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Metropolitan Arrangements in the Philippines: Passing Fancy or the Future Megatrend

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October 1998
METROPOLITAN ARRANGEMENTS IN THE PHILIPPINES:
PASSING FANCY OR THE FUTURE MEGATREND?

An Inquiry Into the Evolution and Dynamics of Metropolitan Arrangements in the Philippines Under a Decentralized Regime

Ruben G. Mercado and Rosario G. Manasan

“In the next century, human progress will hinge on the metropolitanization of the majority of the world’s population, transformation of the old models of metropolitan development and planning, and the elimination of urban inequality…What is needed is a new way of thinking about the metropolis and urban planning based on the idea that the metropolis is progressive and desirable and not a plague to the humanity…The new way of thinking should project the current trends of metropolitan development into the twenty-first century, not as fantastical futuristic visions but as sane scientific assessments of the laws that govern metropolitan development, and that permit us to consciously guide that development.”


1. Introduction

The country’s drive towards becoming a more modern and globally competitive economy and the continued pursuit of the policy of “national dispersion through regional concentration” have revitalized large cities and eventually stirred them to expand their physical area for planning as well as their service area for urban service delivery. Noteworthy in recent years is the emergence of new “metropolises” found in almost every region of the country. A local traveler may be surprised to hear that a city he has always been accustomed to, now has the word “metro” preceding its name. A tour in these new “metropolises” will reveal, however, that they do not show yet the metropolitan complexion, i.e. population and built structures, the term “metro” usually connotes.

Metropolis vs. Metropolitan Arrangements

Angotti (1993) in writing a modern day perspective on metropolitanization in the world has suggested a general rule-of-thumb in defining a metropolis by referring to it as a large urban settlement with at least one million population. A city is different from a metropolis as the former is only a medium-sized settlement with a population between 100,000 and one million. Also a unique feature of a metropolis is that its geographical area usually extends across several local government boundaries.

Applying the above definition to known metropolises in the country today would only qualify Metro Manila, Metro Cebu and Metro Davao. Metropolitan arrangement is a term being introduced in this paper to define or classify other...

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1 Research Associate and Research Fellow, Philippine Institute for Development Studies, respectively.

2 There is no strict universal definition of a metropolitan area such that metropolises in the world vary in terms of population and area size. Neither is there a formal definition in the Philippines. More recently, however, with the emergence of relatively big metropolises in the world the United Nations has defined some metropolises as megalopolises which pertain to big cities or metropolises having a population of 8 million and over (ADB, 1994).
metropolises which do not pass the theoretical standards of population and urban criteria to be called a metropolis but, nonetheless, functionally behave as such. Operationally defined, a *metropolitan arrangement* is where a highly urbanized city and the local government units contiguous with it enter into a cooperative venture in planning and implementing urban development activities.

The formation of metropolitan arrangements have emerged mostly in the 90s. With many of these arrangements being established, this paper asks: Is this just a fleeting phenomenon given the recent emphasis placed worldwide on mega-cities? Or, is this a prelude to future trend in the management of the urban environment in the 21st century Philippines? If there are significant benefits to this form of geopolitical cooperation, how can these be strengthened and enhanced as an alternative mechanism for effective and efficient urban service delivery?

2. Context of Inquiry

Interwoven in the above cited broad inquiry is an examination of the issues surrounding the evolution, appropriateness, effectiveness and sustainability of these arrangements. It may be worthwhile to consider these issues in the light of current socio-economic and political development in the national and in the global scene.

2.1 Rapid Urbanization

The rate of urban growth in the Philippines, which posted 5.1 for the intercensal years 1980 to 1990, is considered one of the highest in the developing economies of Asia (Table 1). As it is true for its ASEAN neighbors, its urbanization rate is more than double the national population growth rates. The source of this growth has been recognized to be influenced by a mixture of factors including history, geography, sectoral, macroeconomic and explicit spatial policies influencing the development of urban areas (NEDA, 1996).

The 1990 Census of Population and Housing revealed that the Philippines is 48.4 percent urban. Projection for 1995 showed the share of population in the urban areas to be 54.1 percent or about 38 million out of the 69 million total population (Gonzales, 1997). This represents a high growth rate of 4.6 almost double the national growth rate of 2.45 for the period 1990-1995. The proportion of urban population is expected to increase its share of the national population as the country’s economic production will be generated mostly in the urban areas following the anticipated increasing shares of the industry and services sectors.

2.2 The Advent of Metropolises and Megalopolises

The rise of metropolises and the emergence of megalopolises are contemporary urbanization phenomena that have taken place in many countries of the world. The former refers to the process whereby a city expands its influence to surrounding cities and towns forming an urban region or conurbation\(^3\) more commonly known as a

\(^3\)Serote (1994) quotes the Dictionary of Social Sciences in defining “conurbation” as a “large geographical area, extending across several local government boundaries, forming in socio-economic terms a single continuous urban region”. He further explains that the term metropolis, comes from two
metropolis or metropolitan area. The latter phenomenon is when a metropolis grows further in terms of population and creates an expanded metropolis forming a megalopolis, a term first used by Jean Gottman to call a spatial system consisting of several metropolitan areas (Serote, 1994).

Table 1
Urbanization in Selected Asian Countries, 1990

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total Growth Rate 1980-1990</td>
<td>As % of Total</td>
</tr>
<tr>
<td>Philippines</td>
<td>61</td>
<td>300</td>
<td>203</td>
<td>2.4</td>
<td>49</td>
</tr>
<tr>
<td>Thailand</td>
<td>56</td>
<td>513</td>
<td>109</td>
<td>1.8</td>
<td>23</td>
</tr>
<tr>
<td>Indonesia</td>
<td>178</td>
<td>1905</td>
<td>93</td>
<td>1.8</td>
<td>31</td>
</tr>
<tr>
<td>Malaysia</td>
<td>18</td>
<td>330</td>
<td>54</td>
<td>2.6</td>
<td>43</td>
</tr>
<tr>
<td>Vietnam</td>
<td>66</td>
<td>330</td>
<td>200</td>
<td>2.1</td>
<td>22</td>
</tr>
<tr>
<td>S. Korea</td>
<td>43</td>
<td>99</td>
<td>434</td>
<td>1.1</td>
<td>72</td>
</tr>
<tr>
<td>Japan</td>
<td>124</td>
<td>378</td>
<td>328</td>
<td>0.6</td>
<td>77</td>
</tr>
</tbody>
</table>

In the Philippines, the occurrence of these phenomena is very much pronounced in recent years. Metro Manila is now part of the world map of current megalopolises or mega-cities (ADB, 1994/1995). Having reached more than eight million population in 1990, it has graduated from a metropolitan status. Lately, some of the highly urbanized cities have been gradually taking on a metropolitan character in terms of increasing population and the presence of relatively complex urban systems including modern transport and communication infrastructure, expanding residential areas resulting in an intricate daily commuting pattern and sophisticated commercial and trading activities. Other cities, while still far from being considered a metropolis, are gradually following suit through shaping either of a formal or an informal metropolitan arrangement among the concerned local government units. The transformation of these cities to metropolises finds basis in the expectation of their likely metropolitan destiny aside from perceived benefits that can be derived from such aggregation.

2.3 Metropolitan Arrangements: Decentralization or Re-centralization?

Article X Section 13 of the 1986 Constitution provides the prime basis for any intergovernmental or metropolitan arrangement. It states:

“Local government units may group themselves, consolidate or coordinate their efforts, services and resources for purposes commonly beneficial to them in accordance with law”.

The 1991 Local Government Code further strengthened this under Chapter 3 Section 33:

Greek words: metro meaning “mother” and polis meaning city. It is descriptive of a “mother city giving birth as it were to daughter cities and together forming a large city that is several times bigger than the original one in terms of land area and population”.

3
“Local government units may, through appropriate ordinances, group themselves, consolidate or coordinate their efforts, services, and resources for purposes commonly beneficial to them. In support of such undertakings, the local government units involved may, upon approval by the sanggunian concerned after a public hearing conducted for the purpose, contribute funds, real estate, equipment, and other kinds of property and appoint or assign personnel under such terms and conditions as may be agreed upon by the participating local units through Memoranda of Agreement.”

While these provisions provide the legal basis for some intergovernmental structure which can then be applied to a metropolitan arrangement, the creation of such a structure is feared by some as a form of re-centralization or, at the very least, a threat to the autonomy of local government units (LGUs). Metropolitanization would, in effect, make LGUs give up some of the greater and broader powers and functions they have been accorded in the new Local Government Code. In addition, lesser LGUs may consider such metropolis formation as a form of annexation and may fear that they will lose their identity as a distinct local entity.

Some view, however, that metropolitan arrangements strengthen decentralization rather than encourage re-centralization when its formation is viewed or caused primarily by the LGUs themselves. Moreover, such metropolitan formation strengthens decentralization to the extent that it allows for a subnational level government as against central government provision of services characterized by economies of scale and externalities. Thus, metropolitan arrangements must not be viewed as a re-centralization movement but rather a refinement of the decentralization thrust.

2.4 Metropolitan Arrangements vis-a-vis Political Preferences

From the standpoint of a more integrative development planning, the rationale behind undertaking metropolitan arrangements in the country emanates from the benefits that could be derived from scale economies and the spillovers of service between administrative or political jurisdictions. This is true particularly of urban services that can be provided more effectively and efficiently if they are jointly planned and delivered by more than one LGU like traffic management, water supply, treatment and storage, solid waste management, land use planning, among others. While this is arguably a justifiable option, the choice of the type of organizational structure may be difficult to determine considering that LGUs have equal political legitimacy. Thus, competition and antagonism may sometimes hinder a workable and sustainable working relationship or moreso, a more formal metropolitan arrangement.

3. Purpose and Scope of Study

This paper provides a broad inquiry into the evolution and dynamics of metropolitan arrangements in the Philippines. Specifically, the objectives of the study are:

1) To document the evolution of the various metropolitan arrangements in the country and evaluate their future prospects;
2) To determine the various functional areas where metropolitan arrangements have been or can be effective and efficient in the delivery of urban services;
3) To identify and analyze problems confronting these groupings in the area of institutional strengthening and coordination, finance, management operations and local autonomy; and
4) To propose policy reforms regarding these arrangements, both metropolis-specific and metropolises in general.

