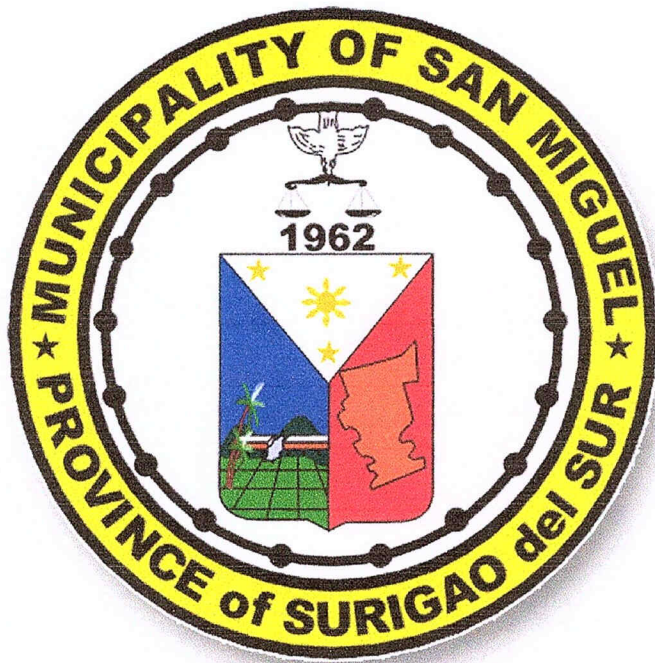




MUNICIPAL ORDINANCE
No. 39 Series of 2026

MUNICIPALITY OF SAN MIGUEL
SURIGAO DEL SUR



Republic of the Philippines
Province of Surigao del Sur
Municipality of San Miguel



Office of the Secretary to the Sangguniang Bayan

July 07, 2026

The Sangguniang Panlalawigan
Tandag City

Sir & Madam:

Respectfully submitted the herein Municipal Ordinance No. 39, Series of 2026, of this municipality which is self-explanatory for SP's review and approval.

Thank you.

Respectfully yours,

LALAIN EIZALDE-PRAMBITA
Secretary to the Sangguniang Bayan 1



-oOo-

Office of the Sangguniang Bayan

(Twenty Second Sanggunian of the Municipality of San Miguel)

EXCERPTS FROM THE MINUTES OF THE 19TH REGULAR SESSION OF THE SANGGUNIANG BAYAN OF
SAN MIGUEL, SURIGAO DEL SUR, HELD ON JUNE 08, 2026 AT THE SESSION HALL.

Present:	Honorable Celso B. Bangoy	-	-SB Member
			(Temporary Presiding Officer)
	Honorable Milva C. Yu	-	-SB Member
	Honorable Rebecca R. Gascon	-	-SB Member
	Honorable Dominador M. Empedrad, Jr.	-	-SB Member
	Honorable Alfris Reztan S. Perez	-	-SB Member
	Honorable Fidlireto G. Nazi	-	-SB Member
	Honorable Julieto C. Lobaton, Jr.	-	-SB Member
	<u>Ex-Officio Members:</u>		
	Honorable Gladys Mae C. Cubero	-	-ABC President
	Honorable Rico H. Maca	-	-IPM Representative
	Honorable Lejohn H. Elizalde	-	-SKF President
Absent:	Honorable Alfeo G. Perez, Jr.	-	-Vice Mayor, OIC Municipal Mayor.
	Honorable Ruth C. Guinsod	-	-SB Member, on Leave.

ORDINANCE NO. 39
Series of 2026

**AN ORDINANCE INSTITUTIONALIZING THE PARTNERSHIP BETWEEN THE MUNICIPALITY OF SAN MIGUEL
AND CIVIL SOCIETY ORGANIZATIONS AND ESTABLISHING A SAN MIGUEL PEOPLE'S COUNCIL.**

Authored by	:	Honorable Dominador M. Empedrad, Jr.
Seconded by	:	Honorable Rebecca R. Gascon

Explanatory Note

WHEREAS, Article II, Section 23 of the 1987 Philippine Constitution provides that the State shall encourage non-governmental, community-based, or sectoral organizations that promote the welfare of the nation;

WHEREAS, Article XIII, Section 15 of the Constitution mandates that the State shall respect the role of independent people's organizations to enable the people to pursue and protect, within the democratic framework, their legitimate and collective interests and aspirations through peaceful and lawful means, and Section 16 recognizes the right of the people and their organizations to effective and reasonable participation at all levels of social, political, and economic decision-making shall not be abridged. The State shall, by law, facilitate the establishment of adequate consultation mechanisms;

