



Republic of the Philippines  
Regional Development Council XI  
**INFRASTRUCTURE DEVELOPMENT COMMITTEE**  
Davao Region

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**HIGHLIGHTS OF THE INFRASTRUCTURE DEVELOPMENT COMMITTEE (IDC) XI  
MEETING HELD ON 14 MARCH 2011 AT THE NEDA-RDC XI CENTER,  
KM. 7, SPED AREA, BANGKAL, DAVAO CITY**

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**1. ATTENDANCE**

**a. Members**

- |                              |  |
|------------------------------|--|
| Mr. Louis N. Rabat           | - IDC XI Chairperson and RDC XI PSR, Presiding Officer                                     |
| Dir. Sinaloan T. Macarambon  | - IDC XI Co - Chairperson and DPWH XI Regional Director                                    |
| Dir. Maria Lourdes D. Lim    | - IDC XI Vice -Chairperson and NEDA XI Regional Director                                   |
| Dir. Anthony C. Sales        | - DOST XI Regional Director  |
| Dir. Manuel M. Llana         | - DOE Mindanao Field Office Director   |
| Dir. Gomer T. Dy             | - LTO XI Regional Director   |
| OIC-RM Carolina R. Angel     | - NHA XI Regional Director   |
| OIC-RD Ananias M. Villacorta | - DILG XI Regional Director, represented by Ms. Gale S. Gravador                           |
| Engr. Nazario R. Cacayan     | - RDC XI - Private Sector Representative   |
| Mr. Conrado R. Sillada       | - RDC XI - Private Sector Representative   |
| Mr. Manuel S. Gonzalez       | - President - Davao Constructors Association Center, Incorporated                          |
| Dir. Usman D. Aragasi        | - TelOf XI Regional Director, represented by Engr. Antonio J. Acain                        |
| Atty. Christian V. Santillan | - PPA Southern Mindanao Ports District Manager, represented by Engr. Asterio Gallardo, Jr. |
| Mr. Benjamin Gaité           | - PLDT Manager, represented by Engr. Joel C. Adriasola                                     |
| CPDC Ana Leah Zapanta        | - CPDO, Island Garden City of Samal  |
| CPDC Roberto O. Alabado III  | - CPDO, Davao City, represented by Ms. Jo Ann L. Esguerra                                  |
| CPDC Reynaldo Cadeliña       | - CPDO, Tagum City, represented by Mr. Arturo B. Mañigo, Jr.                               |
| CPDC Aurora M. Lauron        | - CPDO, Panabo City, represented by Mr. Agustin C. Carangcarang                            |
| PPDC Josie Jean Rabanoz      | - PPDO, Davao del Norte, represented by Ms. Maria Hazel C. Zafra                           |
| PPDC Freddie C. Bendulo      | - PPDO, Davao Oriental, represented by Ms. Evelyn Pabio                                    |

- PPDC Romeo C. Aniñon - PPDO, Davao del Sur, represented by Ms. Evangeline S. Abajero
- Mr. Romeo B. Celeste - PPDO, Officer-in-Charge, Compostela Valley, represented by Engr. Joel E. Calipusan
- Ms. Mae Ester T. Guiamadel - NEDA XI, IDC XI Secretary

**b. Guests**

- Engr. Charito L. Cinco - DILG XI
- Engr. Teofila U. Tan - DPWH XI
- Engr. Rowen P. Jamito - DPWH XI
- Ms. Suzette C. Prates - DPWH XI
- Mr. Carlo Generosa - DPWH XI
- Ms. Maria Fe. A. Zamora - LTO XI

**c. Secretariat**

- ARD Bonifacio G. Uy - NEDA XI
- Mr. Noel E. Quiratman - NEDA XI
- Engr. Orville B. Dipaling - NEDA XI
- En.P. Mario M. Realista - NEDA XI
- Ms. Janice May A. Cerezo - NEDA XI
- Ms. Lilia C. Boteves - NEDA XI
- Ms. Maria Ana D. Sacerdor - NEDA XI

**2. PRELIMINARIES**

The IDC XI Chairperson and Presiding Officer, RDC XI PSR Louie N. Rabat called the meeting to order at 9:30 in the morning.

In his opening statement, Chairperson Rabat welcomed everyone to the first quarter meeting for the year of the Infrastructure Development Committee of the Regional Development Council (RDC) XI. He stated that the meeting of the Committee should have come earlier than the investment programming and budget activities of the RDC XI in order to review the proposed programs and projects of agencies that shall be integrated in the CY 2012 Annual Investment Program (AIP). However, he encouraged the members to actively participate in the discussion of the agenda items.

He also pointed out the request of NIA XI for the postponement in the next IDC XI meeting the presentation of the result of the study on the impact of water usage by Sagittarius Mines Incorporated (SMI) on the irrigation water requirements of Davao del Sur and the National Irrigation Sector Rehabilitation and Improvement Project (NIS RIP).

**3. APPROVAL OF THE PROPOSED BUSINESS AGENDA**

The proposed items in the agenda prepared by the Secretariat were approved by the Committee.

