereafter, the Authority shall draft an extensive and detailed
23 sustainable regional development plan, designed to conserve and optimally
24 utilize the resources within the region, and to implement the same including
25 programs and projects in line with said plan. Said activities shall be
26 formulated in close coordination with other concerned government agencies,
27 private sector, and other stakeholders. All concerned public and private

1 agencies shall provide the Authority all necessary data, for the purposes of the
2 said survey;

3
4 b) Develop a sustainable and integrated program that shall attract more private
5 sector-driven investments into the bay region, in consonance with a regional
6 master plan, which shall be formulated in consultation with all stakeholders,
7 concerned government agencies, LGUs, and civil society. Ensure that the
8 development and operation of public utilities, waste management, and
9 infrastructure in the Manila Bay region adheres to the user-pays and polluter-
10 pays principles. This includes, but is not limited to, shipping, barging,
11 stevedoring, cargo handling, hauling, warehousing, storage, port services,
12 piers, wharves, bulkheads, bulk terminals, mooring areas, storage areas, roads,
13 bridges, terminals, conveyors, water supply and storage, sewerage, drainage,
14 air transportation (economic aspects), electricity and power supply,
15 telecommunications facilities, and other services or concessions or
16 infrastructure necessary for achieving the goals of this Act. Provided, that the
17 jurisdiction of the appropriate government agencies is not infringed upon, and
18 the jurisdiction of the Authority only applies to the implementation of user-
19 pays and polluter-pays principles;

20
21 c) Identify and endorse the licensing of tourism projects within the Manila Bay
22 region: leisure, amusement, recreational, entertainment, ecotourism, farm
23 tourism and learning sites, medical tourism, and sports related activities,
24 subject to priorities and standards set by law as implemented by concerned
25 government agencies: *Provided*, That gaming facilities shall continue to be
26 licensed by the Philippine Amusement and Gaming Corporation (PAGCOR),
27 upon recommendation of the Authority: *Provided further*, That accreditation
28 of farm tourism and learning sites shall continue to be under the authority of
29 the Department of Agriculture (DA) upon recommendation of the Authority:
30 *Provided finally*, That the designation and certification of hospitals and clinics
31 for medical tourism purposes shall continue to be exercised by the DOH, upon
32 written endorsement of the Authority;

33
34 d) Provide the machinery for extending the necessary planning, management,
35 and technical assistance to prospective and existing investors in the region;

36
37 e) Collaborate with related agencies offering financial, technical, and physical
38 assistance accorded to bay development and rehabilitation projects;

39

- 1 f) Issue the necessary clearance for approved proposed plans, programs, and
2 projects, within thirty days from submission thereof, unless the proposals are
3 not in consonance with those of the Authority or will cause unmanageable
4 pollution or ecological imbalance of the region: *Provided further*, That the
5 Authority is hereby empowered to initiate necessary legal proceeding against
6 any person who shall initiate or continue implementing any plan, program, or
7 project in any of the water resources covered in this Act, without previous
8 clearance from the Authority: *Provided furthermore*, That any local
9 government office, agency, public corporation, private person, or enterprise
10 whose plans, programs, and projects have been disapproved by the Authority,
11 may appeal the decision to the NEDA within fifteen (15) days from receipt of
12 the disapproval, and the NEDA decision on the matter shall be final;
13
- 14 g) Collect reasonable fees for the processing of plans, programs, and projects,
15 and licensing procedures with respect to the water resources covered in this
16 Act;
17
- 18 h) Engage in agriculture, industry, commerce, or other activities in any of the
19 water resources under its jurisdiction, which may be necessary or directly
20 contributory to the socio-economic development of the region. For this
21 purpose, whether independently or in cooperation with private persons or
22 entities, the Authority shall organize, finance, invest in, and operate subsidiary
23 corporations: *Provided*, That the Authority shall only engage in activities in
24 the nature of new ventures or are clearly beyond the scope, capacity, or
25 interest of private enterprises, due to consideration of geography, technical or
26 capital requirements, returns on investment, and risk, unless public interest
27 requires otherwise; *Provided further*, that in creating subsidiary corporations,
28 the Authority shall comply with Section 27 of RA 10149;
29
- 30 i) Plan, program, finance, or undertake infrastructure projects such as river,
31 flood and tidal control, wastewater and sewerage works, water supply, roads,
32 ports, irrigation, housing and related works, when so required within the
33 context of its development plans and programs including the readjustment,
34 relocation or settlement of population within the region as may be necessary
35 and beneficial by the Authority: *Provided*, That should any project be
36 financed wholly or in part by the Authority, it is hereby authorized to collect
37 reasonable fees and tolls as may be fixed by its Board of Directors subject to
38 the approval of the NEDA Board from users and beneficiaries thereof to
39 recover costs of construction, operation and maintenance of the
40 projects: *Provided further*, That if the Authority should find it necessary to