WHEREAS, Section 35 of the Local Government Code (LGC) of 1991 stipulates that local government units may enter into joint ventures and such other cooperative arrangements with people's organization and non-governmental organizations to engage in the delivery of certain basic services, capability building and livelihood projects, and to develop local enterprises designed to improve productivity and income, diversity agriculture, spur rural industrialization, promote ecological balance, and enhance the economic and social well-being of the people;

WHEREAS, Section 36 of the I-GC authorizes the local government unit through the local chief executive and with the concurrence of the Sanggunian concerned, to provide assistance, financial or otherwise, to such people's and non-governmental organizations for economic, socially-oriented, environmental, or cultural projects to be implemented within its territorial jurisdiction;

SECTION 1. Title. This Ordinance shall likewise be known as "The People Empowerment Ordinance of the Municipality of San Miguel.

SECTION 2. Declaration of Principles. The Municipality of San Miguel recognizes the right of the people to self-organize in an independent and autonomous self-help organizations such as formal cooperatives, labor unions, interest groups, non-government organizations, sectoral organizations and people's organizations in furtherance of their constitutionally mandated role of enabling the people to pursue and protect, within the democratic framework, their legitimate and collective interests and aspirations through peaceful and lawful means. It is hereby declared as policy of the Municipality to ensure participation of its citizens in all avenues of local governance. The Municipality acknowledges the value of establishing a system of partnership between the Municipality of San Miguel and civil society organizations and people's organizations, and define their roles and involvement in the various local government programs, projects and activities, including their participation in local special bodies, committees, task forces, and similar groups, as required by law and the national government.

SECTION 3. Definition of Terms. For the purpose of this Ordinance, the following terms shall be defined as follows:

- a. Accredited Organization refers to an organization that obtains accreditation from a local government unit within sixty (60) days from the organization of the newly-elected Sangguniang Bayan for the purpose of representation to a local special body, and after the prescribed 60-day period for other purposes, such as participation in local government programs;
- b. Civil Society Organization (CSO) refers to a non-state and non-profit association that works to improve society and the human condition that includes non-governmental organizations, people's organizations, civic organizations, community-based organizations, faith-based organizations, cooperatives, social movements, professional groups, and business groups;
- c. Non-Governmental Organization (NGO) refers to a non-stock, non-profit Organization that works with different sectors and communities, promoting their general welfare and development, provide a wide range of services for people's organization and tends to operate with full time staff Social development organizations, foundations, and independent research institutions fall in this category;
- d. People's Council refers to a body composed of representatives from sectoral federations that is recognized by the local government unit;
- e. People's Organization (PO) refers to an association of residents in a barangay, or barangays, established to promote public interest and with an identifiable leadership structure and membership, and are often formed among the disadvantaged sectors of society such as the farmers, fisher folks, workers in the formal sector and migrant workers, workers in the informal sector, women, differently abled persons, senior citizens, victims of calamities and disasters, youth and students, children, and the poor;
- f. Recognized Organization refers to an organization allowed by the Sangguniang Bayan to participate in a local special body for purposes of meeting the minimum requirements for membership, an organization may only be recognized if it meets all the criteria except for registration;
- g. Registered Organization refers to an organization that obtains registration from the Securities and Exchange Commission. Cooperative Development Authority,



Department of Labor and Employment, or any other national government agency that is empowered by law or policy to register such organizations; and

- h. Sectoral Federation refers to a conglomeration or network of CSOs existing in a local government unit that is representing and belonging to the same sector and which shall be authorized by the Municipality in order to become a member of the People's Council;

SECTION 4. DECLARATION OF INTENT TO ENTER INTO PARTNERSHIP WITH CSOS. The Municipal Government of San Miguel hereby declares itself open to a partnership with duly accredited San Miguel-based people's organizations and non-government organizations in the conception, implementation and evaluation of all government activities and functions.

SECTION 5. RIGHTS AND PRIVILEGES OF ACCREDITED CSOS. Accredited CSOS may enter into joint ventures and other cooperative undertakings with the Municipal Government to engage in the delivery of certain basic services, capability-building and livelihood projects, and to develop local enterprises designed to improve productivity and income, diversify agriculture, spur rural industrialization, promote ecological balance, and enhance the economic and social well-being of the people within the framework of equitable and sustainable development.