Eight metropolitan arrangements are considered in this study: Metro Manila, Metro Naga, Metro BLIST (formerly Metro Baguio), CAMADA (formerly Metro Dagupan), Metro Cebu, Metro Iloilo, Metro Cagayan de Oro and Metro Davao. While there are other metropolitan arrangements that are known to be emerging (e.g. Metro Urdaneta, Metro General Santos, Metro Iligan etc.), the study limits itself only on those which already have a formal institutional arrangement or are in an advanced stage of evolving one. The insights and perspectives put forward in this study profitted very much from formal and informal discussions with regional government officials and local executives in these areas.

4. Characteristics of Current and Emerging Metropolitan Arrangements

4.1 Demographic and Geographic Features

Table 2 provides a general picture of the eight metropolitan arrangements as to their demography and geography.

Expectedly, the general composition of a metro arrangement is a city plus the neighboring municipalities. However, it would be noted that variations exist in the number of geopolitical units involved in the arrangement. The number of cooperating LGUs range from 3 to 17. Metro Davao is a special case where there are at least three definitions that have evolved. One is a Metro Davao that is synonymous to Davao City. Second, Metro Davao that encompasses Davao City and the neighboring municipalities of Panabo and Sta. Cruz. Third, a Metro Davao referring to Davao City and the three provinces surrounding it namely, Davao del Norte, Davao del Sur and Davao Oriental.

It may seem not easy to make a generalization on the relationships of the various features of the metropolitan arrangements. One would expect that the population and area size of the metropolis would be positively correlated with the number of local political units included in the metropolitan composition. In other words, the expectation is that the greater the number of LGUs in the arrangement the bigger population and area size of the constituted metropolis.

Results of the correlation analysis (Table 3) showed that metropolitan area is significantly related positively to the land area of the city and non-city areas and insignificantly related to the number of LGUs comprising it. Metropolitan population, on the other hand, as expected is positively related significantly to the population of city and non-city areas as well as to the number of LGUs. It is interesting to find out also that a negative relationship is shown by the city area and the number of LGUs. In other words, the bigger the capital city, the fewer LGUs are involved and, conversely, the smaller the city, the more LGUs are involved in the metropolitan arrangement. Whether this is related more to either a political or an economic function remains an empirical issue.
Metropolitan Arrangements in the Philippines
Another observation is that there is a close association of the largeness of the metropolitan areas under study and the area contributed by the non-city LGUs in the metropolitan composition. These non-city LGUs account for a sizeable share in the total land area of the metropolis, about more than half of the total metropolitan area (Figure 1). On the contrary, the same graph shows that the share of the city area to the overall size of the metropolitan area is relatively small. In all of the metros under study except Metro Manila and Metro Cebu, the share of the mother city comprise only less than a third of the total metropolitan area.

### Table 2

**Metropolitan Arrangements: Composition, Land Area and Population**

<table>
<thead>
<tr>
<th>METRO</th>
<th>Composition</th>
<th>Land Area</th>
<th>Population</th>
<th>Growth Rate 1990-95</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>City</td>
<td>Municipality</td>
<td>Province</td>
<td>Politico-Admin. Units</td>
</tr>
<tr>
<td>Manila</td>
<td>10</td>
<td>7</td>
<td>17</td>
<td>633.21</td>
</tr>
<tr>
<td>CAMADA</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>147.50</td>
</tr>
<tr>
<td>BLIST</td>
<td>1</td>
<td>4</td>
<td>5</td>
<td>973.34</td>
</tr>
<tr>
<td>Naga</td>
<td>1</td>
<td>14</td>
<td>15</td>
<td>1257.67</td>
</tr>
<tr>
<td>Cebu</td>
<td>3</td>
<td>7</td>
<td>10</td>
<td>922.98</td>
</tr>
<tr>
<td>Iloilo</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>207.80</td>
</tr>
<tr>
<td>CDO</td>
<td>1</td>
<td>15</td>
<td>16</td>
<td>3841.71</td>
</tr>
<tr>
<td>Davao 1*</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>2724.61</td>
</tr>
<tr>
<td>2**</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>20817.86</td>
</tr>
<tr>
<td>3***</td>
<td>1</td>
<td>4</td>
<td></td>
<td>2211.30</td>
</tr>
</tbody>
</table>

* Davao City only  
** Total of Davao City, Panabo and Sta. Cruz  
*** Total of Davao City, Davao del Norte, Davao del Sur and Davao Oriental

### Table 3

**Correlation Matrix of Metropolitan Geographic, Political and Demographic Features**

<table>
<thead>
<tr>
<th>Features</th>
<th>NLGU</th>
<th>MAREA</th>
<th>MPOP</th>
<th>MDEN</th>
<th>CPOP</th>
<th>CAREA</th>
<th>NCAREA</th>
</tr>
</thead>
<tbody>
<tr>
<td>LGU Composition (NLGU)</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metro Land Area (MAREA)</td>
<td>-0.183</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metro Population (MPOP)</td>
<td>0.468</td>
<td>0.140</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metro Density (MDEN)</td>
<td>0.492</td>
<td>-0.224</td>
<td>0.912</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital City Population (CPOP)</td>
<td>0.112</td>
<td>0.266</td>
<td>0.823</td>
<td>0.643</td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital City Area (CAREA)</td>
<td>-0.535</td>
<td>0.588</td>
<td>-0.044</td>
<td>-0.338</td>
<td>0.469</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>Non-City Area (NCAREA)</td>
<td>-0.167</td>
<td>0.994</td>
<td>0.129</td>
<td>-0.224</td>
<td>0.226</td>
<td>0.539</td>
<td>1.000</td>
</tr>
</tbody>
</table>

* Pearson correlation coefficient close to 1.000 signifies strong positive relationship. Negative coefficient signifies inverse relationship between variables.

The demographic and geographic differentiation between city and non-city areas can be seen as creating a development balance. For instance, the largeness of the non-city area can be a potential expansion area for the limited capital city while the demographically large city can be seen as a big potential market for non-city products and services. Such symbiosis and development complementarities would of course
prove workable depending largely on how well the metropolitan arrangements are effected.

Figure 1
Share of City and Non-City Areas to Total Metropolitan Area

4.2 Genesis of Metropolitan Arrangements

Table 5 briefly outlines the historical precedents of the various metropolitan arrangements under study. With the exception of Metro Manila, the formation of metropolitan arrangements are events of the 90s. One can glean from their unique experiences a variety of factors that cause their formation. Conveniently, these can be generalized into four major precursors.

4.2.1 Common Pressing Local Concern

The formation of Metro BLIST, CAMADA and Metro Naga is preceded by pressing concerns. The damage left by the strong quake that hit the regions of Northern Luzon in 1990 has paved the way for LGUs to more closely interact and view future development in a more integrated fashion. The disaster has facilitated the development plan of Metro Baguio which eventually, upon consultation with the surrounding municipalities of Benguet Province, became the foundation of the Metro BLIST (Baguio, La Trinidad, Ito gon, Sablan and Tuba) area. The same experience holds true for Dagupan City, Calasiao and Mangaldan in the province of Pangasinan. Originally conceived as Metro Dagupan, a Master Plan has been prepared this time with a new name, CAMADA as agreed by the mayors of these areas. In the case of Metro Naga, the shortage of oil products during the Gulf War gave reason for Naga City and surrounding municipalities to work together in resolving the issue of gas sourcing and allocation.
Table 5
Factors Leading to Formation of Metropolitan Arrangements

<table>
<thead>
<tr>
<th>Metropolitan Arrangement</th>
<th>Socio-Economic, Political and Institutional Precursors</th>
<th>Year/Period Initiated</th>
</tr>
</thead>
</table>
| Manila                   | Need to consolidate services transcending local jurisdictions: Formed ad-hoc bodies: Metropolitan Health Council, Fire Protection Organization, Inter-Police Coordinating Council and metropolitan Mayors Coordinating Council
National leadership gave central role to Metro Manila in its national development strategy.
Multiplicity and combination of LGUs in and around the metro area with varying and often conflicting laws and regulations.
Problem of coordination of services between and among national agencies and LGUs.
Various forms of structures evolved namely, Metro Manila Commission, (MMC was in an institutional drift)
Metro Manila Authority (interim body created through an Executive Order until Congress enacts required law) – creation brought about by problems of garbage and traffic as a result of MMC’s institutional drift
Metro Manila Development Authority (with the passage of RA 7924). |
|                          |                                                     | 1960s                 |
| CAMADA                   | Need for coordinated planning and infrastructure development following the July 1990 earthquake. Master (Structure) Plan prepared as part of Earthquake Rehabilitation Programme in 1994. |
|                          |                                                     | 1993                  |
| BLIST                    | In the first Development Plan of the newly established Cordillera Administrative Region, Metro BLIST was identified as a major growth area
Master Plan preparation for BLIST development was facilitated by the July 1990 earthquake. Master Plan finished in 1994 |
|                          |                                                     | 1988                  |
| Naga                     | Gas shortage as a result of the Gulf War led mayors of Naga City and surrounding municipalities to initiate informal interactions on the immediate issue of gas sourcing and allocation.
Mayors later signed memorandum of Agreement to undertake planning and resource sharing on broader development concerns.
Executive Order 102 issued formally creating the Metro Naga Development Council for it to access national funds. |
|                          |                                                     | 1992                  |
|                          |                                                     | April 1993, July 1993 |
| Cebu                     | Foreign assisted project helped formulate a program for the development of Central Visayas where Metro Cebu was first identified as a growth and planning area. A development project (mostly infrastructure) for Metro Cebu was carried out and being implemented to date.
RDC VII passed a resolution creating the Metro Cebu Development Council (MCDC) |
<p>|                          |                                                     | 1980s, 1997           |</p>
<table>
<thead>
<tr>
<th>Region</th>
<th>Description</th>
<th>Year(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iloilo</td>
<td>A group of noted businessmen and influential individuals in Iloilo first floated the concept of a Metro Iloilo in anticipation of future city growth and expansion. Political support was not strong. Mayors of Iloilo City, Pavia, Oton and Leganes met to identify areas of cooperation. A draft Memorandum of Agreement has been prepared for the creation of Metropolitan Iloilo Development Council to undertake the activities under these identified areas.</td>
<td>1992, 1996</td>
</tr>
<tr>
<td>CDO</td>
<td>First introduced as a project called Metro CDO Special Development Project approved by NEDA Board in 1990 with the Cagayan de Oro-Iligan Corridor (CIC) as a major component. Lull in the development of Metro CDO due to greater focus placed on CIC led to new proposal for comprehensive Master Planning of Metro CDO.</td>
<td>1990, 1996</td>
</tr>
<tr>
<td>Davao</td>
<td>Davao City proposed for a comprehensive development of their area packaging it as a Metro Davao Development Project. The Regional Development Council XI proposed instead a larger development scale to encompass all the Davao provinces and packaged it as the Davao Integrated Development Program (DIDP). Memorandum of Agreement signed by Davao City Mayor and Governors of Davao, and Davao del Sur for the implementation of the DIDP. MOA later amended to include Davao Oriental.</td>
<td>1993, July 1994, October 1994</td>
</tr>
</tbody>
</table>