1 undertake such infrastructure projects which are classified, as social overhead
2 capital projects as determined by the NEDA, the Authority shall be authorized
3 to receive financial assistance from the government in such amount as may be
4 necessary to carry out the said projects subject to such terms and condition
5 that may be imposed by the government, upon recommendation of the NEDA
6 Board: *Provided, finally*, That such amount as may be necessary for the
7 purpose is hereby authorized to be appropriated out of the funds of the
8 National Treasury not otherwise appropriated;

9
10 j) Lend or facilitate the extension of financial assistance and act as surety or
11 guarantor to worthwhile agricultural, industrial, and commercial enterprises;

12
13 k) Engage in fish production and other aqua-culture projects in bodies of water
14 within its jurisdiction and in pursuance thereof to conduct studies and make
15 experiments, whenever necessary, with the collaboration and assistance of the
16 Bureau of Fisheries and Aquatic Resources (BFAR), with the end in view of
17 improving present techniques and practice. *Provided*, that until modified,
18 altered or amended by the procedure provided in the following sub-paragraph,
19 the present laws, rules and permits or authorizations remain in force;

20
21 l) Issue new permit for the use of the bay waters for any projects or activities in
22 or affecting the said bay including construction and operation of fishpens, fish
23 enclosures, fish corrals and the like, and to impose necessary safeguards for
24 bay quality control and management and to collect necessary fees for said
25 activities and projects, For the purpose of effectively regulating and
26 monitoring activities, the Authority shall have exclusive jurisdiction
27 to: *Provided*, That the fees collected for fisheries may be shared between the
28 Authority and other government agencies and political sub-divisions in such
29 proportion as may be determined by the President of the Philippine upon
30 recommendation of the Authority's Board: *Provided, further*, That the
31 Authority's Board may determine new areas of fisheries development or
32 activities which it may place under the supervision of the Bureau of Fisheries
33 and Aquatic Resources taking into account the overall development plans and
34 programs for all bodies of water under its jurisdiction: *Provided, finally*, That
35 the Authority shall, subject to the approval of the President of the Philippines,
36 promulgate such rules and regulations which shall govern fisheries
37 development activities, which shall take into consideration among others the
38 following: socioeconomic amelioration of bonafide resident fisherman
39 whether individually or collectively in the form of cooperatives, bayshore
40 town development, a master plan for fishpen construction and operation,

1 communal fishing ground for bayshore town residents, and preference to
2 bayshore town residents in hiring laborers for fishery projects;

3
4 m) Exercise water rights over public waters under its jurisdiction, whenever
5 necessary, to carry out the Authority's projects;

6
7 n) Act in coordination with existing governmental agencies in establishing
8 effluent standards for industrial, agricultural and municipal waste discharges
9 into the bay and to cooperate with said existing agencies of the government
10 of the Philippines in enforcing such standards, or to separately pursue
11 enforcement and penalty actions as provided for in Section 6 (t) and Section
12 32 of this Act;

