Republic of the Philippines
QUEZON CITY COUNCIL
Quezon City
23rd City Council

PO23CC-277

72nd Regular Session

ORDINANCE NO. SP-3561, S-2026

AN ORDINANCE ESTABLISHING THE LEGAL FRAMEWORK FOR THE ACCEPTANCE, MANAGEMENT, AND UTILIZATION OF PRIVATE SECTOR PARTNERSHIPS, SPONSORSHIPS, AND DONATIONS FOR THE QUEZON CITY HOSTING OF THE 2027 PALARONG PAMBANSA, AUTHORIZING THE CITY MAYOR TO EXECUTE RELEVANT AGREEMENTS, AND CREATING A DEDICATED PALARONG PAMBANSA TRUST FUND FOR THE PURPOSE

Introduced by Councilors JOSEPH P. JUICO, ALY MEDALLA, TANY JOE "TJ" L. CALALAY, BERNARD R. HERRERA, DOROTHY A. DELARMENTE, M.D., CHARM FERRER, CPA, MPA, JD, NICOLE "Nikki" V. CRISOLOGO, MIKEY F. BELMONTE, CANDY A. MEDINA, ATTY. VOLTAIRE GODOFREDO "Bong" LIBAN III, DAVE C. VALMOCINA, RANULFO "Tatay Rannie" Z. LUDOVICA, GELEEN "Dok G" LUMBAD, ATTY. CHRISTOFFER ALLAN "Tope" LIQUIGAN, ALBERT ALVIN "Chuckie" L. ANTONIO III, WENCEROM BENEDICT C. LAGUMBAY, DON S. DE LEON, LUIGI D. PUMAREN, ATTY. VICENTE BELMONTE JR., EDGAR "Egay" G. YAP, NANETTE CASTELO DAZA, IMEE RILLO, ATTY. JESUS MIGUEL SUNTAY, RAQUEL S. MALAÑGEN, JOSEPH JOE VISAYA, AIKO MELENDEZ, ALFRED VARGAS, MPA, KARL EDGAR CASTELO, SHAIRA "Shay" L. LIBAN, RAM V. MEDALLA, MARIA ELEANOR "Doc Ellie" R. JUAN, O.D., EMMANUEL BANJO A. PILAR, KRISTINE ALEXIA MATIAS, RN, VICTOR "Vic" D. BERNARDO, VITO SOTTO GENEROSO, ERWIN REY "Cocoy" A. MEDINA, JOSE MARIA "Mari" M. RODRIGUEZ and JHON ANGELLI "Sami" C. NERI

WHEREAS, Section 22(c) of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, provides that unless otherwise provided in the Code, no contract may be entered into by the Local Chief Executive on behalf of the local government unit without prior authorization by the Sangguniang Panlungsod;

WHEREAS, Section 344 of the same Code provides that special or trust funds may be disbursed by the administrator of such fund;

WHEREAS, Republic Act No. 10588, otherwise known as the Palarong Pambansa Act of 2013, institutionalizes the Palarong Pambansa as the Country's national athletic meet for elementary and secondary school students and recognizes the role of local government units and private entities in supporting its successful conduct;

The City shall ensure that all partnership and sponsorship arrangements are consistent with public health policies and the values of youth sports development and shall not allow partnerships with entities engaged in the tobacco, e-cigarette, alcoholic beverage, and gambling industries.

SECTION 3. DEFINITION OF TERMS. – For purposes of this Ordinance, the following terms shall mean as follows:

a. *Donation – refers to the voluntary and gratuitous transfer of cash, property, goods, or services by a donor in favor of the Quezon City Government, without consideration, subject to the acceptance of the City;*

b. *Sponsorship – refers to a contribution of cash, goods, services, or other support by a private entity in exchange for recognition, acknowledgment, or other lawful promotional rights as may be authorized by the City and applicable national regulations;*

c. *Partnership – refers to a collaborative arrangement between the Quezon City Government and a private entity for the provision of financial, technical, or logistical services for the 2027 Palarong Pambansa, under terms and conditions approved by the City; and*

d. *In-kind Donations – refer to non-cash donations such as equipment, supplies, uniforms, vehicles, technology, food, accommodation, professional services, or other tangible or intangible resources.*

SECTION 4. AUTHORITY OF THE CITY MAYOR. – The City Mayor is hereby authorized, for and on behalf of the Quezon City Government, to accept Donations, including In-kind Donations, enter into Sponsorships and Partnerships, and execute the corresponding Deeds of Donation and Acceptance (DODA), Memoranda of Agreement (MOA), Sponsorship Agreements, and other related instruments necessary to implement this Ordinance, subject to existing laws, rules and regulations and the applicable policies of the City. Such agreements and instruments shall be reviewed by the City Legal Department and endorsed by the Committee on Sponsorship and Corporate Partnerships prior to execution. The authority granted under this Section shall automatically terminate upon the conclusion of the 2027 Palarong Pambansa.