#### **4. APPROVAL OF THE HIGHLIGHTS OF THE IDC XI MEETING HELD ON 26 AUGUST 2010**

The Chairperson and Presiding Officer Louie N. Rabat requested the members of the Committee to review the highlights of the IDC XI meeting held on 26 August 2010. The Committee approved the Highlights of the 26 August 2010 IDC XI meeting as prepared by the Secretariat.

#### **5. UPDATES ON MATTERS DISCUSSED AND ACTIONS TAKEN BY IDC XI DURING ITS 26 AUGUST 2010 MEETING**

Ms. Mae Ester T. Guiamadel, the IDC XI Secretary provided the members of the Committee with the updates on matters discussed and actions taken by the Committee during its 26 August 2010 IDC XI meeting. Highlights of the updates on the items presented are as follows:

##### **a. List of Local Roads Proposed for Conversion to National Roads**

- i. List of local roads submitted by the local government units were forwarded to DPWH XI on 15 September 2011.

LGU	Number of Local Roads for Conversion
Davao del Norte	5
Davao Oriental	16
Compostela Valley	5
IGACOS	1
Digos City	2

- ii. Compliance of requirements for the conversion will be jointly undertaken by the concerned LGU and DPWH XI.
- iii. An update on the status on this matter will be provided by DPWH XI on this meeting.

##### **b. Provide IDC XI Officials and Members with an Updated IDC XI Directory**

A hardcopy of the updated directory of the IDC XI officials and members is included in the agenda envelope.

##### **c. Election of the IDC XI Chairperson and Co-Chairperson**

- i. The Committee elected Mr. Louie N. Rabat, RDC XI PSR and DPWH XI Regional Director as Chairperson and Co-Chairperson, respectively.
- ii. IDC XI Res. No. 18, series of 2010 was passed endorsing the selection of IDC XI Chairperson and Co-Chairperson for CY 2010-2013 for confirmation by RDC XI.
- iii. The IDC XI Chairperson and Co-Chairperson were confirmed by the RDC XI on September 2010 and are now actively performing their duties and responsibilities.

**d. Guidelines for the Formulation of the Medium Term Regional Development Plan (MTRDP), 2011-2016**

- i. The Committee approved the Guidelines and passed IDC XI Res. No. 19, series of 2010, constituting the Committee as Planning Committee for the Infrastructure Support Chapter of the 2011-2016 MTRDP as well as adopted the proposed indicators for the assessment of sector performance in 2004-2010.
- ii. The Committee actively participated in sessions called to undertake the plan formulation process.
- iii. The draft MTRDP, 2011-2016 incorporating Chapter 4 on the Sustainable and Strategic Infrastructure is due for immediate finalization.

**Action taken:**

***As pointed out by the IDC XI Vice-Chairperson NEDA XI Director Lourdes D. Lim, the Committee reminded the Provincial Government of Davao del Sur and the City Government of Davao to submit to the IDC XI Secretariat the list of local roads proposed for conversion to national roads status, as soon as possible.***

**6. CY 2010 ACCOMPLISHMENT REPORT AND CY 2011 WORK PROGRAM AND AGENDA FORECAST**

The IDC XI Secretary reported the highlights of the accomplishment of the Committee for CY 2010 and also presented the CY 2011 Work Program and Agenda Forecast as follows:

**On the CY 2010 Accomplishment**

***A. Technical Concerns***

***Coordinated the Assessment of 2004-2010 Davao Regional Development Plan (DRDP) and Formulated the Chapter 4 Strategic and Sustainable Infrastructure of 2011-2016 DRDP***

By virtue of RDC XI Executive Committee Resolution No. 07, series of 2010, the Committee was designated as one of the planning committees and coordinated the assessment of 2004-2010 DRDP and formulated the successor Davao Regional Development Plan (Chapter 4 Strategic and Sustainable Infrastructure), 2011-2016. During the 3<sup>rd</sup> Quarter Meeting in August 2010, it reviewed and approved the performance indicators for infrastructure subsectors on transport, water resources, energy and power and telecommunication in the assessment of sector performance for 2004-2010. Subsequently, as the infrastructure sector planning committee, it facilitated the series of planning activities and workshops that came up the following: a) assessment report of 2004-2010 sector performance; b) identified and agreed on the plan targets of the sector for 2011-2016; and, c) formulated the policies, strategies and action plan for the sector. Chapter 4 on Strategic and Sustainable Infrastructure was incorporated in the Davao Regional Development Plan for 2011-2016 which was approved by Regional Development Council (RDC) XI on October 29, 2010.

## ***Coordinated the Preparation of the 2011 Annual Investment Program and Participated in the Conduct of RDC XI Budget Review Activities***

During the first quarter meeting of the Committee, the guidelines for the preparation of the 2011 Annual Investment Program (AIP) was presented and subsequently adopted. IDC XI passed Resolution No. 05, series of 2010 recommending its approval by RDC XI.

The budget proposals for FY 2011 of DPWH XI and NIA XI were also presented to RDC XI for review on June 7, 2010. NIA's budget proposal was initially deferred but was later endorsed by RDC XI ExCom through a referendum. Subsequently, the budget proposals of the concerned agencies were endorsed to their respective Agency Central Offices (ACOs) for integration in the ACO budget proposal.