13
14 o) Develop water supply from ground and bay water resources for municipal,
15 agricultural and industrial usages, in coordination with the National Water
16 Resources Board created by Presidential Decree (PD) No. 424 dated March
17 28, 1974 or its successors in interests, and to enter into agreements with
18 municipalities, governmental agencies and corporations and the private sector
19 to supply, distribute and market such water;

20
21 p) Undertake studies on the improvement and maintenance of the water quality
22 standards of all bodies of water under its jurisdiction and in pursuance thereof,
23 prepare a water quality management program on a continuing basis, subject
24 to the approval of the DENR, which the Authority shall carry out with the
25 assistance and support of all national and local government units involved in
26 water quality management;

27
28 q) After due notice and hearing, the Authority may also revoke, suspend, or
29 modify any permit issued under this Act, whenever the same is necessary to
30 prevent or abate pollution;

31
32 r) Make, alter, or modify orders requiring the discontinuance of pollution
33 specifying the conditions and the time within which discontinuance must be
34 accomplished;

35
36 s) Issue cease and desist orders or decisions to compel compliance with the
37 provisions of this Act and the implementing rules and regulations
38 promulgated by the Authority only after proper notice and hearing;

39

- 1 t) Issue writs of execution for the enforcement of its decision or order to the City
2 or Provincial Sheriff or duly constituted authorities whom it may appoint. Any
3 decision or order of the Authority, after the same has become final and
4 executory, shall be enforced and executed in the same manner as decisions of
5 regular courts;
6
7 u) To require cities and municipalities within the Manila Bay region to integrate
8 the clearances and permits from the Authority, as a prerequisite for securing
9 business permit and the like within their jurisdiction;
10
11 v) Approve and undertake reclamation projects in the Manila Bay region
12 necessary to accomplish the approved plans and projects of the Authority, in
13 close coordination with the LGUs concerned, subject to the approval of the
14 NEDA Board: *Provided*, That the reclaimed land shall be the property of the
15 Authority and the title thereto shall be vested in the Authority: *Provided*,
16 *further*, That the resulting shoreline shall be owned by the National
17 Government;
18
19 w) Coordinate with appropriate government agencies and local government units
20 (LGUs) concerned in the enforcement of its policies, rules, and regulations to
21 ensure that plans, programs, and projects of all stakeholders are aligned with
22 the developmental, management, and protection plans of the Authority; and
23
24 x) Perform other powers necessary under existing laws to carry out the purposes
25 of this Act.
26

27 **Sec. 8. Non-Overlapping of Powers and Functions.** The Authority, in consultation
28 with the DENR Secretary, shall absorb whatever unit or personnel of the DENR,
29 whose jurisdiction overlaps with the Authority's special powers and functions that
30 are necessary and inevitable to uphold the holistic management approach of the
31 Authority: *Provided*, That the principle of non-diminution of benefits shall apply to
32 all affected unit or personnel.
33

34 **Sec. 9. Compensation for damages.** Compensation for damages to the aquatic
35 resources in all bodies of water under the jurisdiction of the Authority resulting from
36 failure to meet established water and effluent quality standards or from such other
37 wrongful act or omission of a person, private or public, juridical or otherwise,
38 punishable under the law shall be awarded to the Authority to be earmarked for water
39 quality control and management.
40

1 **Sec. 10. Annual Fees.** The Authority is hereby empowered to collect annual fees
2 for the use of the bay waters and its tributaries for all beneficial purposes including
3 recreation, municipal, industrial, agricultural, fisheries, and waste disposal purposes.
4 All fees so collected shall be used for the management and development of the bay
5 region and its watershed areas;

6 **Sec. 11. Corporate Powers.** - The Authority shall exercise the following powers and
7 functions:

- 8
- 9 a) To succeed on its corporate name;
- 10
- 11 b) To sue and be sued in its corporate name;
- 12
- 13 c) To adopt, alter, and use a corporate seal;
- 14
- 15 d) To enter into contracts of any kind and description, to enable it to perform its
16 purposes and functions under this Act;
- 17
- 18 e) To acquire, buy, purchase, hold or lease, such personal and real property as it
19 deems necessary or convenient in the transaction of its business and/or in
20 relation with carrying out its purposes under this Act; and to lease, mortgage,
21 sell, alienate, or otherwise encumber, utilize, exploit or dispose any such
22 personal and real property held by it, subject to prior or existing individual or
23 communal right of private parties or of the government or any agency or
24 enterprise thereof;
- 25
- 26 f) To exercise the right of eminent domain whenever the Authority deems it
27 necessary for the attainment of its objectives under this Act;
- 28
- 29 g) To borrow funds from any local or foreign financial institutions independent
30 of the bonds it may issue or may continue to issue, to carry out the purposes
31 of this Authority under this Act;
- 32
- 33 h) To purchase, hold, alienate, mortgage, pledge or otherwise dispose of the
34 shares of the capital stock of, or any bond, securities, or other evidence of
35 indebtedness created by any other corporation, co-partnership, or government
36 agencies or instrumentalities; to exercise all the rights or ownership, including
37 the right to vote thereon; *Provided*, That the Authority shall not invest its
38 funds in any high risk debt instruments issued without recourse to commercial
39 banks or investment houses, as well as in any highly speculative stocks;

- 1
2 i) To perform any and all acts which a corporation, co-partnership, or natural
3 person is authorized to perform under the law; and
4
5 j) To issue rules and regulations as may be necessary to effectively carry out the
6 powers and purposes herein provided including the plans, programs and
7 projects of the Authority.
8

9 **Sec. 12. Board of Directors.** - The powers of the Authority shall be vested in and
10 exercised by a Board of Directors, hereinafter referred to as the Board, which shall
11 be composed of thirteen (13) members, as follows:

- 12 1. DENR Secretary as the ex officio Chairperson of the Board;
13 2. Administrator and Chief Executive Officer of the Authority, as ex officio
14 Vice Chairperson;
15 3. Secretary of the Department of Human Settlements and Urban
16 Development (DHSUD) as ex officio member;
17 4. Secretary of the Department of Trade and Industry (DTI) as ex officio
18 member;
19 5. Secretary of the Department of Tourism (DOT) as ex officio member;
20 6. Secretary of the Department of Interior and Local Government (DILG) as
21 ex officio member;
22 7. Secretary of the Department of Public Works and Highways (DPWH) as
23 ex officio member;
24 8. Chairperson of Metro-Manila Development Authority (MMDA) as ex
25 officio member;
26 9. Commandant of Philippine Coast Guard (PCG) as ex officio member;
27 10. LGU Representative from the Central Luzon Regional Development
28 Council (RDC);
29 11. LGU Representative from CALABARZON - RDC;
30 12. LGU Representative from the Metro Manila Council (MMC); and
31 13. One (1) Representative from the **Environmental Sector or Academe.**
32

33 The ex officio board members of the Authority may designate their respective
34 ex officio alternates, who shall be officials next to them in rank, whose acts shall be
35 considered the acts of their principals.
36

37 A member of the Board shall be a citizen and resident of the Philippines,
38 of good moral character, and of recognized competence in relevant fields including
39 business, economics, environment, tourism, engineering, or law. All appointive
40 Directors shall comply with the fit and proper rule, and undergo the process of

1 selection and appointment in accordance with Chapter IV of RA No. 10149 or the
2 GOCC Governance Act of 2011.

3
4 **Sec. 13. Functions of the Board.** – The Board shall have the following powers and
5 functions:

- 6
7 a. Determine the organizational structure of the Authority and define the duties
8 and responsibilities of all officials and employees in accordance with civil
9 service laws, rules and regulations and evaluation and approval of the
10 Department of Budget and Management (DBM);
11
12 b. Create such divisions and positions as may be deemed necessary for the
13 economical, efficient, and effective conduct of the activities of the Authority;
14
15 c. Prepare the annual budget of the Authority, and a supplemental budget when
16 necessary; and
17
18 d. Submit to the President of the Philippines, the Senate, and the House of
19 Representatives of the Philippines an annual report and such other reports as
20 may be required.

