

SEVENTEENTH CONGRESS OF TO THE PHILIPPINES Second Regular Session	HE REPUBLIC)	18 FEB 28 P3:09
Second Regular Session) SENATE		RECEIVED 65%

COMMITTEE REPORT NO. 255

Submitted jointly by the Committees on Local Government; Finance; Constitutional Amendments and Revision of Codes; and Ways and Means as recommended by the Subcommittee on the Bangsamoro Basic Law on $\underline{\text{FEB 282018}}$

Re: Senate Bill No. 1717

Recommending its approval in substitution of Senate Bill Nos. 1608, 1646, 1652 and 1661.

Sponsor: Sen. Juan Miguel "Migz" F. Zubiri

MR. PRESIDENT:

The Committees on Local Government; Finance; Constitutional Amendments and Revision of Codes; and Ways and Means to which were referred Senate Bill No. 1608, introduced by Senator Pimentel, entitled:

"AN ACT

PROVIDING FOR THE BASIC LAW FOR THE BANGSAMORO AUTONOMOUS REGION AND ABOLISHING THE AUTONOMOUS REGION IN MUSLIM MINDANAO, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 9054, ENTITLED "AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO," AND REPUBLIC ACT NO. 6734, ENTITLED "AN ACT PROVIDING FOR AN ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO," AND FOR OTHER PURPOSES"

Senate Bill No. 1646, introduced by Senator Zubiri, entitled:

"AN ACT

PROVIDING FOR THE BASIC LAW FOR THE BANGSAMORO AND ABOLISHING THE AUTONOMOUS REGION IN MUSLIM MINDANAO, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 9054 ENTITLED "AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO" AND REPUBLIC ACT NO. 6734 ENTITLED "AN ACT PROVIDING FOR AN ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO" AND FOR OTHER PURPOSES"

Senate Bill No. 1652, introduced by Senator Hontiveros, entitled:

"AN ACT

PROVIDING FOR THE BASIC LAW FOR THE BANGSAMORO AND ABOLISHING THE AUTONOMOUS REGION IN MUSLIM MINDANAO, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 9054, ENTITLED 'AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO,' AND REPUBLIC ACT NO. 6734, ENTITLED 'AN ACT PROVIDING FOR AN ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO,' AND FOR OTHER PURPOSES

and Senate Bill No. 1661, introduced by Senator Aquino, entitled:

"AN ACT

PROVIDING FOR THE BASIC LAW FOR THE BANGSAMORO AND ABOLISHING THE AUTONOMOUS REGION IN MUSLIM MINDANAO, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 9054, ENTITLED 'AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO,' AND REPUBLIC ACT NO. 6734, ENTITLED 'AN ACT PROVIDING FOR AN ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO,' AND FOR OTHER PURPOSES

have considered the same and have the honor to report these bills back to the Senate with the recommendation that the attached bill, Senate Bill No. 1717, prepared jointly by the Committees, entitled:

AN ACT

PROVIDING FOR THE BASIC LAW FOR THE BANGSAMORO AND ABOLISHING THE AUTONOMOUS REGION IN MUSLIM MINDANAO, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 9054, ENTITLED "AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO," AND REPUBLIC ACT NO. 6734, ENTITLED "AN ACT PROVIDING FOR AN ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO," AND FOR OTHER PURPOSES

be approved in substitution of Senate Bill Nos. 1608, 1646, 1652 and 1661 with Senators Pimentel, Zubiri, Hontiveros, Aquino, Angara, Legarda and Pangilinan as authors.

CHAIRS

JUAN MIGUEL "MIGZ"F. ZUBIRI

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Member, Committee on Finance

Member, Committee on Ways and Means

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Senate President

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SEVENTEENTH CONGRESS OF THE)

REPUBLIC OF THE PHILIPPINES)

Second Regular Session)

SENATE

S. No. _ 1717

Prepared by the Committees on Local Government; Finance; Constitutional Amendments and Revision of Codes; and Ways and Means as recommended by the Subcommittee on the Bangsamoro Basic Law with Senators Pimentel, Zubiri, Hontiveros, Aquino, Angara, Legarda and Pangilinan as authors.