## ***Evaluation of Project Proposals Needing RDC XI Endorsement and ICC Approval***

The Committee evaluated and endorsed for RDC XI approval of the following three (3) projects proposals during its meeting on 25 February 2010:

- (a) Profiling of Renewable Energy Resources Use and Potentials in Davao Region
- (b) Various Infrastructure Projects of the Provincial Government of Compostela Valley
- (c) Construction of Flyover at Maharlika Highway-TADECO Streets Intersection, Panabo, Davao del Norte

The Committee also undertook the creation of the Technical Working Group on relocation of communities affected by major infrastructure projects in the region as well as facilitated the generation of local roads for possible conversion to national roads.

## ***B. Internal Operations***

### ***Reorganization of IDC XI***

The IDC XI during its meeting held on 26 August 2010 elected Mr. Louie N. Rabat, RDC XI PSR and Dir. Sinaloan T. Macarambon, Regional Director of DPWH XI as the Chairperson and Co-chairperson of IDC XI, respectively. The private sector organizations (PSOs) like the Philippine Institute of Civil Engineers (PICE) Davao Chapter and Davao Contractors Association (DCA) also confirmed their interest to continue as members of the IDC XI. Three (3) RDC XI Private Sector Representatives also signified their participation in IDC XI in the persons of Mr. Louis N. Rabat, Mr. Conrado Sillada and Engr. Nazario Cacayan.

### ***Attendance of Members***

The Infrastructure Development Committee (IDC) XI met three times in 2010. These meetings were conducted on 25 February, 27 April and 26 August. The annual average attendance rate in the IDC XI meeting is 58 percent.

There are nine members of the Committee with 100 percent attendance, to wit:

1. DILG XI
2. DPWH XI
3. LTO XI
4. NEDA XI
5. NIA XI
6. Davao del Norte
7. Davao City
8. Panabo City

Engr. Nazario R. Cacayan, RDC XI Private Sector Representative, as well as IDC XI Vice Chairperson NEDA XI RD Maria Lourdes D. Lim have 100 percent actual personal attendance in the three IDC XI meetings.

### **Resolutions Passed**

The Committee passed nineteen (19) resolutions in 2010. The updates and status of these resolutions as of February 2011 are as follows:

#### **IDC XI Meeting on 25 February 2010 DPWH R.O. XI, R. Magsaysay Ave., Davao City**

<b>No.</b>	<b>Title</b>	<b>Status</b>
1	A Resolution Confirming the Minutes of the 2009 3 <sup>rd</sup> Quarter Meeting of IDC XI	Minutes of the 2009 3 <sup>rd</sup> Quarter Regular Meeting was signed by the Chairperson and archived as official documents of the Committee.
2	A Resolution Approving the CY 2009 Accomplishment Report and Activities of IDC XI and the CY 2010 Work Program and Agenda Forecast	RDC XI Resolution No. 06, Series of 2010 confirming the CY 2009 Accomplishment Report and Activities of IDC XI and the CY 2010 Work Program and Agenda Forecast
3	A Resolution Endorsing to the Department of Environment and Natural Resources (DENR) the Proposal on the Profiling of Renewable Energy Resources Use and Potentials in Davao Region	<p>a. RDC XI Resolution No. 07, Series of 2010 was passed endorsing to the Global Environment Facility administered by the Department of Environment and Natural Resources (DENR) for Grant Assistance the proposal on the profiling of renewable energy resources use and potential sources in Davao Region. The response of the DENR is yet to be received. The response of DENR is yet to be received.</p> <p>b. Meanwhile, an initial list of survey respondents was generated from the provinces.</p>

		<p>c. An action plan is also being prepared to pursue the conduct of the technical survey on the potential sources of renewable energy initially identified and submitted by the local government units. The technical survey is planned to be conducted jointly by the concerned LGU and the Technical Working Group created for the purpose.</p>
4	<p>A Resolution Creating the Technical Working Group on Relocation of Communities Affected by Major Infrastructure Projects</p>	<p>a. RDC XI Resolution No. 08, Series of 2010 was passed creating the Technical Working Group on Relocation of communities affected by major infrastructure projects in Davao Region</p> <p>b. The Organizational Meeting of the Technical Working Group was held on 12 May 2010 at the NEDA-RDC XI Center in Bangkal, Davao City. The NHA XI was elected to Chair the TWG. The rationale, objectives and scope of work of the TWG were also discussed during the meeting.</p> <p>c. NHA XI is set to meet with PCUP and HUDCC to identify/review existing national polices and locally initiated mechanisms or practices governing relocation of project affected parties</p> <p>d. List of projects which will involve relocation of project affected parties was identified.</p>
5	<p>A Resolution Endorsing the Guidelines in the Preparation of the 2011 Annual Investment Program (AIP)</p>	<p>The Guidelines was adopted by the Regional Development Council XI and was applied in the formulation of the 2011 Annual Investment Program (AIP).</p>
6	<p>A Resolution Reiterating IDC Resolution No.11, series of 2009 Endorsing the Various Infrastructure Projects of the Provincial Government of Compostela Valley for National Government Funding</p>	<p>a. RDC XI Resolution No. 09, Series of 2010 was passed endorsing the six (6) priority infrastructure projects of Compostela Valley Province for national government funding.</p> <p>b. The proposed projects were referred to the appropriate agencies and considered in their respective investment programs.</p>