21
22 **Sec. 14. Board Meetings.** - The Board shall meet at least once a month. The Board
23 shall be convoked by the Chairman or upon written request signed by a majority of
24 the members. The members of the Board, except ex officio members, shall be
25 entitled to allowances and per diem in accordance with existing policies, rules and
26 regulations.

27
28 **Sec. 15. Qualifications of Directors.** All members of the Board shall be citizens and
29 residents of the Philippines. They shall have demonstrated executive competence
30 and experience in the field of public administration, economic planning, resource
31 management, or in the establishment and management of large agricultural,
32 industrial or commercial enterprises. No person shall be nominated as member of
33 the Board unless he be of unquestioned integrity and competence.

34
35 **Sec. 16. Prohibition Against Conflict of Interest.** No member of the Board shall be
36 financially interested, directly or indirectly, in any contract entered into by the
37 Authority or in any special privileges granted by the Authority during his term of
38 office. All contracts entered into in violation of this provision shall automatically be
39 null and void. Any member of the Board found violating the provisions of this
40 section by two-thirds (2/3) vote of the Board shall automatically be disqualified from

1 serving his unexpired term, and he shall furthermore be perpetually disqualified for
2 membership in the said Board.

3
4 **Sec. 17. Administrator of the Manila Bay Region.** - The Board of Directors shall
5 appoint from among their ranks the Administrator for the Authority who shall also
6 act as the Chief Executive Officer of the Manila Bay Region. The CEO shall be
7 subject to the disciplinary powers of the Board and may be removed by the Board
8 for cause. The Administrator shall have a term of office in accordance with Section
9 17 of RA No. 10149 or the GOCC Governance Act of 2011.

10
11 In case the Administrator is removed for cause, any one appointed to the
12 position shall serve only the unexpired portion of term of the Administrator. The
13 appointment of a director to fill such vacancy shall be in accordance with the manner
14 provided in Section 15 of this RA No. 10149. The Administrator shall be responsible
15 to the Board for the efficient administration and management of the Manila Bay
16 region.

17
18 **Sec. 18. Qualifications of the Administrator.** - No person shall be appointed as
19 Administrator unless one is a natural-born Filipino citizen, of good moral character
20 and unquestionable integrity, has not participated in the preceding local elections for
21 government office, with five (5) years of relevant managerial and technical
22 experience.

23
24 The Administrator and all officials and employees of the Authority shall be
25 entitled to compensation and benefits in accordance with the Compensation and
26 Position Classification System prepared by the GCG and approved by the President.

27
28 **Sec. 19. Powers and Functions of the Administrator.** - The Administrator shall have
29 the following powers and duties:

- 30
31 (a) Submit to the Board the policies and measures deemed necessary to carry
32 out the purposes and provisions of this Act;
33 (b) Execute and administer the policies, plans, programs, and projects approved
34 by the Board;
35 (c) Direct and supervise the operation and internal administration of the
36 Authority and delegate certain administrative responsibilities to other
37 officers, subject to the rules and regulations of the Board;
38 (d) Develop and submit its organizational structure and staffing pattern, as
39 approved by the Board, to the GCG, Civil Service Commission (CSC), and

1 the Department of Budget Management (DBM) for consideration and
2 approval;

3 (e) Appoint officials and employees below the rank of service heads to
4 positions in the approved organizational chart; and

5 (f) Exercise such other powers and duties as may be vested by the Board from
6 time to time.