### 4.2.2 Regional Development Strategies and Programs

Metro Cebu, Metro CDO and Metro Davao find their origin from regional or area development strategies and spatial studies. As a start, the Regional Cities Development Project included Cebu, Davao and Cagayan de Oro as major targets for development. In view of the important infrastructures projects undertaken in these major cities, strategies for regional development have given them key roles for the growth and development of their respective regions. The influence of these cities have expanded beyond their boundaries such that development planning has led them to take on a new status as a metropolitan center integrating them with the nearby cities and provinces. The Central Visayas Regional Program (CVRP) first defined Metro Cebu as a planning area and that takes center stage in the infrastructure component of the program. Under the CVRP, the Metro Cebu Development Project (MCDP) is already at its fourth term starting in 1983 implementing road projects in the areas defined as Metro Cebu by CVRP. Metro Cagayan de Oro, on the other hand, was a product of the integrated area development (IAD) approach which was a development planning strategy fashionable during the Aquino Administration. While the National Council on Integrated Area Development (NACIAD) was abolished during this period, IAD as a planning tool has been carried over and reinvented through the
Special Development Programs (SDPs). The Metro CDO was packaged as an SDP of which the Cagayan de Oro-Iligan Corridor (CIC) Project is a major component. Efforts in the implementation of the SDP were focused more on the development of infrastructure links between Metro CDO and Iligan. Such realization has given impetus recently in looking more on the needs of the defined metropolitan area hand in hand with the development of the CIC region. While originally a Davao City initiative, the Metro Davao now that is being recognized has metamorphosed as a subregional growth area with its development in the context of the Davao Integrated Development Program (DIDP). This is in view of the expected joint undertakings and complementation of efforts by the city and the three provinces to develop the whole of Davao as a tourist and investment area considering big tourism projects already in the pipeline as well as the area’s major role in the East ASEAN Growth Polygon. The beginnings of Metro BLIST and CAMADA (though actual development was facilitated more by the effects of the 1990 earthquake) can also be traced to its identification as major components of the North West Luzon Growth Quadrangle (NWLGQ). The NWLGQ is an interregional development strategy envisioned for Regions I and CAR. Metro BLIST and CAMADA compose the East Quad and South Quad (CAMADA-Sual-Bolinao Growth Corridor) of the entire quadrangle, respectively.

4.2.3 Deliberate National Policy and Constituency Approval

Metro Manila is the only metro area that came about because of a conscious policy decision at the national level. Metro Manila is not only a metropolis but is also the National Capital Region. Such title for a region carries with it a distinction of importance as the economic, social, cultural, educational and political center of the nation. The needs of metropolitan Manila is a priority concern of the national leadership. This concern for the metropolis hinges on two major considerations. The first is on how to improve public services in the areas geographically embracing the center of government. Existing problems of inefficient and uncoordinated services as well as future challenges posed in these areas in the face of rapid urbanization have caught the attention of the national leadership. The other related consideration is the need to develop a region to serve as the showcase for the country’s drive for modernization consistent with its export-oriented national development strategy. These concerns brought the Marcos leadership to issue Memorandum Order No. 314 dated November 10, 1972, creating an Inter-Agency Committee on Metro Manila to “study the systems of municipal/city government in metropolitan Manila and to recommend whatever measures of coordination and integration are deemed appropriate” and to “study the functions and responsibilities of the National Government in the metropolitan area, and to recommend whatever changes in structure and interrelation with municipal governments are deemed appropriate”. The committee proposed for the creation of a Metropolitan Manila Authority under the Office of the President through a promulgation of a Presidential decree. A referendum was called for to get the people’s support to legalize the compositional definition of Metro Manila and to give the President the authority to create a new administrative structure for NCR. Eventually, with the positive response by the people, Presidential Decree (PD 824) was issued in 1975 which defined the composition of Metro Manila and created the Metro Manila Commission (MMC). Executive Order 392 was issued by President Corazon Aquino in 1990 replacing
MMC with Metropolitan Manila Authority (MMA). Then in March 1995, Congress enacted a law creating the Metropolitan Manila Development Authority (MMDA) replacing MMA clothed with more powers and authorities than the previous metro body.

4.2.4 **Local Initiative**

Metro Iloilo and Metro Naga are examples of local or subregional initiatives. The germ for the creation of Metro Iloilo came from influential city locales and eventually supported by some local officials of Iloilo City and the three surrounding municipalities which have a stake in a metropolitan arrangement.

In the case of Metro Naga, the establishment of the metro arrangement was principally bolstered by the leadership of the mayor of Naga City. With Naga City’s leadership, the initial discussion on the gas shortage as a result of the Gulf War eventually led to broader concerns and towards the identification of potentials for future cooperation paving the way for the creation of the Metro Naga Development Council.

4.3 **Organization and Financing of Metropolitan Arrangements: Variations and Commonalities**

Table 6 outlines the various organizational structures and sources of financing of the eight metropolitan arrangements in the country.

Only three of the eight metropolitan areas under investigation already have their respective policy and management structures in place. These are Metros Manila, Naga and Davao. Metro Manila and Metro Naga are supported by a congressional law and presidential issuance, respectively, while Metro Davao was established through a memorandum of agreement by and between local government officials. Majority are still in the process of forming their metro bodies and are biased for an authority type of management leadership although local leadership is emphasized particularly in the chairmanship and composition of the executing council. The formation of the Metro Cebu Development Council is the most recent among the organizations that have been formed. A lot still have to be done to get things more organized internally as well as clarify its linkages with the regional and local structures and institutions.

Except for Metro Manila, all metropolitan arrangements are primarily locally led. The provincial governors and mayors of the cities and municipalities of the cooperating area comprise the highest decision-making group in the organizational hierarchy of the metropolitan body. Although it has been shown in the preceding discussions that while many of the existing metropolitan arrangements were not mostly local initiatives, the management and sustainability of the arrangement depend largely on the zeal and full cooperation of the local government units involved. This does not only pertain to their crucial role in steering the development direction of their area but similarly important to their commitment to sustain the established arrangement through their agreed financial contribution. All metropolitan arrangements have local fixed contribution which is usually a certain percentage of the LGU’s internal revenue allotment. For Metro Davao3, LGUs provide equal share
of P300,000 as initial funding requirements for the program and the operation of the management structure. However, in the case of Metro Manila and Metro Naga, on top of the local fixed contribution, they are provided annual appropriations from the national government budget.

### Table 6
Organizational Types and Financing of Metropolitan Arrangements

<table>
<thead>
<tr>
<th>Metro</th>
<th>Existing Organization</th>
<th>Proposed Organization</th>
<th>Basis / Support</th>
<th>Participants</th>
<th>Source/s of Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manila</td>
<td>Metro Manila Development Authority</td>
<td></td>
<td>Republic Act</td>
<td>National / Local</td>
<td>National Allocation/ Local Fixed Contribution/ Fees/Fines Collection</td>
</tr>
<tr>
<td>CAMADA</td>
<td>Under Study</td>
<td>CAMADA Master (Structure) Plan</td>
<td>Under Study</td>
<td>Under Study</td>
<td>Under Study</td>
</tr>
<tr>
<td>BLIST</td>
<td>Short Term: Consultative Forum</td>
<td>BLIST Master (Structure) Plan</td>
<td>Local</td>
<td>Under Study</td>
<td>Under Study</td>
</tr>
<tr>
<td>Naga</td>
<td>Metro Naga Development Council</td>
<td>Executive Order</td>
<td>Local</td>
<td>National Allocation/ Local Fixed Contribution</td>
<td></td>
</tr>
<tr>
<td>Cebu</td>
<td>Metro Cebu Development Council</td>
<td>RDC Resolution</td>
<td>Regional</td>
<td>MCDP Project Funds/ To be determined</td>
<td></td>
</tr>
<tr>
<td>Iloilo</td>
<td>Metro Iloilo Development Council</td>
<td>Memorandum of Agreement</td>
<td>Local</td>
<td>Local Fixed Contribution</td>
<td></td>
</tr>
<tr>
<td>CDO</td>
<td>Under Study</td>
<td>Metro CDO Master Plan (on-going)</td>
<td>Under Study</td>
<td>Under Study</td>
<td></td>
</tr>
<tr>
<td>Davao</td>
<td>DIDP Board/ Committee/ Management Office</td>
<td>Memorandum of Agreement</td>
<td>Local</td>
<td>Local Fixed Contribution</td>
<td></td>
</tr>
</tbody>
</table>

#### 4.4 Development Activities Undertaken Under the Metropolitan Arrangements

Table 7 lists the broad areas of concern considered or proposed to be undertaken by the established and the soon to be instituted metropolitan arrangements. There are some disparities in the activities undertaken by each metropolitan arrangement. This is expected considering the diversity in the conditions and priority for coordinated effort of each area. For instance, only Metro Davao and Metro Baguio have included tourism as part of its major concern in view of its significant
role in the development goals of their area. Interestingly, the concerns of Metro Manila and Metro Cebu are exactly the same inasmuch as the latter views their present and future needs for integrated planning and service delivery as or would be similar to those of the former (at least from the point of view of the proponent of the MCDA bill). In general, though, there are concerns which seem to be common to all. These are in the areas of development planning, solid waste management, and transport and traffic management. It is in these areas that MMDA considers its biggest challenge at present. It is worthy to note that the other emerging metropolises have included these concerns, as they are already confronted with some of these concerns (e.g. traffic in Davao and Cebu, solid waste management, etc.) and/or to prepare them for a similar challenge in the future.