AN ACT
PROVIDING FOR THE BASIC LAW FOR THE BANGSAMORO AND ABOLISHING
THE AUTONOMOUS REGION IN MUSLIM MINDANAO, REPEALING FOR THE
PURPOSE REPUBLIC ACT NO. 9054, ENTITLED "AN ACT TO STRENGTHEN AND
EXPAND THE ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM
MINDANAO," AND REPUBLIC ACT NO. 6734, ENTITLED "AN ACT PROVIDING
FOR AN ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM
MINDANAO," AND FOR OTHER PURPOSES

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

PREAMBLE

We, the Bangsamoro people and other inhabitants, imploring the aid of the Almighty, aspiring to establish an enduring peace on the basis of justice, balanced society, and asserting our right to conserve and develop our patrimony; reflective of our system of life as prescribed by our faith, and in harmony with our customary laws, cultures and traditions;

Within the framework of the Constitution and the national sovereignty and territorial integrity of the Republic of the Philippines, and in consonance with the accepted principles of human rights, liberty, justice, democracy, and the norms and standards of international law;

Affirming our distinct historical identity and birthright to our ancestral homeland and our right to self-determination, to chart our political future through a democratic process that will secure our identity and prosperity, and allow for genuine and meaningful self-governance as stipulated in the Comprehensive Agreement on the Bangsamoro (CAB);

With the blessing of the Almighty, do hereby promulgate this Bangsamoro Basic Law as the fundamental law of the Bangsamoro that establishes our asymmetrical political relationship with the Central Government on the principles of subsidiarity and parity of esteem.

15 Article I 16 NAME AND PURPOSE

Section 1. Short Title. – This Act shall be known as the "Bangsamoro Basic Law."

Sec. 2. Name. – The name of the political entity under this Basic Law shall be the Bangsamoro.

Sec. 3. Purpose. – The purpose of this Basic Law is to establish a political entity, provide for its basic structure of government in recognition of the justness and legitimacy of the cause of the Bangsamoro people and their aspiration to chart their political future through a democratic process that will secure their identity and posterity and allow for meaningful self-governance.

Article II BANGSAMORO IDENTITY

Sec. 1. Bangsamoro People. – Those who, at the advent of the Spaniards, were considered natives or original inhabitants of Mindanao and the Sulu archipelago and its adjacent islands including Palawan, and their descendants, whether of mixed or of full

1 2 3	blood, shall have the right to identify themselves as Bangsamoro by ascription or self-ascription. Spouses and their descendants are classified as Bangsamoro.
4 5 6 7	Sec. 2. Freedom of Choice. – The freedom of choice of other indigenous peoples shall be respected. There shall be no discrimination on the basis of identity, religion, and ethnicity.
8 9 10 11	Sec. 3. Bangsamoro Symbol. – The Bangsamoro Parliament shall adopt the official flag, emblem, and hymn of the Bangsamoro.
12	Article III
13	TERRITORY
14	TERRETORI
15	Sec. 1. Definition of Territory Territory refers to the land mass as well as the
16	maritime, terrestrial, fluvial and alluvial domains, and the aerial domain above it. The
17	Bangsamoro territory shall remain a part of the Philippines.
18	part of the Philippines.
19	Sec. 2. Core Territory. – The core territory of the Bangsamoro shall be
20	composed of:
21	
22	a. the present geographical area of the Autonomous Region in Muslim Mindanao
23	(ARMM);
24	
25	b. the municipalities of Baloi, Munai, Nunungan, Pantar, Tagoloan, and Tangkal
26	in the province of Lanao del Norte that voted for inclusion in the ARMM during
27	the 2001 plebiscite, which are hereby doclared as assess to
28	the 2001 plebiscite, which are hereby declared as geographic areas pursuant to Section 15, Article X of the 1987 Constitution;
29	, and 1307 constitution,
30	c. the following thirty-nine (39) barangays in the municipalities of Kabacan,
31	Carmen, Aleosan, Pigkawayan, Pikit, and Midsayap in the province of North
32	Cotabato that voted for inclusion in the ARMM during the agents.
33	Cotabato that voted for inclusion in the ARMM during the 2001 plebiscite, which are hereby declared as geographic areas pursuant to Section 15,
34	Article X of the 1987 Constitution:
35	and and and and an arrangement of the second