7
8 **Sec. 20. *Activities of the Authority: Key Officials.*** In carrying out the activities of
9 the Authority, the Administrator shall be assisted by an Assistant Administrator for
10 Technical Services and an Assistant Administrator for Management Services who
11 shall have powers, duties, and functions that may be delegated to them by the
12 Administrator, and shall act as Administrator in the absence of, or during the
13 temporary incapacity of, or until such time as a new Administrator is duly appointed.
14

15 a. A **Conservation and Development Service** which shall conduct studies
16 and research, and prepare reports and other publications relating to
17 operational trends, and program objectives and accomplishments on
18 rehabilitation, biodiversity, and ecotourism. Monitor and evaluate all
19 activities related to implementation of policies, rules and regulations for
20 ecotourism, preservation of biological diversities, and other activities in the
21 bay region;
22

23 b. An **Administrative Service** which shall be responsible for providing
24 services relating to personnel, training, information, records, supplies
25 general services, equipment and security;
26

27 c. A **Legal Service**, to be headed by a Legal Counsel who shall represent the
28 Authority in legal actions and proceedings. This unit shall be responsible for
29 providing staff advice and assistance on legal matters;
30

31 d. A **Finance Service** which shall be responsible for providing staff advice and
32 assistance on budgetary and financial matters, and safekeeping of corporate
33 assets;
34

35 e. A **Project Management Service** which shall be responsible for the operation
36 of approved projects, project evaluation, and management improvement
37 matters;
38

1 f. A **Planning and Project Development Service** which shall be responsible
2 for providing services relating to planning, programming, statistics and
3 project development;
4

5 g. An **Engineering and Construction Service** which shall be responsible for
6 providing services relating to detailed engineering plans and the construction
7 and maintenance of project facilities.
8

9 h. A **Clearances and Permits Service** which shall be responsible for the
10 implementation of PD 1586 (Environmental Impact Statement System)
11 within the region. In particular, it evaluates Environmental Compliance
12 Certificate (ECC) applications for projects located in Environmentally
13 Critical Areas. It also issues Certificates of Non-Coverage (CNC) for
14 projects determined to be outside the purview of the Philippine EIS System;
15 and
16

17 i. An **Enforcement Service** which shall be responsible for the responsible for
18 the effective implementation and compliance to PD 1586
19 (Environmental Impact Statement System), RA 8749 (The Philippine Clean
20 Air Act of 1999), RA 9275 (The Philippine Clean Water Act of 2004), RA
21 9003 (The Ecological Solid Waste Management Act of 2000) and RA 6969
22 (Toxic Substances and Nuclear and Hazardous Waste Control Act of 1990)
23 in the Manila Bay region.
24

25 The business and activities of each of these services shall be directed by its Service
26 Directors.
27

28 The Board may create other services and positions as may be deemed necessary for
29 the efficient, economical, and effective conduct of the activities of the Authority.
30

31 **Sec. 21. Merit System.** All officials, agents and employees of the Authority shall be
32 selected and appointed on the basis of merit and fitness in accordance with a
33 comprehensive and progressive merit system to be established by the Authority. The
34 recruitment, transfer, promotion and dismissal of all personnel of the authority,
35 including temporary workers, shall be governed by such merit system.
36

37 **Sec. 22. Capitalization, and Operating Start-up Capital.** The Authority shall have
38 an authorized capital of Ten Billion Pesos (P10,000,000,000.00) representing no par
39 shares with a minimum issue value of Ten pesos (10.00) each.
40

1 The initial amount necessary to subscribe and pay for the shares of stock shall
2 be included in the Annual General Appropriations Act of the year following its
3 enactment into law and thereafter.
4

5 The Board may, from time to time, and with the written concurrence of the
6 Secretary of Finance, increase the value of the shares representing the capital stock
7 of the Authority. The National Government shall own one hundred per centum
8 (100%) of the total shares issued and outstanding capital stock of the Authority.
9

10 **Sec. 23. *Operating Expenses.*** For the operating expenses of the Authority, the sum
11 of Two Billion Pesos (P2,000,000,000.00) is hereby appropriated annually for five
12 (5) years from the general fund of the National Government not otherwise
13 appropriated from the date of approval of this Decree.
14