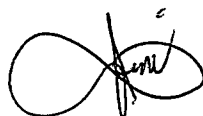
The Municipal Government may provide assistance, financial or otherwise, to accredited CSOs for economic and social development, and environmental management projects to be implemented within the territorial jurisdiction of San Miguel, subject to existing accounting rules and regulations of fund disbursement and liquidation. The government funds granted to the CSOs shall retain their character as public funds.

The project types that may be eligible for government funding shall be these that are beyond the capability of the Municipal Government to implement, which shall be clearly defined in a memorandum of agreement (MOA) between parties involved. These projects shall include, but shall not be limited to the following:

- a. Livelihood development.
- b. Manpower development
- c. Sports development,
- d. Cooperative development,
- e. Delivery of basic services,
- f. Environmental protection
- g. Agricultural and fisheries diversity:
- h. Rural industrialization
- i. Development of local enterprises
- j. Social services in areas that would not be ordinarily undertaken by the private sector and
- k. Construction, maintenance, operations and management of infrastructure projects such as, but not limited to the following:
 - i. Housing projects for the poorest of the poor, and
 - ii. School buildings for schools with inadequate classrooms.

SECTION 6. REQUISITES FOR ENTITLEMENT TO GOVERNMENT FUNDS. The CSO shall submit a proposal for funding accompanied by the following documents:

- a. Certificate of registration with the Securities and Exchange Commission (SEC), and or either the Cooperative Development Authority (CDA) or the Department of Labor and Employment (DOLE) as the case may be, depending on the nature of the service requires to be rendered;
- b. Authenticated copy of the latest Articles of Incorporation or the Articles of Cooperation as the case may be, showing the original incorporators and the Secretary's certificate for incumbent officers, together with the Certificate of Filing with the SEC Certificate of Approval by the CDA;

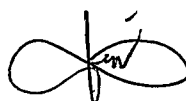


- c. Financial reports, audited by an independent certified public accountant, for the past three years preceding the date of project implementation, to ensure that the funds provided by the LGU shall not be the CSOs sole source of funds;
- d. For CSOs which has been in operation for less than three (3) years, report of accomplishment or any equivalent proof certified by its president and secretary that is had previously implemented similar projects shall be required, in addition to financial reports for years it has been in operation;
- e. Disclosure by the CSO of other related business and extent of ownership therein, if any;
- f. Complete project proposal signed by its officers which shall include the objectives target beneficiaries, feasibility studies, risk assessment, designs, plans, blueprints, charts, etc;
- g. Lest and or photographs of similar projects previously completed by the CSO, if as indicating the source of funds for their implementation, and
- h. A sworn affidavit of the secretary of the CSO that none of its incorporators, organizers, directors or officials is an agent of or related by consanguinity or affinity up to the fourth civil degree to the officials of the Municipality;

SECTION 7. PROCEDE RE FOR THE AVAILMENT, RELEASE AND UTILIZATION OF FUNDS. The following procedure shall be strictly complied with:

- a. The Municipal Government shall identify the priority projects under its Annual Investment Program (AIP) which may be implemented by the CSO, the purpose, specifications and intended beneficiaries as well as the timeframe within which the projects are to be undertaken;
- b. To ensure transparency, the foregoing information shall be made public through newspapers, Municipal website and/or social media accounts, bulletin boards and the like, at least three (3) months prior to the target date of commencement of the identified projects,
- c. For each project proposal, the Municipality shall accredit the CSO project partner through an Evaluation Committee created for the purpose.
- d. In case of staggered fund releases or new fund release covered by another MOA, no CSO shall receive additional releases unless an interim fund utilization report of the previous release certified by its accountant and approved by its president chairman is first complies with, showing a summary of expenses and a status report of accomplishments evidenced by pictures, verified by the Municipal Accountant;
- e. For infrastructure projects, the CSO shall post a performance security, upon signing of the MOA, in the form of a surety bond callable on demand issued by the Government Service Insurance System (GSIS) or an insurance company duly accredited by the Insurance Commission equivalent to 30% of the total funds to be granted;
- f. For income generating projects that will be undertaken by a CSO, such as foundation charter anniversary festival celebrations, where participating traders who use the facilities of the Municipal Government pay directly their rents and fees to the CSO, and solicitations from sponsoring companies are remitted directly to the CSO, the sharing of income and expenses thereof by the CSO and the Municipal Government, including the reporting procedures shall be stipulated in the MOA;
- g. Within sixty (60) days after the completion of the project, the CSO shall submit a fund utilization report certified by its accountant and approved by its president or chairman to the Municipal Government, together with the inspection report and certificate of project completion issued by the Municipal Government's authorized representative, list of beneficiaries with their acceptance of the projects/funds/goods/services received;