Table 7
Development Activities Undertaken/Proposed to Be Undertaken Under the Metropolitan Arrangement

<table>
<thead>
<tr>
<th>Metro</th>
<th>Concern/Activity/Program</th>
</tr>
</thead>
</table>
| Manila | Development Planning  
Solid Waste Disposal and Management  
Flood Control and Sewerage Management  
Urban Renewal, Zoning and Land Use Planning and Shelter Services  
Health and Sanitation, Urban Protection and Pollution Control  
Public Safety |
| CAMADA | Development Planning (socio-economic, land use and environment)  
Transport and Traffic Management  
Flood Control and Drainage Improvement  
Solid Waste Management  
City/Town Centers Upgrading  
Housing/Resettlement  
Education  
Health  
Telecommunications  
Water Supply |
| BLIST | Solid Waste Management  
Transport and Traffic Management  
Tourism  
Water Supply |
| Naga | Development Planning  
Equipment Pool Program  
Elderly Service  
Emergency Rescue  
Enterprise Development  
Manpower Development and Employment  
Water Supply  
Health Services Support |
| Cebu | Development Planning  
Transport and Traffic Management  
Solid Waste Disposal and Management  
Flood Control and Sewerage Management  
Urban Renewal, Zoning and Land Use Planning and Shelter Services  
Health and Sanitation, Urban Protection and Pollution Control  
Public Safety |
In Metro Cebu, transport and traffic management is one of the topmost priority concerns. Although the traffic situation may not be as severe as Metro Manila, Metro Cebu is confronted with traffic congestion in some major sections of the metropolis and if existing road situations are not improved, i.e., unless new road constructions and/or road expansions are undertaken in the future, all of these road sections will be totally clogged with increasing traffic demand by the year 2000. Table 8 shows past and future traffic demand and how this translates in selected road sections of Metro Cebu. Metro Cebu’s traffic demand will continue to experience rapid rate of growth of over three percent towards the next century. By then, its major road sections have reached beyond their full capacity as revealed by the computed congestion ratios.

For Metro BLIST, one of the most daunting challenges is the provision of adequate water supply. The current water supply measured by the average liters per capita demand (LPCD) for the area is still below the standard of 220 liters. Table 9 further highlights the water production requirements to raise the present water supply level to such standard. Strategies to address this issue include the need to reduce system leakage and the metering of previously unmetered connections.

The problem of water supply is not only in the production aspect but more critically in the distribution within the area of the metropolis. The most affected is Baguio City whose topography constrains it to yield much water from the city’s site itself and moreso makes water distribution technically difficult and expensive to manage. The situation is complicated by an institutional problem. The Baguio Water District is perceived to exploit water resources in neighboring areas but does not have

| Iloilo | Development Planning  
| Transport, Traffic Engineering and Management  
| Environmental Sanitation, Waste Management and Disposal System  
| Flood Control and Sewerage Management  
| Urban Renewal, Land Use and Zoning and Shelter Services  
| Networking of Economic Support Infrastructure  
| Public Safety, Maintenance of Peace and Order, Disaster Management  
| Trade and Investment Promotion  
|  
| CDO | Traffic Management  
| Water Supply  
| Solid Waste Disposal and Management  
| Infrastructure Development (Roads, Highways, Seaport, Airport)  
| Livelihood Program  
| Health  
|  
| Davao | Short Term:  
| Infrastructure Development  
| Tourism  
| Peace and Order  
| Long Term:  
| Industrial Estate Development  
| Power Generation  
| Telecommunication  
| Mass Transport  
| Sustainable Natural Resource Development  
| Human Resource and Technology Development  
|
the responsibility of serving the needs of areas outside of Baguio City. This led to serious conflicts in recent years, conflicts which continue to fester the BLIST municipalities at present. The three new water sources that are located in the BLIST area are the following: the Budacao spring and waterfalls in Tuba; the Mohawk water sources at Baguio Gold Mines in Itogon and the Irisan spring in Sablan. The challenge of the metropolitan arrangement in BLIST, in this case, is how to bring about an adequate water supply to the growing requirements of Baguio City given its continued rapid urbanization and urban development while at the same time providing mutual benefit to the municipalities from where these resources originate.

Table 8
Past and Future Traffic Demand in Metro Cebu, 1979-2010

<table>
<thead>
<tr>
<th></th>
<th>1979</th>
<th>1992</th>
<th>2000</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person Trips (000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private</td>
<td>111</td>
<td>347</td>
<td>583</td>
<td>901</td>
</tr>
<tr>
<td>Public</td>
<td>1029</td>
<td>1346</td>
<td>1728</td>
<td>2309</td>
</tr>
<tr>
<td>Total</td>
<td>1139</td>
<td>1693</td>
<td>2311</td>
<td>3210</td>
</tr>
<tr>
<td>Annual Growth Rate</td>
<td>3.05</td>
<td>3.89</td>
<td>3.29</td>
<td></td>
</tr>
<tr>
<td>Selected Sections</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(person trips, in 000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talisay-Cebu</td>
<td>35</td>
<td>61</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td>Cebu-Mandaue</td>
<td>51</td>
<td>110</td>
<td>159</td>
<td></td>
</tr>
<tr>
<td>Mandaue-Consolacion</td>
<td>25</td>
<td>55</td>
<td>82</td>
<td></td>
</tr>
<tr>
<td>Mactan-Mainland</td>
<td>17</td>
<td>36</td>
<td>58</td>
<td></td>
</tr>
<tr>
<td>Road Congestion Ratio</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talisay-Cebu</td>
<td>1.18</td>
<td>2.03</td>
<td>2.83</td>
<td></td>
</tr>
<tr>
<td>Cebu-Mandaue</td>
<td>0.64</td>
<td>1.38</td>
<td>1.99</td>
<td></td>
</tr>
<tr>
<td>Mandaue-Consolacion</td>
<td>1.25</td>
<td>2.75</td>
<td>4.10</td>
<td></td>
</tr>
<tr>
<td>Mactan-Mainland</td>
<td>0.86</td>
<td>1.80</td>
<td>2.90</td>
<td></td>
</tr>
<tr>
<td>ASSUMPTIONS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population (000)</td>
<td>1,274</td>
<td>1,712</td>
<td>2,301</td>
<td></td>
</tr>
<tr>
<td>Trip Maker (000)</td>
<td>956</td>
<td>1,284</td>
<td>1,726</td>
<td></td>
</tr>
<tr>
<td>Trip Rate per Trip Maker</td>
<td>1.68</td>
<td>1.8</td>
<td>1.86</td>
<td></td>
</tr>
<tr>
<td>Private Vehicles (000)</td>
<td>65</td>
<td>110</td>
<td>170</td>
<td></td>
</tr>
</tbody>
</table>

Basic Source: Cebu Integrated Area Development Master Plan Study (1994)

Another metropolitan arrangement concern is on solid waste management. CAMADA, just like any other growing metropolises is confronted with the problem of providing for a well-managed and operated land fill or composting site. Dagupan, Calasiao and Mangaldan can only boast of dump sites which are generally below international health standards. Land area estimates for land-fill sites for the CAMADA are shown in Table 10 based on the indicated assumptions. Potential areas have been proposed in the Master Plan for CAMADA but the finalization of these sites for actual implementation are yet to be discussed and resolved.
### Table 9
**Urban BLIST: Water Demand, 1994-2020**

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>% Served</th>
<th>Average LPCD</th>
<th>Water Production Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Ave. (m³/d)</td>
<td>Peak (m³/d)</td>
</tr>
<tr>
<td>1994</td>
<td>312,000</td>
<td>58</td>
<td>190</td>
<td>34,400</td>
</tr>
<tr>
<td>2000</td>
<td>358,000</td>
<td>70</td>
<td>210</td>
<td>54,600</td>
</tr>
<tr>
<td>2010</td>
<td>421,000</td>
<td>80</td>
<td>220</td>
<td>74,100</td>
</tr>
<tr>
<td>2020</td>
<td>473,000</td>
<td>90</td>
<td>220</td>
<td>93,700</td>
</tr>
</tbody>
</table>

Source: BDUPP, 1994

### Table 10
**Landfill Site Requirements – CAMADA**

<table>
<thead>
<tr>
<th>Period</th>
<th>Initial Population</th>
<th>Final Population</th>
<th>Land Area Required (Ha.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996-2000</td>
<td>301000</td>
<td>334000</td>
<td>9.2</td>
</tr>
<tr>
<td>2000-2010</td>
<td>334000</td>
<td>417000</td>
<td>27.3</td>
</tr>
<tr>
<td>2010-2020</td>
<td>417000</td>
<td>500000</td>
<td>33.4</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>69.9</td>
</tr>
</tbody>
</table>

Assumptions:
- Average daily waste generation: 0.75 kg/capita/day
- Percent of Population serviced by collection system: 95%
- Average solid waste density (as collected): 375 kg/m³
- Final Landfill volume: 50% of collected volume
- Average landfill depth: 5 meters
- Additional site area required for services: 5%

Basic Source: BDUPP, CAMADA, Supporting Volume D, 1994

The above illustrative cases of concerns of the metropolitan arrangements underline the distinctive difference in tackling local concerns towards a more integrated planning and program implementation as well as in the need to define the roles of each of the concerned LGUs. The basis for such arrangements vary in legal forms such as law, executive orders or memorandum of agreement depending upon the political culture of these areas but generally they usually provide for the delineation of their respective functions and roles in such arrangement. While the problems and concerns are acknowledged and understood, for many of the metros under study though, formal arrangements and systems are yet to be installed.