15 The Board of Directors may appropriate out of the funds of the Authority such as
16 may be needed or necessary for its operating expenses.
17

18 **Sec. 24. *Power to Incur Debts and to Issue Bonds.*** Whenever the Board of Directors
19 may deem it necessary for the Authority to incur an indebtedness or to issue bonds
20 to carry out the provisions of this Act, it shall by resolution declare and state the
21 purpose for which the proposed debt is to be incurred.
22

23 The Authority shall submit to the Monetary Board of the Bangko Sentral ng Pilipinas
24 for approval of its proposal to incur indebtedness or to issue bonds, this shall be
25 considered authorized upon approval of the President of the Philippines.
26

27 **Sec. 25. *Bond Limit.*** The bonds shall be issued in such amounts as will be needed
28 at any one time, taking into account the rate at which said bonds may be absorbed
29 by the buying public and the fund requirements of projects ready for execution, and
30 considering further a proper balanced productive and non-productive projects so that
31 inflation shall be held to the minimum.
32

33 **Sec. 26. *Form, rates of interest, etc. of bonds.*** The Board of Directors, shall
34 prescribe the form, the rates of interest, the denominations, maturities, negotiability,
35 convertibility, call and redemption features, and all other terms and conditions of
36 issuance, placement, sale, servicing, redemption, and payment of all bonds issued
37 by the Authority under this Act.
38

39 The bonds issued by virtue of this Act may be made payable both as to principal and
40 interest in Philippine currency or any readily convertible foreign currency; Said

1 bonds shall be receivable as security in any transaction with the government in which
2 such security is required.

3
4 **Sec. 27. Exemption from Tax.** The Authority shall be exempt from all taxes,
5 licenses, fees, and duties, incidental to its operations. This exemption shall extend to
6 its subsidiary corporation: *Provided*, That its subsidiary corporations shall be subject
7 to all said taxes, licenses, fees, and duties five (5) years after their establishment
8 under a graduated scale as follows: twenty (20) per centum of all said taxes during
9 the sixth year, forty (40) per centum of all said taxes during the seventh year, sixty
10 (60) per centum of all said taxes during the eighth year, eighty (80) per centum of
11 all said taxes during the ninth year, and one hundred (100) per centum of all taxes
12 during the tenth year, after said establishment. Such examination shall include any
13 tax or fee imposed by the government on the sale, purchase or transfer of foreign
14 exchange. All notes, bonds, debentures and other obligations issued by the Authority
15 shall be exempt from all taxes both as to principal and interest, except inheritance
16 and gift taxes.

17
18 **Sec. 28. Sinking Fund.** A sinking fund shall be established in such manner that the
19 total annual contribution thereto accrued at such rate of interest as may be
20 determined by the Board of Directors.

21
22 Such funds shall be under the custody of the treasurer of the Authority who shall
23 invest the same in such manner as the Board of Directors may direct; charge all
24 expenses of investment to said sinking fund, and credit the same with the interest on
25 investment and other income belonging to it.

26
27 **Sec. 29. Guarantee by the Government.** The Republic of the Philippines hereby
28 guarantees the payment by the Authority of both the principal and the interest of the
29 bonds, debentures, collaterals, notes or such other obligations issued by the
30 Authority by virtue of this Act, and shall pay such principal and interest in the event
31 that the Authority fails to do so. In case the Authority shall be unable to pay the said
32 principal and interest, the Secretary of Finance shall pay the amount thereof which
33 is hereby appropriated out of any funds in the National Treasury not otherwise
34 appropriated, and thereupon, to the extent of the amounts so paid, the Government
35 of the Republic of the Philippine shall succeed to all rights of the holders of such
36 bonds, debentures, collaterals, notes or other obligations, unless the sum so paid by
37 the Republic of the Philippines shall be refunded by the Authority within a
38 reasonable time.