1	i. Dunguan, Lower Mingading, and Tapodoc in the municipality of
2	Aleosan (3);
3	ii. Manarapan and Nasapian in the municipality of Carmen (2)
4	iii. Nanga-an, Simbuhay, and Sanggadong in the municipality of
5	Kabacan (3);
6	iv. Damatulan, Kadigasan, Kadingilan, Kapinpilan, Kudarangan,
7	Central Labas, Malingao, Mudseng, Nabalawag, Olandang,
8	Sambulawan, and Tugal in the municipality of Midsayap (12);
9	v. Lower Baguer, Balacayon, Buricain, Datu Binasing, Kadingilan,
10	Matilac, Patot, and Lower Pangangkalan in the municipality of
11	Pigkawayan (8);
12	vi. Bagoinged, Balatican, S. Balong, S. Balongis, Batulawan, Buliok,
13	Gokotan, Kabasalan, Lagunde, Macabual, and Macasendeg, in the
14	municipality of Pikit (11);
15	
16	d. the cities of Cotabato and Isabela;
17	
18	e. all other contiguous areas where there is a resolution of the local government
19	unit or a petition of at least twenty percent (20%) of the registered voters in the
20	area asking for their inclusion at least two months prior to the conduct of the
21	ratification of this Basic Law and the process of delimitation of the Bangsamoro:
22	Provided, That in the conduct of the plebiscite, a majority vote in the mother
23	province or city to which it belongs is obtained, except in the case where Congress
24	has identified and declared the concerned local government unit as geographic
25	area.
26	
27	In order to ensure the widest assentability of the

In order to ensure the widest acceptability of this Basic Law in the core areas abovementioned, a popular ratification shall be conducted among all the Bangsamoro within the areas for their adoption.

Sec. 3. Contiguous Territory. – Contiguous provinces, cities, municipalities, barangays, and geographic areas, other than those mentioned in the preceding section, that obtain majority of the qualified votes cast in the periodic plebiscites, as provided under Section 4, Article XV of this Basic Law shall become part of the Bangsamoro.

1	Sec. 4. Inland Waters - All inland waters such as lales as
2	Sec. 4. Inland Waters. – All inland waters, such as lakes, rivers, river systems, and streams within the Bangsamoro territory, shall be seen to said.
3	and streams within the Bangsamoro territory shall be part of the Bangsamoro. The preservation and management thereof shall be under the control of the Bangsamoro.
4	preservation and management thereof shall be under the jurisdiction of the Bangsamoro Government.
5	
6	Sec. 5. Bangsamoro Waters - The Panganana
7	Sec. 5. Bangsamoro Waters. – The Bangsamoro waters, in the Sulu Sea and Moro Gulf, shall extend up to 22 224 kilometers (12 months).
8	Moro Gulf, shall extend up to 22.224 kilometers (12 nautical miles) from the low-water mark of the coasts that are part of the Bangsamore banking.
9	mark of the coasts that are part of the Bangsamoro territory. The Bangsamoro waters shall be part of the territorial jurisdiction of the Bangsamoro political entity.
10	entity.
11	Where a constituent local government unit of the Real
12	Where a constituent local government unit of the Bangsamoro and an adjoining local government unit are so situated on the opposite shores such that there is thirty (30)
13	kilometers of waters or less between them, a line equally distant from the opposite shores
14	shall be drawn to demarcate the Bangsamoro waters and the municipal waters of the
15	adjoining local government unit.
16	
17	Should they be so situated that there is more than thirty (30) kilometers but less
18	than 37.224 kilometers of waters between them, a line shall be drawn at the edge of the
19	15 kilometers municipal waters of the adjoining local government unit to demarcate it
20	from the Bangsamoro waters.
21	
22	Ten years after the passage of this Basic Law, the Central Government and the
23	Bangsamoro Government shall discuss the enhancement of the area of the Bangsamoro
24	waters through the necessary processes and modalities.
25	
26	Sec. 6. Constituent Units. – The provinces, cities, municipalities, barangays,
27	and geographical areas within its territory shall be the constituent units of the
28	Bangsamoro.
29	
30	ARTICLE IV
31	
	GENERAL PRINCIPLES AND POLICIES

Sec. 1. Self-Governance. – In the exercise of its right to self-determination and

self-governance, the Bangsamoro is free to pursue its political, economic, social, and

cultural development.