<b>No.</b>	<b>Title</b>	<b>Status</b>
7	A Resolution Endorsing the Construction of Flyover at Maharlika Highway – TADECO Streets Intersection, Panabo, Davao del Norte	a. RDC XI Resolution No. 10, Series of 2010 was passed endorsing the inclusion of the construction of a flyover at Maharlika Highway-Tadeco Streets Intersection in Panabo City, Davao del Norte under the Construction of Flyovers and Unibridges of French-Assisted Mega Bridges for Urban and Rural Development Project of DPWH b. The project was already considered in the DPWH XI proposed investment program
8	A Resolution Thanking the Department of Public Works and Highways (DPWH) XI For Hosting the 1 <sup>st</sup> Quarter Regular Meeting of IDC XI	A word of appreciation was verbally expressed to DPWH XI and a copy of the resolution was also sent.

**IDC XI Meeting on 27 April 2010**  
**DPWH R.O. XI, R. Magsaysay Ave., Davao City**

<b>No.</b>	<b>Title</b>	<b>Status</b>
9	A Resolution Confirming the Minutes of the 1 <sup>st</sup> Quarter Regular Meeting of IDC XI	Minutes of the 1 <sup>st</sup> Quarter Regular Meeting was signed by the Chairperson and archived as among the official documents of the Committee.
11	A Resolution Enjoining the Local Government Units of Davao Region to Conduct an Inventory of Local Roads for Possible Conversion to National Roads	a. Five LGUs in the region submitted list of local roads for possible conversion to national road status. The concerned LGU and DPWH XI will jointly pursue the compliance of the requirements. b. The local government unit of Davao City and Davao del Sur are yet to submit their list.
12	A Resolution Recommending for RDC XI Approval and Adoption of the CY 2011 Annual Investment Program (AIP) of the Department of Public Works and Highways (DPWH) XI	RDC XI Resolution No. 22, Series of 2010 Endorsing to the Secretary of the Department of Public Works and Highways, the Department of Budget and Management, the Committee on Finance of the Senate of the Philippines the FY 2011 Budget Proposal of the DPWH XI in the Total Amount of PhP 10,232,047,000.00
	A Resolution Recommending for RDC XI Approval and Adoption of the CY 2011 Annual Investment Program (AIP) of the Department of Energy (DoE) Mindanao	The Council approved the CY 2011 AIP of Davao Region through its RDC XI Resolution No. 11, series of 2010 incorporating the proposed AIP of DOE Mindanao.

14	A Resolution Recommending for RDC XI Approval and Adoption of the CY 2011 Annual Investment Program (AIP) of the National Irrigation Administration (NIA) XI	NIA's budget proposal was initially deferred but was later endorsed by RDC XI ExCom through a referendum. Subsequently, the budget proposals of the concerned agencies were endorsed to their respective Agency Central Offices (ACOs) for integration in the ACO budget proposal.
15	A Resolution Thanking DPWH XI for Hosting the 2 <sup>nd</sup> Quarter Regular Meeting of IDC XI	A word of appreciation was verbally expressed to DPWH XI and a copy of the resolution was also sent.

**IDC XI Meeting on 26 August 2010  
NEDA-RDC XI Center, Bangkal, Davao City**

<b>No.</b>	<b>Title</b>	<b>Status</b>
16	A Resolution Recognizing the Leadership of RD Osop Ali and PSR Louis Rabat as Outgoing Officers of the IDC XI	A plaque of appreciation was presented to RD Osop Ali as Chairperson and PSR Louis during the RDC XI meeting in September.
17	A Resolution Confirming the Minutes of the CY 2010 2 <sup>nd</sup> Quarter Regular Meeting	Minutes of the 2 <sup>nd</sup> Quarter Regular Meeting was signed by the Chairperson and archived as official documents of the Committee.
18	Endorsing the Newly Elected Chairperson and Co-Chairperson of Infrastructure Development Committee (IDC) XI for the Term 2010-2013 for Confirmation by RDC XI	IDC XI Chairperson Louie N. Rabat and Co-Chairperson RD Sinaloan T. Macarambon were confirmed by the RDC XI in September and are now actively performing their duties and responsibilities.
19	A Resolution Constituting IDC XI as Planning Committee for the Infrastructure Support Chapter of the 2010-2016 MTRDP and Adopted the Proposed Indicators for the Assessment of Sector	The Committee was represented by Chairperson Louie Rabat during meetings and deliberations of the Regional Development Council.