SECTION 8. LIMITATIONS. No portion of the funds shall be released before the signing of the MOA between the CSO and the Municipality of San Miguel No portion of the funds granted to the CSO shall be used for the following:



- a. Money market placement, time deposit, or other forms of investments;
- b. Cash advance of any official of the CSO, unless related to the implementation of the project;
- c. Payment of salaries, honoraria and any other form of allowances of the personnel of the Municipality and/or the CSO who are not connected with the project;
- d. Purchase of supplies, materials, equipment and motor vehicles of the Municipality, and
- e. Acquisition of assets of the CSO, unless necessary for the implementation of the project and specifically stipulated in the MOA;

SECTION 9. CREATION OF CSO PROJECT EVALUATION COMMITTEE. There is hereby created a CSO Project Evaluation Committee under the Municipal Development Council composed of the following:

Chairperson: Sangguniang Bayan Committee Chairperson on Cooperatives People's Organizations and Non-governmental Organizations

Members:

- Legal Officer or his / her equivalent
- Municipal Accountant
- Municipal Administrator
- Municipal Budget Officer
- Municipal Environment and Natural Resources Officer
- Municipal Engineer
- Municipal Health Officer
- Municipal Planning and Development Coordinator
- Municipal Social Welfare and Development Officer
- Municipal Treasurer

Secretariat: CSO Desk Officer.

The CSO Project Evaluation Committee shall perform the following functions and responsibilities:

- a. Formulate the CSO project partner selection criteria;
- b. Evaluate the CSO project partner by screening of the qualification documents, conduct ocular inspection of the CSOs business site, and assessment of the technical and financial capability of the CSO;
- c. Award the project to the CSO which meets the minimum qualification requirements and the specifications for the project and which can satisfactorily undertake the project at terms most advantageous to the beneficiaries, taking into consideration the cost effectiveness of the project, and
- d. Issue a resolution declaring the qualified CSO and draft the memorandum of agreement (MOA) which shall embody the terms of reference of the project such as but not limited to the following:
 - i. Project name, intended beneficiaries, benefits to be delivered, project cost estimates, a brief description of the project, and its site location
 - ii. Systems and procedure to implement the project such as, but not limited to the procurement of goods and services by the CSO and their distribution which should be documented and coordinated through the Municipal Government authorized officials and the respective barangays
 - iii. Time schedules for the release of funds, periodic inspection/evaluation reporting, monitoring requirements, date of commencement and date of completion.
 - iv. Submission of the required periodic financial and physical status report.
 - v. Specific period to liquidate the funds granted to the CSO with the Municipal Government
 - vi. In case of construction projects like school buildings, housing and other similar structures, and acquisition of assets like vehicles and equipment, a stipulation of ownership or turnover of ownership of the infrastructure or fixed assets:



- vii. In the procurement of any type of asset out of government funds, the CSO shall conduct simple bidding or canvass to ensure the best terms and quality of purchase.
- viii. In case the asset shall be owned by a specified beneficiary, a stipulation that a deed of donation shall be executed by the Municipal Government therefor.
- ix. Monitoring and inspection of project implementation and verification of financial records and reports of the CSO by the Municipal Government
- x. Visitorial audit by the officials and personnel of the Municipality and of GDA authorized to perform the audit
- xi. Institution of legal action by the Municipal Government against the defaulting CSO which fails to complete a project covered by the MOA, or for a material violation of the provisions of the MOA, and its subsequent perpetual disqualification from applying for another project of the Municipality of San Miguel.
- xii. In case of dissolution of a partner CSO, voluntary or involuntary, the lien of the Municipality on its assets, in accordance with existing laws to the extent of the unexpended or unutilized portion of the fund,
- xiii. Maintenance by the CSO of a separate savings account for each fund received from the Municipality;
- xiv. The return by the CSO to the Municipal Government of any amount not utilized to complete the project, including interest, if any, and
- xv. The CSO shall have an equity equivalent to 20% of the total project cost, which may be in form of labor, land for the project site, facilities, equipment and the like, to be used in the project,

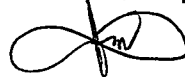
SECTION 10. ESTABLISHMENT OF A CSO DESK. The Municipality of San Miguel shall maintain a CSO Desk in the Municipal Planning and Development Office for to serve as centers for cooperation, coordination and joint actions with the People's Council on matters affecting the interest of all sectors.