Sec. 2. Democratic Political System. – The Bangsamoro Government shall be
parliamentary. Its political system is democratic, allowing its people to freely participate
in the political processes within its territory.

Sec. 3. Electoral System. - The Bangsamoro Government, consistent and suitable to its parliamentary form of government, shall adopt an electoral system which shall allow democratic participation, encourage formation of genuinely principled political parties, and ensure accountability.

Sec. 4. Civilian Government. - Governance in the Bangsamoro is the responsibility of the duly elected civilian government. Civilian authority is, at all times, supreme over the military.

Sec. 5. Promotion of Unity. - The Bangsamoro Government shall promote unity, peace, justice, and goodwill among all peoples, as well as encourage a just and peaceful settlement of disputes.

The Bangsamoro abides by the principle that the country renounces war as an instrument of national policy, adopts the generally accepted principles of international law as part of the law of the land, and adheres to the policy of peace, equality, justice, freedom, cooperation, and amity with all nations.

Sec. 6. Promotion of Right. - The Bangsamoro shall adhere to the principle of enjoining what is right and forbidding what is wrong.

Sec. 7. Social Justice. - The Bangsamoro shall establish a government that ensures that every citizen in the Bangsamoro is provided the basic necessities and equal opportunities in life. Social Justice shall be promoted in all phases of development and facets of life within the Bangsamoro.

Sec. 8. International Treaties and Agreements. - The Bangsamoro Government shall respect and adhere to all international treaties and agreements entered into by the Government of the Republic of the Philippines and are beneficial to the Bangsamoro Government.

1 **ARTICLE V** 2 POWERS OF GOVERNMENT 3 Sec. 1. Reserved Powers. - Reserved powers are matters over which authority 4 and jurisdiction are retained by the Central Government. The Central Government shall 5 exercise the following reserved powers: 6 a. Defense and external security; 7 b. Foreign policy; 8 c. Coinage and Monetary Policy; 9 d. Financial and banking system; 10 11 e. Postal service; f. Citizenship and naturalization; 12 13 g. Immigration: h. Customs and tariff as qualified by Section 2(k), Article V of this Basic Law; 14 i. Common market and global trade: Provided, That the power to enter into 15 economic agreements given to the ARMM under R.A. 9054 is hereby transferred 16 to the Bangsamoro Government as provided in Section 29, Article XII of this Basic 17 18 Law; and Intellectual property rights. 19 Sec. 2. Concurrent Powers. - Concurrent powers shall refer to the powers shared 20 between the Central Government and the Bangsamoro Government within the 21 Bangsamoro, as provided in this Basic Law. 22 The Central Government and the Bangsamoro Government shall exercise shared 23 powers within the Bangsamoro on the following matters: 24 25 Social security and pensions. – The Bangsamoro Government may a. 26 organize its own social security and pension systems alongside the 27 existing Central Government social security and pension systems. 28 The Bangsamoro Government and the Central Government, through the intergovernmental relations mechanism and other consultative processes shall, among others, ensure that the investment of the contributions from the members from the Bangsamoro in the Central Government social security and pensions is responsive to their cultural and religious sensitivities.

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The future relationship of the Central Government system with the Bangsamoro Government system with respect to new government employees and other qualified individuals in the Bangsamoro shall be further provided for in law duly enacted for this purpose.

- Quarantine. There is hereby created an office for quarantine services in the Bangsamoro. It shall cooperate and coordinate with its counterpart offices in the Central Government.
- c. Land Registration. The Bangsamoro Government, in accordance with the land registration system of the Central Government, shall administer land registration in the Bangsamoro territory through an office it shall create for this purpose. The Bangsamoro Government shall furnish copies of the titles, deeds, and other instruments to the relevant Central Government agencies. The Bangsamoro Government can act on *consultas*.