SECTION 5. AUTHORITY OF THE SPONSORSHIP AND CORPORATE PARTNERSHIP COMMITTEE UNDER THE PALARONG PAMBANSANG 2027 EXECUTIVE COMMITTEE. – Pursuant to Executive Order No. 17, Series of 2026, the Committee on Sponsorship and Partnership (hereinafter referred to as the "Committee"), operating under the Palarong Pambansa 2027 Executive Committee, is hereby recognized as the City's coordinating and operational arm for the mobilization of private sector resources for the 2027 Palarong Pambansa, subject to the oversight of the Palarong Pambansa 2027 Executive Committee and the review of the City Legal Department. The Committee shall have the following authorities and functions:

a. *Initiate, conduct, and coordinate negotiations with private entities and organizations, including corporations, partnerships, foundations, associations, and civic organizations, concerning proposed Donations, including In-kind Donations, Sponsorships, and Partnerships;*

b. *Develop, structure, and promote official Sponsorship packages, marketing tiers, branding opportunities, and other lawful benefits or arrangements for the 2027 Palarong Pambansa, subject to applicable laws, rules and regulations and the approval of the proper City authorities;*

c. *Conduct or coordinate the appropriate due diligence and compliance review of prospective donors, sponsors, and private sector partners, including checks relating to legal capacity, conflict of interest, applicable regulatory requirements, and other matters necessary to safeguard the interests of the City;*

d. *Prepare and finalize the specific terms, conditions, and provisions of Deeds of Donation and Acceptance (DODAs), Memoranda of Agreement (MOAs), Sponsorship Agreements, and other related instruments, in coordination with the City Legal Department, and to endorse the same to the City Mayor for execution in accordance with Section 4 of this Ordinance; and*

e. *Monitor and coordinate the fulfillment of commitments arising from Donations, In-kind Donations, Sponsorships, and Partnerships, including the delivery of goods, services, financial support, branding, recognition, promotional rights, and other agreed benefits, subject to the terms of the applicable agreements.*

SECTION 6. PROHIBITED SPONSORSHIPS AND DONATIONS. – In line with the State policy to protect and promote the health and welfare of the youth, uphold ethical standards in public service, and preserve the integrity of school-based sporting events, the City shall strictly prohibit the acceptance of any donation, sponsorship, partnership including advertising support, promotional assistance, or similar contribution from:

a. *entities engaged in the manufacture or promotion of tobacco products;*

b. *entities engaged in the manufacture or promotion of electronic cigarettes, vape products, heated tobacco products, and other similar nicotine delivery systems;*

c. *entities engaged in the manufacture or promotion of alcoholic beverages;*

d. *entities engaged in, operating, managing, or promoting gambling activities, including but not limited to casinos, online gambling, electronic gaming, sports betting, bingo, lottery-related commercial operations, and other games of chance, whether licensed or unlicensed; and*

e. *any third party, foundation, association, marketing agency, or other entity that represents, is funded by, acts on behalf of, or derives substantial financial support from the tobacco, e-cigarette, alcoholic beverage, or gambling industries.*

No advertisement, promotional activity, branding, logo display, product placement, endorsement, marketing engagement, or naming rights arrangement related to the foregoing industries shall be allowed in any Palarong Pambansa venue, billeting area, transportation asset, athlete or staff uniform, event material, digital platform, broadcast material, or official communication of the City.

SECTION 7. CREATION OF THE 2027 PALARONG PAMBANSA TRUST FUND. – A special trust fund to be known as the "Quezon City – 2027 Palarong Pambansa Trust Fund" is hereby created and shall be administered by the Palarong Pambansa 2027 Executive Committee.

All cash donations, sponsorship contributions, grants, and other revenues generated specifically for the 2027 Palarong Pambansa shall accrue to the said Trust Fund. The 2027 Palarong Pambansa Trust Fund is hereby authorized to be utilized for 2027 Palarong Pambansa expenditures, as may be determined by the Palarong Pambansa 2027 Executive Committee, including but not limited to event operations, billeting and food, transportation, medical services, sports equipment, venue preparation, facility improvements, communication and information services, and other necessary expenses related to the City's hosting obligation.

Any unexpended balance remaining after the conclusion of the 2027 Palarong Pambansa shall remain in the Trust Fund and may be used exclusively for authorized post-event obligations directly related to the City's hosting of the 2027 Palarong Pambansa.

