

DBM FORM NO. 700

**GOVERNMENT CORPORATE OBJECTIVES, PRIORITIES
AND PERFORMANCE MEASURES
BUDGET YEAR 2018**

Department : Office of the President

Corporation : SOUTHERN PHILIPPINES DEVELOPMENT AUTHORITY

PART I. CORPORATE PROFILE

A. LEGAL BASIS OF CREATION :

- **PRESIDENTIAL DECREE 690** DATED 22 APRIL 1975 AS AMENDED BY **PRESIDENTIAL DECREE 1703** DATED 24 JULY 1980 CREATED THE *SOUTHERN PHILIPPINES DEVELOPMENT AUTHORITY (SPDA) AS A GOVERNMENT-OWNED AND CONTROLLED CORPORATION (GOCC)*.
- **EXECUTIVE ORDER 560** DATED 29 AUGUST 2006 REACTIVATED SPDA AFTER THE AGENCY WAS PLACED UNDER A TASK FORCE TO UNDERGO ORGANIZATIONAL ENHANCEMENTS ON MARCH 30, 2003.

B. AREA OF OPERATION/COVERAGE AREA:

SOUTHERN PHILIPPINES SPECIFICALLY MINDANAO (REGIONS IX, X, XI, XII, CARAGA) AND ARMM AREAS

C. AGENCY MANDATES :

Corporate :

1. To promote the development of Southern Philippines by initiating and or undertaking by itself or otherwise, development and/or business projects of corporate and economic in nature whether in agriculture, power, infrastructure, energy, public utilities, land development, manufacturing, exploration and/or utilization of natural resources and other field or projects; and
2. To make investments in any field as would enhance the economic development of the region.

Social :

Peace and Development Initiatives

Section 3 of Executive Order 560 mandates SPDA to be the implementing arm for the Economic Catch-Up Plan on the implementation of the 1996 GRP-MNLF Final Peace Agreement ;

Prior to Executive Order 560, Paragraph 7 of the GRP-MNLF September 2, 1996 Final Peace Agreement placed SPDA under the control and/or supervision of then SOUTHERN PHILIPPINES COUNCIL FOR PEACE AND DEVELOPMENT (SPCPD) as its implementing agency to ensure that peace and development projects and programs are effectively accomplished. Further, Executive Order No. 371 dated October 2, 1996, specifically identified SPDA as one of the developmental mechanism for the Special Zone of Peace and Development (SZOPAD). SPDA was also directed in April, 1993 to package a livelihood program for the critical sector of society in coordination with the Council of Ulamas, hence a program office under the Southern Philippines Rehabilitation and Development Assistance Office (SPRDAO) was created to implement the program.

The Annex on Revenue Generation and Wealth Sharing of the Framework Agreement on the Bangsamoro signed on July 13, 2013, specifically mentioned and included SPDA under IIC that “An Intergovernmental mechanism shall be created to determine the participation of the Bangsamoro in the ownership and management of the Al-Amanah Islamic Investment Bank of the Philippines and the Southern Philippines Development Authority (SPDA).”

D. AGENCY FUNCTIONS AND POWERS :

General : To foster and accelerate the balanced growth of the Southern Philippines for national economic, social and political stability

Specific :

- A. To exercise the powers of a corporation;
- B. To acquire, lease or hold personal and real properties;
- C. To exercise the right of eminent domain;
- D. To contract indebtedness and issue bonds;
- E. To engage or invest or extend loans and guarantees or to enter into joint ventures with Filipino and foreign investors;
- F. To establish subsidiary corporation/s; and
- G. To charge and collect fees

E. STRATEGIC APPROACHES TO DEVELOPMENT AND PROJECT IMPLEMENTATION :

As a catalyst for development, SPDA operates along the following concepts of development :

- Mass Involvement of the people in development process (participative);
- Joint Ventures with the private sector as well as Government agencies and Non-Government organizations/institutions/Public-Private Partnerships (PPP);
- Initiate projects that are pioneering in nature ;
- Divestment from stable and income generating projects to the private sector and the beneficiaries ; and
- Utilization of income and profit for economic growth and development and in support of required social concerns and innovations