**Action taken:**

***The Committee instructed the Secretariat to follow-up the continued participation or attendance of PT&T, NGCP and NTC XI in the activities of the Committee.***

## **On the CY 2011 Work Program**

The Committee has five Key Result Areas to work on CY 2011 with the following activities:

1. Plan Implementation Monitoring and Evaluation of the 2010 – 2016 Davao Regional Development Plan
  - a. Review, evaluate and monitor the implementation of Chapter 4 Strategic and Sustainable Infrastructure Plans/Programs
  - b. Review and evaluate infrastructure policy issues and concerns affecting the region, and concerns affecting the region, and recommend/endorse to RDC XI
2. Investment Programming and Budgeting
  - a. Review, evaluate and endorse the sector's inputs to the 2011-2016 RDIP and 2012 Annual Investment Program
  - b. Feedback on the FY 2012 Budget Proposals
  - c. Review and evaluation of the CY 2013 Annual Investment Program (AIP)
3. Evaluation of Projects Needing RDC Endorsement and ICC Evaluation
  - a. Review, evaluate and endorse project proposals of local government units and national government agencies needing RDC endorsement and ICC evaluation
4. Coordination and Monitoring of Region-Specific Activities
  - a. Profiling of renewable energy resource use and potential of Davao Region
  - b. Preparation of guidelines on the relocation of communities affected by implementation of major infrastructure projects
5. Internal Management
  - a. Conduct of regular and special meetings
  - b. Review and approval of updated IDC XI manual of operations
  - c. Participation in RDC XI organizational development activities

## **On the CY 2011 Proposed Schedule of Meetings and Hosting**

Meeting	Date	Host
1 <sup>st</sup> Quarter Regular Meeting	14 March 2011	NEDA XI
2 <sup>nd</sup> Quarter Regular Meeting	14 June 2011	NIA XI
3 <sup>rd</sup> Quarter Regular Meeting	13 September 2011	City Government of Tagum
4 <sup>th</sup> Quarter Regular Meeting and Fellowship	06 December 2011	Provincial Government of Davao del Sur

## **On the CY 2011 Agenda Forecast**

- a. Firmed Up Results Monitoring and Evaluation Matrices (RMEMs) of Chapter 4 Strategic and Sustainable Infrastructure
- b. Tracking the Infrastructure Sector Bottomlines for CY 2011
- c. Policy Implementation Affecting the Sector for RDC/RDCCom Facilitation

### Transport

- i. Programming and Utilization of Motor Vehicle User's Charge (MVUC) per RA 8794
- ii. LGU Capacity Assessment on Rural Road Development
- iii. Amendment of BOT Law or Enactment of PPP Law
- iv. Modified Liberal Air Policy

### Telecommunications

- i. Convergence Bill/Information and Communications Policy Act (RA 7925)

### Power and Electrification

- i. Amend EPIRA Law to increase benefits of communities hosting power generation facilities
- ii. Implementation of missionary electrification
- iii. Review and amendment of Magna Carta for Residential Electricity Consumers

### Water Resources

- i. Amendment of Water Code to allow/empower local government units to regulate ground water extraction activities
- ii. Adoption and promotion of Integrated Water Resources Management

### Social Infrastructure

- i. National Policy on Sustainable Sanitation
- ii. Review and amendment of Roxas Law
- iii. Ecological Solid Waste Management Act

### Crosscutting Concerns (Infra Governance)

- i. Briefing on Public-Private Partnerships
  - ii. Government Procurement Reform Act (RA 9184)
- d. Report on the Implementation and Monitoring of Infrastructure Component of DRDP
  - e. Review and evaluation of 2011-2016 Regional Development Investment Program (RDIP) and 2012 Annual Investment Program
  - f. Formulation of the CY 2013 Annual Investment Program

- g. Feedback on the FY 2012 Budget Proposals and Updates on Matters Arising from RDC Budget Review of FY 2012 budget proposals
- h. Evaluation of programs/projects needing RDC XI endorsement and ICC evaluation
- i. Feedback on RPMC XI monitoring of infrastructure projects
- j. Millennium Development Goals (MDGs) projects
- k. PAMANA and other peace and development projects
- l. Coordinate and monitor region-specific initiatives including profiling of Davao Region Renewable Energy Source Use and Potentials, and formulation of Guidelines on the Relocation of Communities Affected by the Implementation of Major Infrastructure Projects

***Comments/suggestions or actions taken:***

***i. For the TWG on Renewable Energy to coordinate with the Department of Energy and consider existing users or initiated project in jumpstart the profiling activity***

***ii. To include RDC PSR XI as member of the TWG on Relocation***

**7. FIRING UP THE RESULTS MONITORING AND EVALUATION MATRICES (RMEMs) OF CHAPTER 4 OF DAVAO REGIONAL DEVELOPMENT PLAN 2010-2016**

EnP Mario M. Realista of the Technical Secretariat provided the members of the Committee with the background on the series of activities undertaken in the preparation of the Results Monitoring and Evaluation Matrices (RMEMs). He emphasized the primary purpose and significance of not only to appreciate the completion of the activities as programmed for projects but more importantly to be able to monitor and evaluate the levels of results achieved. It was also recalled that the infrastructure sector shall include the transportation, power, digital infrastructure, water supply, as well as the social infrastructure subsector.