The Bangsamoro Government may institute processes to promote more efficient registration of lands within the Bangsamoro.

- d. Pollution control. The Central Government and the Bangsamoro Government agencies shall cooperate and coordinate through the intergovernmental relations mechanism on pollution control matters.
- e. Human rights and humanitarian protection and promotion. The Bangsamoro Government may organize its own bodies for human rights and humanitarian protection and promotion that will work cooperatively with relevant national institutions.
- f. Penology and penitentiary. The Central Government and the Bangsamoro Government institutions shall cooperate and coordinate through the intergovernmental relations mechanism on the matter of granting parole and recommending to the President the grant of executive clemency. The Bangsamoro Government shall create an office that shall administer the parole system and recommend the grant of executive clemency to the Office of the President.

practice.

The Bangsamoro Government may create and manage jails, penal colonies, and other facilities. It shall ensure the compatibility of these facilities with the national jail management and penitentiary system, through the intergovernmental relations mechanism. These facilities are understood to be part of the country's administration of justice.

g. Auditing. – The Bangsamoro auditing body shall have auditing responsibility over public funds utilized by the Bangsamoro, without prejudice to the power, authority, and duty of the national Commission on Audit (COA). The Bangsamoro Government shall ensure transparency mechanisms consistent with open government

h. Civil Service. – The Bangsamoro Government shall develop and administer a professional civil service corps, to include the powers and privileges on civil service matters provided in R.A. No. 9054, and without prejudice to the power, authority, and duty of the national Civil Service Commission.

There is hereby created a Bangsamoro Civil Service Commission which shall be part of the national Civil Service Commission (CSC) and shall be under its direct control and supervision. Upon consultation with the CSC, the Bangsamoro Government shall enact a civil service law, which shall be consistent with the provisions of Article IX (B) of the 1987 Constitution. This law shall govern the conduct of civil servants and qualifications for non-elective positions, adopt the merit and fitness system, and protect civil service eligibles in various government positions, including government-owned and/or controlled corporations with original charters in the Bangsamoro: *Provided*, That in the case of teachers of the Arabic language and/or Islamic values, as well as foreign-educated teachers, who may not be able to comply with existing civil service standards of the national Civil Service Commission, special consideration shall be accorded to them: *Provided further*, That the Bangsamoro Civil Service Commission may promulgate rules and regulations to implement this provision.

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- Accountability of Public Officers and Employees. The Bangsamoro i. Government shall have primary disciplinary authority over its own officials and employees, without prejudice to the power and authority of the Ombudsman over public officers and employees.
- Coastguard. The Central Government shall have primary j. responsibility over coastguard matters. The Central Government and the Bangsamoro Government shall cooperate and coordinate through the intergovernmental relations mechanism.
- Customs and Tariff. The Bangsamoro Government and the Central k. Government shall cooperate and coordinate through the intergovernmental relations mechanism with regard to enforcement of customs and tariff laws and regulations to ensure the effective exercise of its powers on barter trade and countertrade with member countries of the Association of Southeast Asian Nations (ASEAN), as well as the regulation of the entry of haram goods in the Bangsamoro territorial jurisdiction.
- Administration of Justice. Administration of justice shall be in ١. accordance with the relevant provisions of this Basic Law and with due regard to the powers of the Supreme Court and the competence of the Bangsamoro Government over Shari'ah courts and the Shari'ah justice system in the Bangsamoro. The supremacy of Shari'ah and its application shall only be to Muslims.
- Funding for the Maintenance of Airports, Wharves, National Roads, m. Bridges, and Irrigation Systems. – The Central Government shall be responsible for the funding, construction, and maintenance of national roads, bridges, and irrigation systems in the Bangsamoro, and shall include in the National Road Network Information System all national roads and bridges in the Bangsamoro. There shall be coordination through the intergovernmental relations mechanism between the relevant Central Government and Bangsamoro

Government agencies on the matter of national roads, bridges, and irrigation systems within the Bangsamoro.