It is noteworthy that the functions which were commonly identified for metropolitan cooperation in the existing and nascent metropolitan arrangements in the country are largely consistent with those one might expect a priori on the basis of the theory on expenditure assignment under fiscal decentralization. That is, functions...
which are characterized by economies of scale and externalities are generally deemed to be more appropriate for higher level governments. Thus, services which require areas larger than a local jurisdiction for cost-effective provisioning like water supply, sewage disposal and solid waste management are generally assigned to metropolitan governments worldwide. Similarly, the same is true for services like public health whose benefits and costs accrue to non-residents of a local jurisdiction (i.e., services which give rise to spatial externalities).

On the other hand, Metro Naga’s identification of “elderly service” as a metropolitan service appears to be surprising at first considering that it is largely a quasi-private good with minimal economies of scale and benefit/cost spillout. However, if one considers that this service is likely to have a large redistributive component, then one sees why the proponents of Metro Naga would rather assign this to the metropolitan unit rather than to the individual LGUs.

5. Policy Issues and Implications

Except Metro Manila, the metropolis in the Philippines are relatively new and, therefore, understandably fraught with difficult issues and problems. The “oldness” of a metropolis, however, does not guarantee immunity to issues confronting the new ones. Thus, Metro Manila which has been in existence for more than twenty years now face the very same issues, in fact, even at a greater intensity and magnitude than that experienced by the emerging metropolises.

The ensuing discussion will identify the general issues and problems confronting all Philippine metropolises. In so doing, specific experiences of metropolitan arrangements under study shall be presented to illustrate and elaborate further the issue at hand.

5.1 Establishment of and Reforms for an Acceptable and Effective Metropolitan Structure

Almost all the studied metropolitan arrangements are in active search for a good recipe for a palatable metropolitan structure. A few have already made a choice but are yet considering other better recipes available. The search rests primarily on the presence of certain major ingredients. Some existing models of metropolitan structures will be discussed in the next sections.

LGU Acceptability

A basic ingredient of the recipe is the concurrence of the LGUs involved in the arrangement first, to be part of a formal arrangement and second, to institute a distinct metropolitan structure acceptable to all concerned.

LGU concurrence does not only pertain to the approval of the highest local official but also to the conformity of the local council. Mayoral approval would be a big plus but may be stalled if it does not pass the approval of the council which makes the necessary resolution for any interlocal activity. The case of Metro Iloilo is a case in point. The three mayors of the municipalities of Pavia, Oton and Leganes have
expressed strong support for the concept of a Metro Iloilo and have the legal backing of a resolution from their respective sanggunian. The mayor of Iloilo City who has led this effort, for some reason, as of this writing, has yet to convince his own council to issue a similar resolution to have the authority to make dealings with the other municipalities to operationalize the principle or concept of a metropolitan arrangement.

In the case of the Metro BLIST, it was only recent that Sablan formalized its concurrence with the concept. While many of the programs and projects have been implemented based on the BLIST Master Plan, the lack of a full support by one municipality has contributed negatively towards a more expeditious formation of a stronger and more coordinated structure to implement the Plan.

Metros Cebu and CDO have yet to show concrete evidence of the acceptability of the cities and municipalities for a formal metropolitan arrangement. One may argue that in the case of the former, the problem of acceptability may not be so alarming considering that the area has experienced a great deal of metro projects in the past. However, one must consider that the dynamics of a policy and management structure differ a lot between a project office and a metro body. Metro CDO which is currently at the stage of formulating a master plan for the area may have to find out the pulse of the envisioned LGUs to comprise it as to how they would like to view the plan’s institutional management structure. The experience of Metro BLIST and CAMADA provides a lesson on its failure to instill a deep appreciation of the arrangement and to work out an acceptable structure to implement a technically sound master plan.

**Metro Leadership**

Crucial to the adoption of an acceptable metropolitan structure concerns leadership. There are two faces to this leadership issue. The first concerns the question of who should take the initiative to bring everyone involved to agree on a structure. The second facet of the issue is the determination of an agreeable mode of metro leadership.

The first facet of the issue is a serious reality. Generally, the expectation of initiative is to come from the dominant city. There are at least three reasons for this. First, most often than not, the dominant city has the greatest stake in the arrangement. Second, the city is usually recognized as a “big brother” to the other LGUs. Third, the component cities and municipalities are constrained ethically to make the first move considering that they are structurally under the provincial government. While these reasons may be valid, the dominant city still hesitate to initiate. There are two reasons. First, a serious consideration of the sensitivities of some LGUs who may misconstrue the city’s initiative as a move to expand the latter’s political power and authority. Second, the dominant city finds difficulty as it takes account of the provincial government’s sensitivities gain prominence. The result is a political stalemate. This whole initiative issue is very real in the case of Metro BLIST and CAMADA. Higher authorities- regional or national leaders- are opined by the local officials to be more effective arbiters in such a case.

The second facet of the leadership issue is equally challenging, i.e. the choice of leadership of the adopted structure. The case of Metro Manila provides a good example of experiments in metropolitan leadership. The Metropolitan Manila
Commission (MMC) had a powerful Governor at its helm. The Metro Manila Authority (MMA) shared the powers by adopting a rotating leadership among the members of the Council. The Metro Manila Development Authority (MMDA) adopted a Presidential appointee as Chairman with a Cabinet-rank while giving the Council a big decision-making authority. Given the richness in the experience of Metro Manila in adopting various modes of leadership, it is not surprising for many of the emerging metropolises to make reference to these tried structures in formulating their own. Reaching a decision on an acceptable formula are still underway for a lot of the emerging metropolises.

**Clear Function of the Established Body**

An effective structure is where roles and functions are clearly delineated and understood. The experience of MMDA presents an example when this ingredient is lacking. One of the criticisms on the functions and responsibilities of MMDA under Republic Act 7295 is the use of the word “coordinate” which finds weakness in practice. For instance, MMDA’s function in coordinating land use classification and zoning means almost nothing because the LGUs have the authority anyway to reclassify land as provided to them by the Local Government Code. Coordination in this case is often reduced to MMDA becoming a mere center of information on any changes in land classification by the LGU. An integrated physical planning for Metro Manila, which is the whole rationale for such task becomes difficult for MMDA to effectively carry out because the function as written in the law does not warrant full responsibility and authority.

**Dependable and Sustainable Management Support Structure**

A metropolitan arrangement when it graduates to a formal metropolitan structure, to be more effective, inevitably requires a full-time organization to handle its growing technical and administrative needs. Metro Naga, which has gradually evolved from an informal metropolitan set-up to an established institution now finds itself confronted with the need to build up its secretariat support to the MNDC as development challenges and activities in the area are currently mounting. At present, such support is lodged with a Project Officer of Naga City. While this one-man support set-up is still workable, expansion of management support may eventually become a big necessity.

**5.2 Financial Sustainability**

One of the key ingredients for a metropolitan body to be sustainable is a stable financial source. Different modes of financing and various strategies have been employed by the existing metropolitan organizations. It can be said that the different convictions and perspectives on metropolitan structures are reflected in their choice of financing. Metro Davao believes on local self-reliance and, therefore, deliberately ruled out their dependence on national support to finance its organizational machinery. Thus, each member-LGU commits P300,000 as its annual contribution. Metro Naga, on the other hand, is more practical in its approach. While it too believes in local self-reliance, it takes into account the financial condition of the LGUs in the arrangement. The uniform two percent of the 20 percent development fund set aside by the municipality from their annual budget as contribution to MNDC addresses the varying financial ability of its members. In view of the limitation of the total local contribution, the MNDC has to source other funds to maintain the
organization and to undertake its programs and activities. The issuance of Executive Order 102 creating the MNDC was a means employed by Metro Naga to entitle itself funds from the national budget. Their original proposal was to get funding from such institutions as PAGCOR. The EO, however, provided for funds under the Office of the President. While they receive an appropriation of P1 M annually, the appropriation item has changed from the original funding source. Currently, their budget is part of the NEDA under its Integrated Area Development activities, the item where funds of the Regional Development Council is also sourced. Metro Manila is a special case. Being a nationally initiated metropolis backed up by a congressional law, it gets a sizeable fund on top of fixed local contribution from member-cities and municipalities sufficient enough to manage its day-to-day operations.

5.3 Identity and “Loyalty” Crises of Component Cities and Municipalities Joining the Arrangements

The introduction of a metropolitan structure, be it a metropolitan arrangement or a formal metropolitan body, changes significantly the relationships of political units in the local government system. Figure 3 shows graphically these changes. Prominent in the comparison is the way component cities and municipalities joining the arrangement can be faced with a crossed relationship with the province and the metropolitan body. Quite many believe, though, that the identity and loyalty issue may not necessarily present problems in the legal-administrative perspective but may do so in the political realm. The issue becomes sensitive especially when the historical evolution of Metro Manila is brought forward. It may be recalled that the original compositional definition of Metro Manila prior to the establishment of the MMC, include the cities of Manila, Quezon City, Pasay and Caloocan, all units that are not under any provincial jurisdiction. When the MMC was installed, after a plebiscite was undertaken, the twelve municipalities which were under the province of Rizal and one municipality under the province of Bulacan formed part of a special province now called Metropolitan Manila Area or the National Capital Region.

Many believe that the eventual fate of many municipalities and component cities upon joining any metropolitan arrangement is towards detachment from the province and becoming part of a new political jurisdiction. The experience of Metro Naga, however, shows the possibility for municipalities to maintain their identity as a political unit under the province and yet be an active member of the metropolitan arrangement and contribute religiously in all its endeavors while also doing its responsibilities as part of the larger province. It should be mentioned, though, that the MNDC leadership, particularly Naga City, consulted the province relative to the formation of the Council and sought its support and cooperation.