***Actions taken:***

***i. The Committee reminded each concerned agency to take a final review of the RMEMs wherein their agency will contribute and submit to the Secretariat the final baseline information and measurable targets.***

***ii. The Committee resolved to include DOH XI and DepEd XI as regular members considering that health and education facilities are direct concerns of the two agencies.***

**8. UPDATES ON THE FORMULATION OF THE 2011-2016 REGIONAL DEVELOPMENT INVESTMENT PROGRAM (RDIP) FOR INFRASTRUCTURE SECTOR AND REPORT ON THE CONSULTATION AND REVIEW OF FY 2012 BUDGET PROPOSALS OF INFRASTRUCTURE SECTOR AGENCIES**

Mr. Noel E. Quiratman, RDC XI Technical Secretariat and Chief of the Project Development Investment, Programming and Budgeting Division (PDIPBD) of NEDA XI

presented an update on the status of the review and consultation on Davao Region's CY 2012 AIP and RDIP 2011-2016, and the FY 2012 budget proposal. The background and rationale of the undertaking were presented enumerating the related memorandum circulars as well as the framework in the undertaking the review. For the AIP, the Executive Committee of the Council passed Resolution No. 4, Series of 2011 entitled, "Approving the Validated List of Priority Programs, Projects and Activities (PPAs) of 17 Agency Regional Offices and 3 State Universities and Colleges in the Total Amount PhP 24.047 B for Inclusion in the CY 2012 Annual Investment Program (AIP) of Davao Region Subject to Compliance of this Executive Committee's Recommendations." For the FY 2012 budget proposals endorsed by RDC XI, the amount totaled P36.385 billion divided among the four sectors in Davao Region as follows: social – PhP 22.913 billion (62.6%), economic – PhP 1.536 billion (4%), development administration – PhP 168.572 million (32%), and infrastructure PhP 11.767 billion (32%).

#### **a. Status of Implementation of Motor Vehicle User's Charge (MVUC)**

The implementation of the road user charges law is mainly implemented in Davao Region by the Department of Transportation and Communication – Land Transportation Office (DOTC – LTO) XI and the Department of Public Works and Highways (DPWH) XI.

Dir. Sinaloan T. Macarambon, Regional Director of DPWH XI provided the Committee with the background information on the Motor Vehicle User's Charge Law (R.A. 8794) and the programming and utilization by DPWH XI in the region. The Law entitled "An Act Imposing a Motor Vehicle User's Charge on Owners of All Types of Motor Vehicles and Other Purposes" was approved on 27 June 2000 by President Joseph E. Estrada. The Law presents the impression that each owner of a motor vehicle and a road user in the Philippines contributes to the care of the roads. The motor vehicle user charge (MVUC) gives every vehicle owner an opportunity to participate in the funding of the maintenance of our national and provincial roads, road monitoring, road safety and cleaner air through the implementation of the 1999 Philippine Clean Air Act.

The MVUC is a corresponding fee charged to the owner of a motor vehicle and collected as part of the annual registration fee of a vehicle to the Land Transportation Office. As stated in Section 3 to 4 of R.A. 8794, the charges will only be adjusted every five (5) years by order of the President of the Philippines and with recommendation of the Road Board provided it does not exceed the annual rate increase of the Consumer Price Index.

The MVUC Law also provides for the creation of a Road Board to implement the prudent and efficient management and utilization of MVUC Funds. The Road Board is composed of seven (7) members, with the Secretary of the DPWH as ex-officio Head, the Secretary of Finance, the Secretary of Budget and Management and the Secretary of Transportation and Communications as ex-officio members. The remaining three (3) members shall come from the transport organizations and are recommended by DPWH and DOTC Secretaries. The Board has the supervisory authority over projects and activities funded by the Special Funds. The roles and responsibilities of the Road Board include:

- Operate Special Funds including imposing procedures and control, auditing, accounting and deposits to special trust accounts in the National Treasury.

- Manage Special Funds. The Board monitors the income and expenditure of the four (4) Special Funds
- Approve work programs: For road maintenance on national, both primary and secondary roads; For the distribution of the Special Local Road Fund to provincial and city governments; For road safety works; For Motor Vehicle Pollution Control work
- Approve special budgets for each Special Fund and submit the proposed budget to DBM
- Reviews work programs
- Complementary work programs under other funding
- Impose to the DPWH and DOTC the procedures for monitoring and managing the programs
- Have the authority to approve bidding procedures for the road maintenance projects
- Monitor that the Special Funds are properly used and allocated
- Raise awareness on the use of the Special Funds and the work of the Road Board
- Provide a manual operating procedures after the effectivity of the IRR
- Hold a meeting at least once every three (3) months
- Have the authority to organize or dissolve committees and consultants as required by the projects

The total distribution of the MVUC is: DPWH – 92.50% and DOTC – 7.50%. All monies collected from MVUC will be divided and deposited in four (4) Special Trust Accounts in the National Treasury as follows:

1. Special Road Support Fund (SRSuF) – 80% of MVUC
  - It is used exclusively for the repair of national primary (70%) and secondary (30%) roads throughout the country
  - It also includes improvement of the drainage system along national primary roads
2. Special Local Road Fund (SLRF) – 5% of MVUC
  - It is exclusively for the maintenance of local roads, traffic management and road safety devices under the jurisdiction of city and provincial governments
3. Special Road Safety Fund (SRSaF) – 7.5% of MVUC
  - Used exclusively for the installation of traffic lights and other road safety devices throughout the country
4. Special Vehicle Pollution Control Fund – 7.5% of MVUC
  - Used only for the implementation of comprehensive programs for the prevention, control and management of air pollution from mobile sources

Programs implemented by DPWH are:

Under SRSuF

1. Routine/Carriageway Maintenance
  - a. Annual Maintenance Work Program/Performance Budget (AMWP/PB)
2. Special Roadside Maintenance
  - a. KNAN/OYSTER (one laborer/3.50 km.)

