ORDINANCE NO. 07-017

AN ORDINANCE REQUIRING OWNERS, OPERATORS, LESSEES, OCCUPANTS AND CONCESSIONAIRES OF BUSINESS ESTABLISHMENTS, CONTRACTORS AND DEVELOPERS AND PERSONS REQUIRED TO SECURE BUSINESS AND/OR BUILDING PERMIT IN DOING BUSINESS OR UNDERTAKING CONSTRUCTION OR REPAIR WORK IN MUNTINLUPA CITY TO SECURE PUBLIC LIABILITY INSURANCE.

Sponsored by:
Hon. Coun. Robert A. Abas
Hon. Coun. Allen F. Ampaya
Hon. Coun. Margarita Amythyst Patdu-Labios, MD
Hon. Coun. Melchor R. Teves
Hon. Coun. Atty. Icasiano M. dela Rea
Hon. Coun. Ermi E. Espeleta
Hon. Coun. Marita Deang-Calalang, DMD
Hon. Coun. Francis Ian T. Bagatsing
Hon. Coun. Luvi P. Constantino
Hon. Coun. Vergel C. Ulanday
Hon. Coun. Atty. Rey E. Bulay
Hon. Coun. Manuel P. Solomon

WHEREAS, the recent explosions at Glorietta 2 Mall in Makati City and Batasang Pambansa in Quezon City which caused death to several people and caused serious physical injuries to numerous individuals and the increasing trend in accidents resulting in injuries and death to construction-related incidents entailing grave danger and risk to the public:

WHEREAS, there is no guarantee that injuries to person or persons and damage to property in these establishments and activities will be compensated;

WHEREAS, insurance will guarantee that loss of life, hospital bills, loss of income and other damages as a result of accidents whether man-made or natural will be properly compensated;

WHEREAS, on October 15, 2007, the Chef of Business Permit and Licensing Office (BPLO) through the Office of the City Mayor, requested the City Council that all establishments doing business in Muntinlupa City must secured Public Liability Insurance as one of the requirements before Business Permit could be issued.

NOW THEREFORE, BE IT ORDAINED AS IT IS HEREBY ORDAINED, by the 5th Sangguniang Panlungsod of Muntinlupa in session assembled that:

SECTION 1. Declaration of Policy - It is hereby declared a policy of Muntinlupa City to promote the welfare and general well-being of the public by providing ample protection to victims of accidents and/or disaster occurring in business establishments and in buildings and/or structures undergoing construction, repair, renovation and other similar activities.
Toward this end, the city government shall adopt measures in assuring that the victims of accidents and/or disasters are reasonably compensated for the loss or injury sustained and the prompt and expedient indemnification of damages suffered by reason thereof.

SECTION 2. Public Liability Insurance Requirements – Pursuant to the above policy, any person whether natural or juridical, required under the law to secure business permit and/or building permit in doing business or undertaking construction, repair and maintenance work in Muntinlupa City are hereby required to secure Public Liability Insurance as an expedient means of indemnifying victims of accidents and/or disasters, either natural or man-made, occurring in business establishments and in buildings and/or structures under construction, renovation, repair or where similar activities are undertaken.

SECTION 3. The provisions of a contract of insurance to the contrary notwithstanding, the Public Liability Insurance required under this ordinance shall perform be the basic premises-operations coverage of a Comprehensive General Liability Policy or the Third Party Liability coverage of a Contractor’s All Risk Policy, with a combined single limit (for bodily injury/property damage) per occurrence with an amount equivalent to Five Thousand Pesos (Php5,000.00) per square meter of space occupied or use as common areas or per square meter of floor area under construction, addition, renovation repair, or demolition subject to a minimum limit of liability of One Hundred Thousand Pesos (Php100,000.00) per occurrence and a maximum limit of liability of Five Million Pesos (Php5,000,000.00) per occurrence.

SECTION 4. In determining liability under this Ordinance, lessees, occupants and concessionaires of spaces in commercial/business building and/or establishments shall be held liable for damages suffered by third parties while within the area(s) leased or occupied. Those damages sustained in space used, as common areas shall be exclusively borne by the owner of the building or establishment. The Liability for injuries or losses suffered by the public in building/structures under construction, renovation, repair, etc., shall vest on the contractor or developer thereof.

SECTION 5. Filing of claims for and payment of damages, pursuant to this measure, shall not constitute a bar in filing similar claims under existing laws.

SECTION 6. Any person securing business permit and/or building permit to do business in Muntinlupa City shall upon application or renewal thereof, present proof that the herein required Public Liability Insurance and the payment of premium have been complied with. No permit shall be issued and/or renewed without first complying with the requirements of this Ordinance.
SECTION 7. The Public Liability Insurance required under this ordinance must be secured by insurance company through its agencies duly registered, licensed and authorized under the law to transact insurance business in the Philippines. The required Public Liability Insurance shall be used on a policy form approved by the Insurance Commission.

SECTION 8. For the protection of the public, the Business Permits and Licensing Office (BPLC) of the city shall display or cause to be displayed the list of all accredited insurance companies and their respective agencies of good standing that are accredited to issue Public Liability Insurance coverage in a conspicuous place within the City Hall premises.

SECTION 9. The Executive Department through the BPLC shall prepare the Implementing Rules and Regulations (IRR) for the implementation of this Ordinance.

SECTION 10. Upon application at the Office of the City Mayor, and upon recommendation of said Office all Insurance Companies doing business in the City of Muntinlupa must be accredited through a resolution by the City Council.

SECTION 11. Repealing Clause – All Ordinances or provisions thereof contrary to this ordinance are deemed modified, repealed and/or nullified accordingly.

SECTION 12. Publication and Effectivity – This Ordinance shall be published in newspaper of general circulation for three (3) consecutive weeks and shall take effect in January 1, 2008.

ENACTED, by 5th Sangguniang Panglunsod of Muntinlupa this 19th day of November 2007, on its 17th Regular Session.

CONCURRED:

DISTRICT I:

COUN. ALLEN F. AMFAYA
Member

COUN. MARGARITA AMYHYST PATDJU-LABIOS, M.D
Member

COUN. MELCHOR R. TEVES
Member

COUN. ATTY. IGASIANO M. DELA REA
Member
COUN. ERMIE S. ESPELETA
Member

COUN. MARITA DEANG-CALALANG, DMD
Member

DISTRICT II:

COUN. FRANCIS IAN T. BAGATSING
Member

COUN. LUVI P. CONSTANTINO
Member

COUN. ENGR. MARISAA COLE-RONGAVILLA
Member

COUN. ENGR. MAMERTO T. SEVILLA, JR.
Member

COUN. VERGEL C. ULANDAY
Member

COUN. ROBERT A. ABAS
Member

COUN. ATTY. REY E. BULAY
Member

COUN. MANUEL P. SOLOMON
Sectoral Representative
President
Association of Barangay Captains

ABSENT:

COUN. ALLAN REY A. CAMILON
Member

COUN. MA. LUISA BABARAN-ECHAVEZ, MD
Member

COUN. JOSELITO V. AREVALO
Member
COUN. CHRISTIAN GLENN D. LORICA
Sectoral Representative
President
Federation of Sangguniang Kabataan

I HEREBY CERTIFY, as to the correctness of the foregoing Ordinance:

LEONORA M. MARCELO
Legislative Staff Officer IV

ATTESTED:

ARTEMIO A. SIMUNDAC
City Vice-Mayor/Presiding Officer

APPROVED:

ALDRIN L. SAN PEDRO
City Mayor

[Date]