The issue or non-issue of municipal identity and loyalty in the presence of a metropolitan arrangement in the traditional local government system may, thus, depend on the political dynamics in the regional area. Such dynamics will determine the eventual destiny of sub-provincial units involved in the arrangements.
5.4 Resolution of Conflicts Requiring Compromise and Sacrifice

Taking heed of trade-offs between metropolitan and local concerns is one of the more difficult issues in metropolitan governance. The basic problem arises when local executives maintain the priority interest of their respective constituents over that of the whole metropolis. The problem of solid waste management best illustrates this dilemma.

One of the most daunting tasks of local governments today is solid waste management. Many LGUs have improved garbage collection through the adoption of more systematic methods and have rallied the cooperation of their constituencies in promoting a clean environment with quite a bit of success. But it is an accepted reality that the final disposal of collected garbage has not reached a level of modernity and strict environmental acceptability. Open dumping is still the standard practice of final disposal. The two major technologies available in this regard are incineration and the establishment of sanitary landfill. The former is regarded by the DENR as an expensive option considering the quality of waste generated in the country which are largely putrescible materials. The latter is what the agency is encouraging local governments to adopt instead.
There are two big constraints why the establishment of sanitary landfill cannot gain much support from local governments. First and foremost is the huge cost required in developing the facility and the similarly expensive maintenance requirement (Table 11). This problem could be mitigated through inter-LGU cooperation as economies of scale are achieved. Metropolitan arrangements show a lot of promise in this regard. In such a case where financing can be handled jointly by the LGUs concerned the second hindrance comes to fore—the NIMB (short for Not In My Backyard) attitude. The problem of site identification is such a perplexing issue and no amount of technical exegesis can convince a local government of the economic, geologic and environmental feasibility of an area in his jurisdiction as the best place to build the sanitary landfill.

Table 11
Sanitary Landfill Costs

<table>
<thead>
<tr>
<th>Population Size</th>
<th>Capacity (tons/day)</th>
<th>Area (10yrs,10m. deep)</th>
<th>Investment Cost</th>
<th>Operational Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Natural Attenuation Landfill</td>
<td>Fully Lined Landfill</td>
</tr>
<tr>
<td>1 million</td>
<td>600</td>
<td>25 ha</td>
<td>P 160 M</td>
<td>P 290 M</td>
</tr>
<tr>
<td>500,000</td>
<td>300</td>
<td>12.5 ha</td>
<td>P 100 M</td>
<td>P 170 M</td>
</tr>
<tr>
<td>100,000</td>
<td>50</td>
<td>2 ha</td>
<td>P 18 M</td>
<td>P 34 M</td>
</tr>
</tbody>
</table>

Source: Sandra Cointreau-Levine in Ganapin (1997)

For a lot of the emerging metropolises under study, the garbage issue is one of the sources of non-support for a metropolitan arrangement. Often, municipalities, especially those which have large tracts of land with big potential as a landfill site, perceive such arrangement as a means for them to be co-opted to be the site of refuse of the dominant city or the other municipalities in the metropolitan area.

Metro Manila’s experience in this issue is one that required Presidential intervention. What complicated the problem is that the identified landfill site are in Carmona and San Mateo both in Rizal, municipalities outside of Metro Manila’s jurisdiction. The issue could not have reached a fast resolution if Malacanang have not intervened for MMDA.

For many cities, especially those having limited land for final disposal, the garbage problem is not only a serious but also an urgent issue. For instance, Baguio City projects its current dump site to reach full capacity in a year’s time. Negotiations are being tried for a possible site in La Trinidad, among others, but with much difficulty.

If metropolitan arrangements will not prove workable for many cities which rely on the mechanism to find a workable solution to metropolitan-wide problems, how can these be resolved? Should the Metro Manila’s experience of Presidential mediation be used always as a resolution mechanism or should a national policy be formulated in cases of conflicts requiring compromise or sacrifice?
6. Sustaining and Enhancing the Metropolitan Arrangements

6.1 Key Elements for Metropolitan Planning and Management

Addressing the issues described in the preceding sections necessitates a clear understanding of the essential elements for successful planning and management of the metropolis. The understanding of these basic prerequisites would help identify the necessary policy intervention instruments confronting the existing and emerging metropolises in the country.

The identification of the key elements of metropolitan planning and management finds basis on the documented experiences of many countries in the world in metropolitan planning and from the unique lessons derived from the metropolitan arrangements in the Philippines under study.

There are three key elements or conditions necessary for an effective and efficient metropolitan planning and development. First, a common vision of preservation and development of the region is crucial. Second, a unified economic and political base to implement the vision is necessary. Third, an appropriate metropolitan structure to provide an institutional framework for successful planning and implementation of the region is inevitable. These three conditions essentially constitute what we shall refer hereon as the metropolitan governance framework (Figure 3).

**Figure 3**
Metropolitan Governance Framework

Common Vision for the Region

Unified Economic and Political Base

Appropriate Metropolitan Structure

6.1.1 Common Vision of Preservation and Development of the Region

At the apex of the triad is the adoption of a vision of preservation and development of the region or the constituted metropolitan area. The vision may be an elaborately framed goal or a simple recognition of the benefits that the members of the constituted metropolis may derive from the arrangement or cooperation. Similarly important is the process of framing and adopting the vision or the identified benefits. Promotion of ownership of the vision can be more realized and obtain more impact if the vision is derived through a process of community debate and decisionmaking.
The Stockholm metropolitan region exemplifies the importance of political culture which relied on cooperative decisionmaking even without a single powerful metropolitan government. The wide consensus emerging around a metropolitan plan and a unified process of planning by the city of Stockholm and the twenty-two other jurisdictions helped establish a strong base for the preservation of historic sites and modernization of the metropolitan area.

A universal experience in metropolitan planning is that many of the formal master plans that have been formulated embodying the vision for the metropolis suffer from non-implementation to mere uselessness (Angotti, 1993). This is one of the biggest frustrations of metropolitan arrangements that have commenced by virtue of a master plan prepared for the area as in the cases of Metro BLIST and CAMADA. There is no question on the technical merits of these master plans. What is lacking perhaps is the fuller involvement and cooperation of the member-municipalities to promote a metropolitan-wide vision that reflects the collective interests of the major stakeholders in the area. Cooperation is better assured and organizational mechanism to implement the vision will be less difficult to install if local ownership of the metropolitan arrangement is secured early on.

A contrasting example is Metro Naga which took its root from a desire of the leaders of the city and member-municipalities to pursue development anchored on the principle of resource sharing, role identification and integrated area development. A number of achievements have been made so far without the existence of a formal master plan. Only recently that the leaders have come to realize the need for one if they would push for higher pursuits.

Metro Davao may also be cited as treading the right path towards a more sustainable arrangement. Its vision on nine key result areas for socio-economic cooperation and development under its Davao Integrated Development Program shall form the basis for the formal master plan soon to be completed. The Memorandum of Agreement adopting the strategy and the commitment to financially contribute towards the fulfillment of the objectives of the cooperation indicates a commitment to a unified purpose and vision for the region.

The metropolis is a distinct form of human settlement exhibiting a new set of political dynamics which are not found in small industrial cities and towns. By virtue of its size and complexity, the metropolitan perspective is essential for without it the anarchy of local neighborhood self-interest will prevail which will inhibit the realization of its desired future. Thus, emerging and existing metropolises must strive to establish a more unified metropolitan perspective if sustainability of the arrangement is to be achieved.

6.1.2 Unified Political and Economic Mechanism to Implement the Vision

At the base of a triad is a unified political and economic mechanism to implement the vision. Ideally, to be effective and efficient, the metropolitan area should have a unified political jurisdiction and a well-coordinated and managed economic agencies and authorities operating in the area.
Metropolitan Tokyo is a distinct political unit with twenty-three special wards, twenty-six cities, seven towns and eight villages. The development of the whole area is contained in a single plan which is backed up by a national legislation and which has the full support of the national agencies to provide for its regional infrastructure needs. In Calcutta, effective delivery of services and infrastructure needs of the metropolitan area was carried out only by rationalizing the existence of about 570 public institutions, “a veritable maze of jurisdictions and authorities that were often in conflict and in no way coordinated regionwide” (Sivaramakrishnan and Green, 1986). In Metropolitan Toronto they devised a division of urban services so that the six area municipal governments and the regional agencies, boards and commissions are clear about their responsibilities and accountabilities.

Unified Political Mechanism

Metropolitan planning and management differs from city or municipal planning in that it has to contend with disjointed political jurisdictions. This situation often thwarts unified planning especially when these political jurisdictions retain and exercise substantial functions and powers under existing laws. The current Local Government Code has further strengthened LGUs’ powers and responsibilities while overlooking the fact that a number of them are attaining the metropolitan character and that no provisions have been made to address appropriate powers and responsibilities best suited to deal with the unique requirements of metropolitan management and development. Serious problems have arisen in the proper sharing of powers and responsibilities between the capital city and the surrounding municipalities as well as in the lack of appreciation of many LGUs to give up some of their powers and functions to a higher jurisdictional body.

The present Constitution while it has authorized the creation of “special metropolitan political subdivisions”, has delimited the extent to which metropolitan management will proceed. This is based on the provision that higher jurisdictional body such as metropolitan authorities can only be established through a congressional act and that “cities and municipalities shall retain their basic autonomy and shall be entitled to their own local executives and legislative assemblies”. Thus, laws do not exist to warrant a desirable metropolitan mechanism clothed with sufficient powers and authority when the situation calls for its establishment. One of the immediate tasks, therefore, of policymakers is to carve out appropriate amendments to the Philippine Charter and to tackle metropolitanization phenomenon in its review of and amendments to the 1991 Local Government Code.

Unified Economic Institutions

A similarly formidable challenge of managing metropolises is harmonizing or rationalizing the various sectoral and specialized agencies providing urban development services. These agencies and authorities often develop independently of elected government and may resist participation in metropolitan-wide planning, if not handled carefully and systematically.