F. AGENCY HISTORY :

- SPDA was established in 1975 as a government-owned and controlled corporation attached to the Office of the President of the Republic of the Philippines.
- The Authority was created from the consolidation of the different agencies and offices of the Executive Department mandated to pursue peace and development efforts in the Southern Philippines, namely; the Mindanao Development Authority (MDA), the Presidential Committee for the Rehabilitation and Development of Southern Philippines (PCRDSP), the Presidential Task Force for the Rehabilitation and Development of Mindanao (PTF-RadMin), the Commission on National Integration (CNI) and the Special program of Assistance for the Rehabilitation of Evacuees (SPARE).
- In 1980, SPDA was mandated to undertake the following large-scale peace and developmental projects in different areas of Mindanao, particularly, areas affected by the civil strife between the GOP and the Muslim dissidents by virtue of Presidential Proclamations 2046 and Letter of Instructions 1061 and 1127 issued in 1980, 1981, and 1982 :
 1. Basilan Fishpond Project in Panigayen Island, Isabela, Basilan Region IX (now ARMM)
 2. Vitali Fishpond Project in Vitali, Zamboanga City, Region IX
 3. Naawan Prawn Hatchery Project in Naawan, Misamis Oriental, Region X
 4. Liguasan Marsh Development Project in Pikit, North Cotabato, Region XII
 5. Kapatiran Agro-Industrial Cooperative Settlement Project in

Wao and Bumbaran Municipalities, Lanao del Sur, ARMM

6. Lake Buluan Development Project in Buluan, Maguindanao, ARMM

7. Maharlika Resettlement Project in Buldon, Maguindanao and Pigcawayan, North Cotabato

- SPDA became a member of the Mindanao Economic Development Council (MEDCO) to promote and coordinate the active participation of all sectors to effect socio-economic development in Mindanao by virtue of Executive Order 512 dated March 19, 1992. With the conversion of MEDCO to the Mindanao Development Authority (MinDA) on February 6, 2010, SPDA's membership in the Board was maintained;
- In 1994, SPDA was directed by the Office of the President to spearhead the formulation of the Master Plan for the Arakan Valley to undertake development of rubber and palm oil plantation and processing plants in Arakan Valley, North Cotabato and also in Sultan Kudarat and Agusan del Sur;
- To further enhance the development functions of SPDA, it was attached to the Presidential Committee on Flagship Programs and Projects of the Office of the President by virtue of Executive Order 13 dated August 17, 1998. Projects under the Flagship with SPDA as a member of the technical Task Force included the Mindanao Railway System and the Panguil Bay Bridge;
- On 2 May 2002, SPDA was mandated by virtue of Executive Order 98 to make available some of its properties for socialized housing, hence, SPDA undertook coordinations and established public partnerships with the HUDCC, NHA, HLURB, PUP and the LGUs to develop socialized housing projects;
- As a catalyst for development, SPDA pioneered in the following business ventures :
 - Prawn Hatchery Project in Naawan, Misamis Oriental established in 1982
 - Production of Organic Fertilizer established in Davao City with satellite production areas in Cotabato utilizing enzymes and mutants and organic wastes established late 80's
 - Production of coco coir fiber and mats established in the 80s in Oroquieta, Misamis Occidental
- To harness the private sector efforts in development, SPDA initiated public-private partnership through joint ventures for the following :
 - Production of feeds through the Integrated Feedmill in Davao City established in the 1980s
 - Housing – SPDA Wellsprings Village in Catalunan Pequeño, Davao City (Phase I in 1983, Phase 2 in the 90s)

Broiler production through contract growing with the Monte Maria Poultry Farm
in the 80s

Pikit Ice Plant in Pikit, North Cotabato and Kapatagan Ice Plant in Kapatagan,
Lanao del Norte

Northern Mindanao Ceramics in Cagayan de Oro City

De Oro Sack factory in Cagayan de Oro

Mindanao Textile in Maguindanao

- With the creation of the Governance Commission on Government-Owned and Controlled Corporation (GCG) on July 2011, by virtue of RA 10149, SPDA as a GOCC was included among those corporations under the oversight of GCG. GCG monitor, assess the performance of the GOCC and make recommendations to the President of the Philippines.
- Inclusion of SPDA in the Comprehensive Agreement on the Bangsamoro (CAB) was signed on March 27, 2014.