Upon completion of all post-event obligations and after the Trust Fund has been formally closed in accordance with applicable budgeting, accounting, and auditing laws, rules and regulations, any remaining balance in the Trust Fund shall be transferred to and form part of the Sports Promotion and Development Program Fund under Quezon City Ordinance No. SP-2229, S-2013.

SECTION 8. INSTRUMENT OF TRANSFER AND RECORDING. – No private contribution shall be accepted, received, or integrated into the property, records, or resources of the Quezon City Government without proper documentation and recording in accordance with applicable accounting, auditing, property, and other government rules and regulations.

Cash and in-kind contributions shall be supported by a duly executed Deed of Donation and Acceptance, Sponsorship Agreement, or other appropriate instrument evidencing the transfer and acceptance of the contribution.

In-kind contributions shall be properly valued, documented, and recorded in the appropriate property and supply records of the City upon receipt, in accordance with applicable audit rules and regulations.

All cash contributions shall be duly issued a receipt by the City Treasurer and recorded as part of the Quezon City – 2027 Palarong Pambansa Trust Fund, as applicable.

SECTION 9. ANTI-GRAFT SAFEGUARDS AND VETTING PROTOCOL. – All prospective donations, sponsorships, partnerships, and other private contributions shall undergo appropriate due diligence, legal and ethical review by the Sponsorship and Corporate Partnership Committee, in coordination with the City Legal Department and other concerned offices, prior to acceptance or execution of any agreement. No contribution, benefit, sponsorship privilege, or other consideration arising from a private contribution shall directly or indirectly accrue for the personal benefit of any public official, employee, committee member, or other person acting on behalf of the City, and all property, funds, and other resources accepted by the City shall be for official government purposes and subject to applicable accounting, auditing, and property rules.

No contribution shall be accepted where the circumstances of its acceptance, the identity or relationship of the donor or sponsor, or the terms of the proposed arrangement would give rise to an actual, potential, or apparent conflict of interest or otherwise compromise the integrity of government transactions, including compliance with Republic Act No. 3019, otherwise known as the Anti-Graft and Corrupt Practices Act, Republic Act No. 12009, otherwise known as the New Government Procurement Act, and other applicable laws, rules and regulations. Contributions from entities with pending transactions, procurement participation, or other dealings with the City shall be subject to appropriate conflict-of-interest and legal review before acceptance.

SECTION 10. TAX INCENTIVES FOR PRIVATE SECTOR PARTNERS. – Donations accepted under this Ordinance shall be accorded such tax treatment or incentives as may be authorized under applicable provisions of the National Internal Revenue Code, as amended, and existing rules and regulations of the Bureau of Internal Revenue.

Donated assets or services may likewise qualify for incentives under Quezon City Ordinance No. SP-3213, S-2023, entitled "An Ordinance Providing for Incentives on Donations Made by Private Entities Supportive of Priority Programs of the Quezon City Government," subject to the qualifications, requirements, and procedures prescribed therein.

Nothing in this Ordinance shall be construed as granting or guaranteeing any tax deduction, tax exemption, or other tax benefit that is not otherwise authorized by law or applicable City ordinance. The City Treasurer and/or appropriate City Government Office shall issue the appropriate certification or documentation for qualified donations.

SECTION 11. TRANSPARENCY AND REPORTING. – The Sponsorship and Corporate Partnership Committee shall maintain complete and accurate records of all donations, sponsorships, partnerships, and other private sector contributions received for the 2027 Palarong Pambansa, including their nature, value, source, purpose, and utilization.

Within sixty (60) days from the formal conclusion of the 2027 Palarong Pambansa, the Committee shall submit a final consolidated report covering all private sector contributions received, their corresponding utilization, and the related expenditures, which shall likewise be made available to the public through the official Quezon City web portal, subject to applicable laws on confidentiality, data privacy, and information disclosure.

SECTION 12. SEPARABILITY CLAUSE. – If any provision of this Ordinance is declared unconstitutional or invalid, the remaining parts shall continue to be in full force and effect.

SECTION 13. EFFECTIVITY CLAUSE. – This Ordinance shall take effect immediately upon its approval.

ENACTED: October 1, 2026.

CERTIFICATION

This is to certify that this Ordinance was ENACTED by the City Council on Second Reading under Suspended Rules on October 1, 2026 and was PASSED on Third/Final Reading on the same date.

GIAN G. SOTTO
City Vice Mayor
Presiding Officer

APPROVED: OCT 23 2026

MA. JOSEFINA G. BELMONTE
City Mayor

ATTESTED:

ATTY. JOHN THOMAS S. ALFEROS, III
City Government Department Head III
(Secretary to the Sanggunian)