The CSO Desk shall serve as a venue for CSOs in the Municipality to address their issues and concerns, including but not limited to the provision of technical and administrative support, if necessary: assist CSOs intending to apply for accreditation to a local special body and or participation in local government programs, including the People's Council; and encourage the active participation of CSOs in all local government programs, projects, and activities through the spirit of volunteerism.

SECTION 11. CSO DESK OFFICER. The CSO Desk shall be headed by a designated CSO Desk Officer who shall perform the following functions and responsibilities:

- a. Facilitate the organization of sectoral federation including the formation of People's Council in the Municipality of San Miguel;
- b. Mobilize and ensure participation of recognized, registered and accredited CSOs in the various processes and activities of the Municipal Government, particularly in planning budging, monitoring and other service delivery areas;
- c. Coordinate with the established People's Council, the holding of regular meetings, and other relevant activities of the CSOs;
- d. Monitor CSO participation in the programs, projects and activities of the Municipal Government;
- e. Prepare and submit monitoring reports to concerned government agencies, and
- f. Perform other responsibilities and other relevant functions as may be required if the implementation of this Ordinance;

SECTION 12. FORMATION OF SECTORAL FEDERATION. The Sangguniang Bayan, through the CSO Desk Officer, shall issue a Notice of Call for Formation of Sectoral Federations to all accredited, registered, and recognized CSOs including existing federation of CSOs. The Sanggunian shall also see to it that copies of the Notice of Call for Formation of Sectoral Federations are prominently posted in at least three (3) conspicuous places within the Municipality. The same shall also be posted in the Municipal website, social and or print media, if applicable.



Every CSO seeking to join the People's Council must first become a member of a sectoral federation. Only Municipal Government authorized federations shall be allowed to nominate any of their members to be a representative to the People's Council.

SECTION 13. SECTORAL FEDERATION PROCESS AND REQUIREMENTS. The CSO Desk Officer, through the supervision of the Sangguniang Bayan, shall receive and evaluate all CSO applications on the basis of the following criteria:

- a. Organization purposes and objectives which include community organization and development, institution-building, local enterprise development, livelihood development, capacity-building, and similar development objectives and considerations;
- b. Community-based and sectoral-based with project development and implementation track record in the Municipality for at least one (1) year, and
- c. Reliability as evidenced by the preparation of annual reports and conduct of annual meetings duly certified by the board secretary of the CSO;

The CSO Desk Officer shall prepare the list of qualified CSOs and designate the qualified CSOs according to their represented sectors into sectoral federations. The sectoral federations shall represent sectors, such as, but not limited to:

- a. Farmers and landless rural workers,
- b. Transport groups,
- c. Workers in the formal sector and migrant workers
- d. Workers in the informal sector,
- e. Women
- f. Youth and students,
- g. Persons with disabilities,
- h. Victims of disasters and calamities
- i. Senior citizens
- j. Children; and
- k. Cooperatives

Each sectoral federation shall submit three (3) copies of each of the following requirements to the Sangguniang Bayan, through the CSO Desk Officer:

- a. Minutes of meeting of the sectoral federation;
- b. Letter of endorsement from CSO Desk Officer stating the merits of the application based on the criteria set forth under this Section;
- c. List of its officers and members of good standing and their respective addresses;
- d. Certificate of Registration or Certificate of Accreditation of all members, and
- e. Program of activities planned for the year following the date of application, approved through a resolution;

The Sangguniang Bayan shall issue a Certificate of Authorization to each of the newly organized sectoral federations conferring to them the authority, as a legitimate organization, to be represented as a member in the People's Council.

SECTION 14. CREATION OF THE PEOPLE'S COUNCIL. The CSO Desk Officer shall initiate and facilitate the formal creation of a People's Council thirty (30) days after the issuance of the certificates of authorization to the newly organized sectoral federations. The CSO Desk Officer shall call for a convention of all sectoral federations to determine their own organizational structure and formulate their internal rules. Thereafter, the organized People's Council shall file a petition for recognition to the Sangguniang Bayan.