The case of Metro Manila provides the best illustration of the presence of multiple government agencies operating, in most cases, independently of the metropolitan authority. Almost all the metropolitan services are handled outside of MMDA without a clear line of relationship between these agencies and its structure. For instance, in the transport and sector, the Light Rail Transit Authority (LRTA) is
under DOTC, Traffic Engineering and Management Team is under DPWH, road construction and operations are under DPWH and local governments, vehicle registration and licensing are with LTO and LTFRB, flood control and drainage is with DPWH, environmental management and services are with DENR and LLDA, etc.

The problem of coordination especially in urban infrastructure was not evident during the MMC regime as it was during the MMA establishment when it suffered not only financial and manpower lack but also powerlessness in coordinating metrowide services. While greater powers have been given to the present MMDA, problems still exist in the area of vertical and horizontal coordination as national sectoral agencies as well as local governments continue to exercise greater control of metropolitan activities.

6.1.3 Appropriate Metropolitan Structure

Existing and emerging metropolises in the country may choose from any one or a combination of the following models of governance structure: (1) a metropolitan city, under which a single LGU has responsibility for all local functions; (2) jurisdictional fragmentation, under which the responsibility for the same local functions lies with the various LGUs operating in the metropolitan area; and (3) functional fragmentation, under which the provision of services is areawide but is divided along functional lines among the LGUs and one or more autonomous agencies or corporations (Bahl and Linn 1992). However, each of these metropolises will have to craft its own structure depending on what is workable given the multiplicity and variety of political and socioeconomic challenges it is faced with and in the spirit of decentralized governance.

Given the issues obtaining in the preceding section, this task would definitely not be easy. This section discusses some of these alternative structures for metropolitan management and how they can address the particular needs of the present and rising metropolitan arrangements.

New City or Metropolitan City

The metropolitan area may be structured as a metropolitan city where the provision of most basic services is provided by a single LGU and where no other LGU operates in the area. A metropolitan city may occur naturally by virtue of the prior existence of a political jurisdiction whose land area is large enough to contain its urban sprawl within its boundaries. Alternatively, a metropolitan city may result from the annexation or amalgamation of a number of existing political jurisdictions or LGUs to become a single distinct political administrative unit. Metropolitan Bangkok is actually a merger of former municipalities of Bangkok and Thonburi. The result was the creation of the Bangkok Metropolitan Administration (BMA), an autonomous metropolitan city government. The BMA charter provided for a metropolitan assembly consisting of both elected and appointed members each of them representing a constituency of about 100,000 people, the equivalent of a district. Aside from Bangkok, metropolitan cities in other countries include Seoul, Kuala Lumpur, Surabaya and Jakarta.
The metropolitan city structure has the advantage of ease in coordinating activities and implementing plans. Duplication of services is less likely and the new city tends to be large enough to enjoy economies of scale (Bahl and Linn 1992). The formation of a new city can provide a resolution to the legal administrative ties between the province and the municipality/ies which are involved in the metropolitan arrangement. Their legal identity in the local government system is, thus, clearer and more defined. However, its weakness lies in its general inability to account for intracity or neighborhood differences in the demand for the package of services.

For metropolitan arrangements which involve only a relatively few local entities and where political and cultural forces are less problematic, a plebiscite can be held for a new city charter. CAMADA may be an eligible candidate. Interviews conducted with high officials of Dagupan City and the municipalities of Calasiao and Mangaldan indicated no strong opposition to this option. Although the two municipalities thought that since Dagupan City has twice the population, they may have to field one candidate for mayorship or governorship of the newly formed political unit to compete with Dagupan.

**Jurisdictional Fragmentation with a Second-Tier Government**

The second approach to metropolitan governance is to allow for jurisdictional fragmentation, i.e., the existence of several LGUs side by side with a second-tier governance structure within the metropolitan area. This structure is very common in the United States but examples in developing countries do exist, notably Metro Manila, Sao Paulo, Lima, Rio de Janeiro, Bombay, Calcutta and metropolitan areas in South Asia.

Geographic or jurisdictional fragmentation is usually a spontaneous phenomenon which results from the expansion of the metropolis beyond the primate or core city. This model has the advantage of promoting economic efficiency by bringing the government closer to the people and, consequently, making it more responsive to local preferences. However, it has the disadvantage of being less able to capture the benefits from economies of scale and to address problems associated with spillover effects of certain types of services. The creation of the second-tier governance structure in this model is precisely aimed at counteracting this inherent weakness in jurisdictional fragmentation.

The upper-tier structure takes various forms in different places around the globe. One may have a metropolitan development council, metropolitan development authority or a metropolitan government. The difference among these three options lies in sharing of power among the LGUs in the metropolitan area and the leadership structure in the second-tier.

**Metropolitan Development Council**

A common and less complex form of a metropolitan structure is a Metropolitan Development Council which more or less conforms to the present Constitutional provision of forming a metropolitan body but maintaining the powers of LGUs composing it. In this structure, metropolitan leadership rests on the Council...
composed of mayors representing the cities and municipalities and whose leadership is appointed from among the members.

A similar model can be found in most large US metropolises such as the Metropolitan Washington Council of Governments (WASHCOG) which is an association of federal, state and local governments concerned with the Washington metropolitan area. The metropolis covers a land area of 4,000 square miles located in three states (Maryland, Virginia and District of Columbia) with a population of about 4 million people.

The Metro Manila Authority (MMA) is practically a metropolitan development council so much like the Regional Development Council. Metro Naga’s adopted structure is one variant which follows the RDC type of organization, minus the agency representations, with purely local government composition. The Metro Davao3 model also holds semblance to this structure. The difference between these existing models is their respective technical and administrative support. Metro Naga relies on secondment of technical personnel from the member LGUs to serve in the MNDC Secretariat. Metro Davao3 on the other hand established a full-time Project Management Office to manage the affairs of the regional program. MMA has full-time personnel with plantilla positions, owing to its being an interim metropolitan structure after the abolition of the MMC.

One big advantage of this kind of metropolitan structure is its relative ease in obtaining national support inasmuch as there are existing constitutional provisions to defend its creation. An Executive Order from the President will suffice for its legal identity which has financial implications to sustain its structure. However, in view of the limited budget of the executive, financial sustainability of the Council is always at risk. Also as in the case of Metro Naga, its appropriation could be a disadvantage to the agency budget from where it shall be annually taken from.\(^4\) Local self-reliance in financing the council can hold promise as in the case of Metro Davao3, that is, if LGUs sustain their commitment to the arrangement. MMA’s regime suffered from the LGUs’ refusal to contribute their IRA shares as their contribution to maintain the authority.

Metropolitan Development Authority

An attractive form of metropolitan structure to a lot of emerging metropolitan arrangements in the country is a metropolitan development authority. This is in view of its relative institutional permanence, greater corporate powers and functions and fiscal advantage. Another feature of this structure is that, since it is more of a technocratic organization than a political body, it de-politicizes decisionmaking especially on issues that are controversial or would be hard to face head on by an elected leader as they involve political risks.

In the Philippines, the creation of a Metropolitan Development Authority (MDA) lies with the legislative branch by virtue of a congressional law enacted for that purpose. The metropolitan authority is typically headed by a chief executive officer who is appointed by either the central government or the state government.

\(^4\) The NEDA, from which the MNDC’s appropriation is lodged, had to defend its recommendation to increase its budget ceiling in view of the addition of MNDC as a new item in the agency budget.
What easily comes to mind when referring to this model is the Metro Manila Development Authority (MMDA). Based on the interviews conducted in the region, Metros Cebu, BLIST, Iloilo and CDO tend to prefer this model structure. It is difficult to determine whether the MMDA model would fit in the socioeconomic and political milieu of these emerging metropolises. Issues in terms of political jurisdiction would have to be resolved and may require a regional plebiscite to determine conformity to a new administrative unit. Also their coordinative relationships with the regional institutions (e.g. RDC) should be clearly spelled out. Owing to the special features of Metro Manila, being a region in itself and functioning as the RDC of the national capital region, adjustments may have to be made in the process of adopting this model in these metropolises especially those which compose a significant part of the region both geographically and politically. Moreover, there are some questions raised already with respect to strength of the authority in terms of its seemingly weak leadership and ineffective coordination of activities with local governments and national agencies. Caution, therefore, must be taken so that faulty features of the model are avoided if it is to be adopted.

A lot of cities or metropolises in India have adopted this model including New Delhi, Bombay, Karachi and Colombo. Experienced have shown that, as has been the case in Karachi, metropolitan-wide authorities have not been able to resolve conflicts in the process of project implementation and that central and provincial governments have to intervene (Cheema, in ADB 1987). Moreover, Bahl and Linn (1992) noted that “MDAs need to have executive functions and fiscal autonomy (resources) if they are able to coordinate the delivery of services within metropolitan areas and provide certain services with areawide benefits. A planning agency with only advisory powers cannot effectively play this integrative role. Typically, MDAs have not been given such powers and as a consequence their effectiveness has suffered. … MDAs often fail to combine development (investment) and operating responsibility and thus create the typical turnkey problem: the agency responsible for capital outlay and planning does not allow sufficiently for the preferences and the technical, managerial, and financial capacity of the operating agency. The result is that local facilities deteriorate for lack of adequate maintenance.”

Metropolitan Government

The establishment of a metropolitan government is one of the more controversial options for a metropolitan structure. Metropolitan government differs from authorities or development councils in that the LGUs composing the metropolitan area are subjected to a higher jurisdictional authority or government whose leadership is usually elected. The metropolises of Tokyo and Toronto adopt this model.