### 3. Preventive Maintenance

#### a. Priority projects generated from Highway Development and Management-4 (HDM-4) System

##### Under SRSaF

- Priority projects identified through Traffic Accident Recording and Analysis System (TARAS)

##### Under SLRF

- Project identification is made by DILG thru the LGU based on vehicle population and road network length
- Implemented through MOA with the LGU

In Region XI, the summary of the status (as of February 2011) of MVUC funded projects implemented by DPWH XI are as follows:

- For CY 2007, for twenty two (22) projects under the SLRF with a total allocation of P22,818,591.08 – overall physical accomplishment is 98.07% - 21 projects are completed and 1 project ongoing.
- For CY 2008, for fourteen (14) projects under the SLRF with a total allocation of 30,108,634.00 – overall physical accomplishment is 60.00% - 11 projects are completed and 3 projects ongoing.
- For CY 2010, for fourteen (14) projects under the SRSuF with a total allocation of 97,500,000.00 – two (2) projects are completed and (12) twelve projects not yet started. Pre-construction activities are ongoing for projects not yet started. The fund was just recently released.

In terms of provincial distribution of projects:

- For CY 2007 and under the SLRF, eleven (11) projects for Davao del Norte, one (1) project for Compostela Valley, eight (8) projects for Davao del Sur, one (1) project for Davao Oriental and one (1) project for Davao City.
- For CY 2008 and under the SLRF, two (2) projects for Davao del Norte, one (1) project for Compostela Valley, five (5) projects for Davao del Sur, one (1) project for Davao Oriental and five (5) project for Davao City.
- For CY 2010 and under Preventive Maintenance (additional release) – one (1) project for Davao del Norte, two (2) projects for Compostela Valley, four (4) projects for Davao Oriental and five (5) project for Davao City.

On the part of the Department of Transportation and Communication – Land Transportation Office (DOTC – LTO) XI, Regional Director Gomer T. Dy gave the members of the Committee a summary on the collection of MVUC in Davao Region. Three items were collected by LTO XI including MVUC, MVUC – fines and penalties

and axle – overloading. In the past three years starting 2008, 2009 and 2010 reported total collections were P312,105,419.18, P327,203,840.16 and P346,719,261.01, respectively. Eighty-eight (88) percent of the total collection is MVUC and ten (10) percent is from MVUC – fines and penalties.

**Discussion:**

- i. The MVUC collections shall be distributed as follows: Special Road Support Fund (SRSuF) – 80%, Special Local Road Fund (SLRF) – 5%, Special Road Safety Fund (SRSaF) – 7.5%, and Special Vehicle Pollution Control Fund – 7.5%. In particular, the identification of projects for the SLRF shall be made by DILG thru the LGU based on vehicle population and road network length and is implemented through a Memorandum of Agreement (MOA) with the LGU.***
- ii. The identification of projects to be funded under the SLRF is generally initiated by the concerned Congressman in close consultation with the local government units. The LGU proposed projects shall be approved by the Road Board.***
- iii. The Special Vehicle Pollution Control Fund which is 7.5 percent of the total collection of the MVUC is implemented by the Land Transportation Office in reference to the Clean Air Act of (R.A. 8749) particularly the operation of the Motor Vehicle Inspection System (MVIS).***
- iv. A review of the motor vehicle fee charges is currently undertaken by the DOTC particular on the public utility tricycles and multi-cab units.***

**Action Taken**

***An inventory, however, shall be undertaken on the awareness of local government units in the region of the availability of such fund including the share of the fund already accessed by the LGUs of Davao Region.***

**b. Davao Region Ports Development Plan**

The manager of the Engineering Services Division of the Ports District Office - Southern Mindanao of the Philippine Ports Authority, Engr. Asterio Gallardo, Jr., presented an updated master plan for the development of the ports in Davao Gulf.

For the Port of Davao (base port) at Sasa in Davao City, the expansion of the wharf and back-up area at the north end part of the port were recently completed. In addition, an open type passenger terminal shed, ro-ro ramp (10 x 50 meters), covered shed with entrance/exit ticketing booth and a parking are proposed to be constructed at the south end of the port. The PPA is continually coordinating with the local government of Davao for the resettlement of the informal settlers currently occupying the site were these improvement/expansion projects will be undertaken.

At the Port of Maco located in Compostela Valley, an extension of the existing of reinforced concrete wharf is proposed. On the same province, a rock causeway (12 x 15 meters), reinforced concrete wharf (12 x 18 meters) and ro-ro ramp (11 x 12 meters) will be completed at the Port of Pantukan. At the Island Garden City of

Samal, the construction of the rock causeway (12 x 52 meters), reinforced concrete wharf (12 x 18 meters) and roro ramp (11 x 12 meters) are ongoing.