The Sangguniang Bayan shall issue a Certificate of Recognition to the People's Council within the (30) days from filing of a petition for recognition and pass a resolution stating the rights and privileges of the recognized People's Council. Only One People's Council shall be recognized by the Sangguniang Bayan.



SECTION 15. COMPOSITION OF THE PEOPLE'S COUNCIL. The People's Council shall be composed of representatives from each of the sectoral federations in the Municipality, provided that no political party, government employee's organization or non-registered CSOs may be nominated by the People's Council for membership in the local special bodies. The People's Council shall determine its own organizational structure.

SECTION 16. FUNCTIONS AND RESPONSIBILITIES OF THE PEOPLE'S COUNCIL. Upon recognition, the People's Council may, in accordance with its policies and internal rules, exercise the following functions and responsibilities:

- a. Ensure that all sectors are adequately represented in the People's Council,
- b. Elect or appoint, from among its members, its representatives to all local special bodies, boards, councils, committees, task forces, and other similar work groups which the Municipal Government or national laws may hereinafter create, such representatives shall not exceed twenty-five percent (25%) of the membership of the board, council, committee, task force or special body;
- c. Actively participate in the planning, budgeting, implementation and monitoring of the programs, projects and activities of the Municipality
- d. The People's Council representatives in the Municipal Development Council shall assist in mobilizing people's participation in every local development effort
- e. At all times provide for adequate consultation mechanisms for purposes of obtaining the views and suggestions of all stakeholders, other non-accredited but legitimate CSOs, and accredited CSOs which are not members of the Council; and
- f. Guarantee the autonomy of the People's Council and its members by not allowing it to be influenced or used for purposes of partisan politics or religious purposes

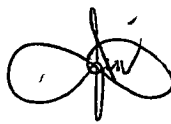
SECTION 17. RIGHTS AND PRIVILEGES OF THE PEOPLE'S COUNCIL The People's Council shall be entitled to the following:

- a. Determine and approve their internal rules and procedures;
- b. Autonomy to elect from among its members, their set of officers, and identify their principal and alternate representatives;
- c. Member organizations elected or appointed to represent the People's Council shall have the sole prerogative to choose, from among their bona fide members, the persons who shall sit in the boards, councils, committees, task forces and or special bodies concerned;
- d. Representatives of the People's Council may observe, vote, and participate in the deliberation, conceptualization, implementation, and evaluation of programs, projects and activities of the Municipality, without compensation or remuneration;
- e. If stated in the resolution recognizing the People's Council, propose legislation and participate and vote at the committee level of the Sangguniang Bayan, and
- f. The Municipality shall provide the necessary office space, facilities, and equipment for the use of the People's Council;

SECTION 18. REVOCATION OF CERTIFICATE OF RECOGNITION. The Sangguniang Bayan may revoke the recognition granted to the People's Council only upon action of a petitioner, and upon showing that the People's Council allowed itself or any of its member CSOs, to engage primarily in, or to be used primarily for, partisan political activities or religious purposes.

SECTION 19. REPEALING CLAUSE. The existing composition of the committees, boards, councils, task forces, and special bodies of the Municipality of San Miguel are hereby amended to accommodate the membership and participation therein of the People's Council or its representatives as herein mandated. Furthermore, all resolutions, ordinances and executive issuances, or provisions thereof, which are inconsistent with any of the provisions.

SECTION 20. SEPARABILITY CLAUSE. Should any provision embodied herein declared unconstitutional or unlawful, the invalidity of one or more provisions shall not affect the validity of the other provisions hereof thereby shall continue to be in full force and effect.



SECTION 21. EFFECTIVITY CLAUSE. This Ordinance shall take effect upon compliance of the mandatory posting and publication requirements provided for is the Local Government Code of 1991.

Enacted: June 08, 2026.

As disposed of by the Presiding Officer
Ayes (9) Honorable Yu, Honorable Gascon, Honorable Empedrad, Jr. Honorable Perez, Honorable Nazi, Honorable Lobaton, Honorable Cubero,
Honorable Maca. and Honorable Elizalde.
Nayes (0)
Abstained (0)

x-----X
I HEREBY CERTIFY to the correctness of the foregoing ordinance.


LALAINÉ ELIZALDE-PRAMBITA
Secretary to the Sangguniang Bayan I

ATTESTED AND CERTIFIED TO BE DULY ENACTED:


CELSON B. BANGOY
SB Member
(Temporary Presiding Officer)

APPROVED:


MICHAEL T. CORILLA
Municipal Mayor
Date: 7-6-26