39
40 **Sec. 30. Collaboration with the Local Government Units.**

- (a) Notwithstanding the provisions of existing laws, rules, and regulations to the contrary, the Authority shall exercise administrative and rulemaking powers and shall be authorized to disburse funds, and to require the accreditation of enterprises to ensure compliance with the developmental, management, and protection plans in the Manila Bay region;
- (b) In no case shall any provision of this Act result in the diminution of local taxing authority, which shall be limited to real property taxation, to which only reasonable rates, charges, and fees shall be imposed; and
- (c) Basic social services to the general community, such as health and medical services, family planning, child care, school services, education, and disaster recovery services shall be under the authority of the LGUs concerned and to the extent that it can, shall be supported by the Authority.

Sec. 31. Linkages with Other Agencies and Offices. The Authority shall maintain a close coordination with the following agencies and offices involved in the implementation of the Operational Plan for the Manila Bay Coastal Strategy (OPMBCS) and member agencies from the Manila Bay Task Force.

OPMBCS and MBTF Agencies and Offices	
1. Laguna Lake Development Authority	2. DENR - Environmental Management Bureau
3. DENR - Biodiversity Management Bureau	4. DENR - Forest Management Bureau
5. Department of the Interior and Local Government	6. Department of Public Works and Highways
7. Metropolitan Manila Development Authority	8. Department of Human Settlements and Urban Development
9. National Housing Authority	10. Presidential Commission for the Urban Poor
11. Department of Agriculture (DA) - Bureau of Fisheries and Aquatic Resources	12. DA - National Fisheries Research and Development Institute
13. DA - Bureau of Animal Industry	14. DA - Bureau of Soils and Water Management

15. Philippine Coast Guard	16. Philippine National Police - Maritime Group
17. Philippine Ports Authority	18. Metropolitan Waterworks and Sewerage System
19. Maynilad Water Services, Inc.	20. Manila Water Company, Inc.
21. Local Water Utilities Administration	22. Department of Health
23. Department of Education	24. Department of Tourism
25. Department of Justice	

1
2 **Sec. 32. Penal and Civil Liability.** Any person, natural or juridical, shall be liable
3 for imprisonment not exceeding five (5) years or a fine not exceeding Five hundred
4 thousand pesos (P500,000.00) for each day or both at the discretion of the court for:

- 5
6 a. Obstructing or impeding the execution of demolition orders;
7 b. Disobeying cease and desist, closure, or suspension orders;
8 c. Operating business establishments without the necessary permits and
9 licenses from the Authority and other concerned government offices;
10 d. Violating the conditions stipulated in the clearances or permits issued by
11 the Authority; and
12 e. Violating any of the provisions of this Act or any rules or regulations
13 promulgated by the Authority.
14

15 If the violator is found to be a corporation, partnership, or association, the officer or
16 officers of the organization concerned shall be liable thereof.
17

18 The Authority may file criminal charges and pursue separate civil actions for
19 damages resulting from infractions of the provisions of this Act and rules and
20 regulations issued pursuant thereto.
21

22 **Sec. 33. Implementing Rules and Regulations.** - Within ninety (90) days after the
23 passage of this Act, the Board shall, after consultation with the stakeholders of the
24 Authority and concerned government agencies promulgate the rules and regulations
25 for the effective implementation of this Act.
26

1 **Sec. 34. Separability Clause.** - If any provision of this Act is declared invalid or
2 unconstitutional, the other provisions not affected thereby shall remain valid and
3 subsisting.

4
5 **Sec. 35. Repealing Clause.** - All laws, executive orders, memorandum circulars,
6 guidelines, and other issuances or parts thereof, which are inconsistent with this Act,
7 are hereby repealed or modified accordingly.

8
9 **Sec. 36. Effectivity.** - This Act shall take effect fifteen (15) days after its publication
10 in the Official Gazette or in newspaper of general circulation.

11
12 *Approved,*

13

DRAFT