The construction of a roro ramp was recently completed at the Port of Banaybanay in Davao Oriental. Another port in the province is the Port of San Isidro where a concrete causeway and a roro ramp were completed. At the Port of Mati, the reclamation of breather area is proposed. In Davao del Sur, the upgrading of Tuburan Port in Malita, the upgrading of Caburan Port in Jose Abad Santos and the construction of a port facility in Balangonan in Jose Abad Santos are proposed.

**Discussion:**

- i. The PPA is awaiting the formal request from the Office of the Governor of Davao Oriental for the conduct of study for the establishment of a port facility in Baganga in Davao Oriental. The major technical consideration, however, is the safety of maritime service because the area is exposed to the elements of the rough seas of the Pacific Ocean.***
- ii. At present, the preliminary study conducted by PPA on the establishment of a port in Panabo or Tagum City that will connect to the Port of Babak in the Island Garden City of Samal was proven to be expensive in terms of transport cost considering the longer travel time and longer distance which will eventually be charging a higher fare compared to the existing route at Sasa in Davao City. In the long term, however, Panabo City is reserved area for expansion of the international port facility if the Sasa Port is already congested.***
- iii. The financial viability is generally considered by PPA in considering ports investments. At times, priority is given to the construction of a port if instruction is given from the PPA Head Office.***
- iv. The fast-craft ferry service provided by a private operator initially plying the route from Lupon in Davao Oriental to Davao City is currently suspended considering the limited financial viability of the service.***
- v. There is a need to facilitate the conversion from local to national category of the access road to the ongoing Tagpopongan Port Project in the Island Garden City of Samal. The conversion of the local road will permit investments to be undertaken by DPWH XI. The road improvement will also open up opportunities to maximize the utilization of the port facility when completed.***
- vi. The viability in the establishment of a port facility in Tagum City shall consider the recent opening of the Kapalong – Talaingod – Bukidnon Road which shall extend service area of Bukidnon for sea transport of agricultural produce.***

**Action Taken**

***For the Philippine Ports Authority to submit the schedule of the implementation of the proposed port programs and projects in Davao Region.***

## **9. IMPACT OF MIDDLE EAST AND NORTH AFRICAN INTERNAL CONFLICTS ON PHILIPPINE ENERGY SECTOR**

Dir. Manuel M. Llana of the DOE Mindanao Field Office Director gave the Committee the general situation on the impact of the Middle East and North African internal conflicts on the Philippine Energy Sector.

At the outset, Dir. Llana briefed the members of the Committee on the highlights of the Administrative Order No.6 which was signed by the President on 3 March 2011. The AO basically organized the Inter-Agency Energy Contingency Committee (IECC) with the general responsibility of evaluating and enhancing the existing plan in ensuring the supply of energy in times of contingencies including undertaking a comprehensive audit of the available resources of the respective member agencies, validating the viability of the enhancements made to the existing plan, and assess the need to operationalize the proposed contingency plan. The Department of Energy shall be the Chair of the IECC and lead in providing the over-all direction in the enhancement of the existing policies and guidelines. There are eleven (11) other agency - members of the Committee with specific responsibilities.

Dir. Llana emphasized that the present unrest in the Middle East and North Africa is not seen to disrupt the local oil industry since the affected nations are not oil supply sources of the country. The AO is a precautionary measure to ensure that the necessary preparations are in place in the event the situation deteriorates. This is one step of the Government to ensure the continuous, adequate and stable supply of petroleum and other energy sources in the country.

At present, the DOE has prepared an Oil Supply Contingency Plan to address possible fuel supply problems brought about by external supply disruptions. The Plan comprise of phases that will cover the range of preparedness and response (the predict level, the prepare level and the perform level). The first phase or the pre-contingency scenario shall include activities on coordinating and alerting government agencies on developments, monitoring and making up-to-date assessments of the situation. The next phase will require the DOE to undertake preparatory activities in anticipation of a deteriorating situation to a higher level such as supply diversification, building up of oil inventories and foreign exchange, and securing of energy facilities. Finally, at the third phase is the implementation of fuel allocation, rationing and conservation schemes.

### **Discussion:**

- i. A part of the long-term energy plan being pursued by DOE is to continue to look for or explore sources of energy in the country.***
- ii. The City Government of Tagum has explored possibilities of waste-to-energy technology.***

### **Action Taken**

***For the Committee to consider the discussion on the advantages and disadvantages of coal power plant, as well as schedule a forum to formulate or prescribed a mix of various energy sources in Davao Region.***

## 10. ADJOURNMENT


There being no other matters to discuss, the meeting was adjourned 3:10 in the afternoon.

Certified Correct:



**MAE ESTER T. GUIAMADEL**  
Secretary

Attested:



**MARIA LOURDES D. LIM**  
Vice-Chairperson, IDC XI

Approved:



**LOUIE N. RABAT**  
Chairperson, IDC XI and  
Presiding Officer