In a metropolitan government set-up, the metropolitan body is usually headed by an elected Governor. There is a single-tier council and the city and municipal mayors also act as area managers. The Governor coordinates the sectoral departments of the national government. In the Philippines, the establishment of this kind of metropolitan set-up will only be possible with the amendment of the present Constitution. As discussed in the earlier section, LGUs have been safeguarded by the

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5 These weaknesses are shared by the other two models of jurisdicational fragmentation discussed in this section.
Constitution against any form of dis-empowerment that may result from the establishment of metropolitan authorities or similar bodies. It should be recalled that the new Charter was framed in the context of the abolition of centrist governance (under the Marcos administration) in favor of a more democratic regime and local autonomy.

A compromise metropolitan government can be set-up whereby the local governments retain their powers and function but surrender to the metropolitan government those functions and activities that are metropolitan in character or those that transcend political boundaries. Leadership shall be through an elected Governor who shall therefore command the respect of both the majority of people and the local executives in the metropolitan area.

**Functional Fragmentation**

With functional fragmentation, LGUs in the metropolitan area have limited responsibilities for service delivery but autonomous local bodies with corporate powers are given the authority to undertake specific functions and services on a metro-wide basis. Special metropolitan corporations can be established to perform services such as water supply and sewerage, electricity, transportation, and solid waste management. The metropolitan corporation model is suitable in addressing economies of scale in capital intensive services like public utilities and transportation which smaller LGUs would normally have difficulty financing. The corporatization of service delivery also has the advantage of encouraging the management of service delivery activities by professionals (vs. politicians) whose decisions tend to be shielded from political interventions. Moreover, this mode promotes greater cost recovery and, thus, assures the availability of funds for the expansion and maintenance of a particular service. However, this model makes cross-sectoral coordination more difficult and may lead to either over or under-investment in certain sectors because of the earmarking of user charges to the activities. In Metro Manila, the Metropolitan Waterworks and Sewerage System (MWSS) and the Light Rail Transit Authority (LRTA) are examples of the functional fragmentation.

There are laudable models of these metropolitan corporations in other metropolitan areas outside the country. For instance, the Metropolitan Toronto Corporation with its agencies, boards and commissions provides specialized urban service functions such as licensing, zoo maintenance, performing arts center administration, police services, transportation, family and child service, among others. The Karachi Metropolitan Corporation in India takes care of development projects through its subsidiaries, the Karachi Development Authority dealing with land and infrastructure projects and the Karachi Water Supply and Sewerage Board. In Metropolitan Madras, development projects and operation of urban services are executed by governmental, parastatal and municipal organizations, one of which is the Madras Corporation governed by a council of 120 elected members and administered with a state-appointed special officer. The commissioner who is the executive head of the corporation is also appointed by the state government. In Cartagena, Colombia, the Municipal Public Service Company (EPM) provides the

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6 Operationally, however, these are Government Owned and Controlled Corporations (GOCCs), and, therefore, outside the province of the metropolitan unit.
majority of local public services including water supply, sewerage, fire protection, administration of public markets and slaughterhouses, among others.

Public corporations have been tried in the Philippines with some degree of failure and success but the experience has been largely limited at the national level. Metropolitan organizations may, however, adopt this model utilizing the success features in other metropolitan bodies abroad. However, a more basic issue has to be resolved. That is, whether the metropolitan body has the legal or corporate personality to undertake this form of service provision. In the case of Metro Manila, Presidential Decree 824 issued in 1975 created Metropolitan Manila as a public corporation but Republic Act 7924 creating MMDA in 1995 redefined the metropolis as a special development and administrative region. RA 7924 which is the existing legal framework for Metro Manila no longer recognizes its corporate personality (unlike PD 824) nor does it allow for MMDA to create corporations.

There are three notable reasons why it is advantageous for a metropolis to have a corporate personality. First is that it will be able to advance economic interest should the metropolis require resources that are beyond what they can immediately provide, for instance, via capital market or through other financial arrangements with private institutions. Second, a metropolitan corporation may address the issue of decentralization and recentralization inasmuch as in a corporate structure with LGUs as stockholders, the LGUs can more forcibly advance their own interests as well as determine the functions of the organization and the manner by which these capacities will be carried out. Third, a corporate structure gives continuity to programs especially in cases of limited term of local government leaders.

6.2 Agenda for National Policy Action

Metropolitan planning and development is fast becoming a new feature of local governance. While most of the ground work are undertaken largely by local governments themselves, the national government plays a critical role especially in providing the legal framework and environment conducive to such undertakings. The following is a list of some of the short-term and long-term agenda for action in support of metropolitan development.

6.2.1 Review of Basic Laws Supporting Metropolitan Development

The metropolitan area is the ultimate form of an urban area. Once an area reaches this stage of urban transformation, it becomes imperative from the point of view of effectiveness and efficiency, that the area should not be constrained to evolve an identity as a new a political and administrative unit. This will facilitate the formation of an organizational machinery that is appropriate, more effective and more efficient.

As have been discussed in the preceding sections, existing Philippine laws do not warrant a desirable metropolitan structure clothed with sufficient powers and authorities when the situation calls for its establishment. In this connection there might be a need to review Article X of the Constitution on Local Government with
the end in view of providing for the strengthening of the metropolitan structure and to promote the objectives of metropolitanization. Some of the promising provisions can be the inclusion of *metropolitan areas* as a recognized territorial and political subdivision of the country, and with such recognition, provision can be made so that it can exercise the powers and functions inherent in such political subdivision. The above examples of amendments to the basic law can provide for a stronger constitutional authority and flexibility for any legislation pertaining to metropolitan organizations.

### 6.2.2 Review/Include Provisions in the Local Government Code Relating to Metropolitan Governance

As discussed in the previous section, the Local Government Code has overlooked the current and future dynamics of urbanization as it relates to local governance. Rapid urbanization as a result of greater industrialization and agricultural modernization has compelled local government units to expand their political and administrative linkages with neighboring cities and municipalities.

Changes in the perspective of amending relevant provisions of the the Local Government Code should take the direction upon which the the provisions of the Constitution are proposed to be amended. This will allow for the eventual changes in the way sharing of powers and functions between the LGUs and the constituted metropolitan organizations are to be effected.

There are at least two areas where amendments can be explored. First, is the assignment of urban functions or services to a metropolitan unit that is consistent with and will complement other LGUs or other government agencies. At the very least the functions can take into account those which are metropolitan in character. Potential services for metropolitan units to assume include land use planning, traffic management, solid waste management, water and sewerage services, transport services, flood control and management, among others. Second, concerns the functional relationship of the metropolitan unit to other government entities which must be clear and well-thought so that better coordination and maximization of benefits are ensured. For instance, in the area of budget review, the absence of an institutionalized development planning for Metro Manila was worsened by the Code’s total withholding of the review of LGU budget from MMDA (then MMA) by giving the responsibility to DBM. This has institutionalized the disjointed and uncoordinated programming and budgeting process in the metropolis and prevented the maximization of the utilization of Metro Manila’s resources. If the line of responsibility between the metropolitan unit or organization and the LGUs are recognized and clear with respect to planning, programming and budgeting functions then key problems and needs given the rapidly growing urban service and infrastructure requirements in the metropolis can be strategically formulated. The same lack of institutional linkage is evident with the sectoral line agencies so that it is difficult for MMDA to influence the latter’s priority thrusts as it affects the metropolis.
6.2.3 **Recognize the Role of Metropolitan Planning and Institutions in the Present and Future Management of Urban Regions**

Urbanization and the rise of new metropolises are inevitable and the challenge of sustainable development in the next century lies in their effective and efficient management. National and regional planners perspectives must be able to seriously recognize the implications of metropolitanization in their medium and long term development planning efforts.

Recognizing the importance of metropolitan institutions to orchestrate interlocal delivery of services, the Regional Development Councils being the development planning and policy-making body in the region can provide support to and greater impetus in cases where local governments are politically constrained to initiate. Related problems have been discussed in the previous section with reference to Metro BLIST and Metro Iloilo. The RDC as a non-political entity can be a catalyst for interlocal or metropolitan undertakings in the region.

6.2.4 **Promote Research and Development on Metropolitan Planning and Management Models**

Philippine literature relating to city or metropolitan planning and management are not that many. Rigorous policy studies are rare and mostly they are studies relating to Metro Manila only. Given the multitudinous and increasing number of issues and problems of the city and metropolises, studies should be made on a more sustained basis to ably assist leaders in making appropriate policy interventions.

Offhand, there are at least three related issues that have to be tackled in the short-term. One is the need to look at a metropolis or a metropolitan unit from a legal perspective with the end in view of determining what it can or cannot do under the existing legal framework. A clear understanding of this aspect will reveal important issues for intervention by the legislature. Another is a study that will tackle more deeply the issues brought about by the changes in the institutional dynamics of regional and subregional governments with the emergence of metropolitan arrangement. The policy study can identify measures how metropolitan cooperation can enhance rather than obstruct regional development coordination. Lastly, financial mobilization under a metropolitan set-up or similar inter-LGU arrangement is an important area for research given the fact that financial sustainability is the lifeblood of any metropolitan arrangement.

Long-term issues can be identified in the areas of financial structure and management, improvement in the administrative capacity to meet the increasing demand for shelter and basic services, improvement of urban information systems, the development of urban institutional capacities and issues pertaining to urban environmental management.
7. Concluding Remarks

The paper has implicitly shown the fact that the metropolis is a distinct human settlement requiring a different local government system and structure. It is neither a province nor a municipality nor a city. It is rather a collection of all these and therefore require unique planning models and distinct legal laws.

The study has also shown that metropolitan planning goes beyond technical development planning. It is often political planning, a relational and prudent approach that sets it into reality and fruition. Sivaramakrishnan and Green (1986) has an interesting description in this regard:

“In reality, metropolitan management is an unglamorous interagency process; its accent is on consensus rather than on command; its quality is a product of perseverance and team effort; and its success in the long-run is directly dependent on the degree to which that effort can continue to be maintained in the rapidly changing kaleidoscope of metropolitan life.”

Metropolitan arrangement is a crucial beginning of metropolitan development. It can be a passing fancy or a niningas cogon phenomenon if LGUs which hold the key to its full development wane in enthusiasm and zeal to make it work and if the national government fails to open its mind to new avenues and new ways of thinking about decentralization and local governance.
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