The Bangsamoro Government shall submit proposals to the appropriate national government agency for the inclusion of the cost of such maintenance in the latter's budget that shall be submitted to Congress for inclusion in the General Appropriations Act. Funding for national roads, bridges, and irrigation systems shall be regularly released to the relevant department of the Central Government.

Disaster Risk Reduction and Management. - The Bangsamoro n. Government shall have primary responsibility over disaster risk reduction and management within the Bangsamoro. There shall be cooperation and coordination among relevant Central Government and Bangsamoro Government agencies on disaster risk reduction and management. There is hereby created a Bangsamoro Disaster Risk Reduction and Management Council (BDRRMC), with powers and functions that shall be defined by the Bangsamoro Parliament in a law on disaster preparedness and response. The BDRRMC shall formulate the Bangsamoro Disaster Risk Reduction and Management Plan, which shall complement the National Disaster Risk Reduction and Management Framework and Plan of the Central Government. Additionally, the BDRRMC, through its Chair, the Chief Minister, may recommend to the President the mobilization of resources of national defense in times of disasters in the Bangsamoro.

o. Public Order and Safety. – The Bangsamoro Government shall have primary responsibility over public order and safety within the Bangsamoro. It shall have powers over public order and safety including those related to jail management, fire prevention, and trainings on public safety. The Central Government and the Bangsamoro Government shall cooperate and coordinate through the intergovernmental relations mechanism.

Sec. 3. Exclusive Powers. - Exclusive powers are matters over which authority and jurisdiction shall pertain to the Bangsamoro Government. The Bangsamoro

- 1 Government shall exercise these powers over the following matters within the
- 2 Bangsamoro:

a. Agriculture, livestock, and food security;

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b. Economic and cultural exchange;

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c. Contract loans, credits, and other forms of indebtedness with any government or private bank and other lending institutions, except those requiring sovereign guaranty, which require Central Government approval;

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d. Trade, industry, investment, enterprises, and regulation of businesses taking into consideration relevant laws;

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e. Labor, employment, and occupation;

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f. Registration of business names, with the Bangsamoro Government listing these in the Philippine Business Registry for business names;

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g. Barter Trade and Countertrade with ASEAN countries;

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h. Economic zones and industrial centers;

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i. Free Ports. – The Bangsamoro Government may establish free ports in the Bangsamoro. The Bangsamoro Government shall cooperate with the Central Government through the intergovernmental relations mechanism on customs, immigration, quarantine service, and international commitments. Business and other enterprises operating within the Bangsamoro free ports shall be entitled to the fiscal incentives and other benefits provided by the Central Government to special economic zones. Bangsamoro free ports shall be contiguous or adjacent to a seaport or airport within the Bangsamoro;

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j. Tourism;

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k. Creation of sources of revenue;

Budgeting;

m. Islamic Financial and Banking System. – This is without prejudice to the power of supervision of the Bangko Sentral ng Pilipinas (BSP) and provided further that the Bangsamoro Government, the BSP, the Department of Finance (DOF), and the National Commission on Muslim Filipinos (NCMF) shall jointly promote the development of the Islamic banking system, to include among others the establishment of a Shari'ah supervisory board:

n. Establishment of Government-Owned and/or -Controlled Corporations (GOCCS) and Financial Institutions. – The Bangsamoro Government shall legislate and implement the creation of its own GOCCs in the pursuit of the common good, and subject to economic viability. The GOCCs shall be registered with the Securities and Exchange Commission (SEC) or shall be established under legislative charter by the Bangsamoro Government;

o. The Bangsamoro Government shall have authority to regulate power generation, transmission, and distribution operating exclusively in the Bangsamoro and not connected to the National Transmission Grid. It shall promote investments, domestic and international, in the power sector industry in the Bangsamoro. Power plants and distribution networks in the Bangsamoro shall be able to interconnect and sell power over the National Transmission Grid to electric consumers. The Bangsamoro Government may assist electric cooperatives in accessing funds and technology to ensure their financial and operational viability. When power generation, transmission, and distribution facilities are connected to the National Transmission Grid, the Central Government and the Bangsamoro Government shall cooperate and coordinate through the intergovernmental relations mechanism. All these will be subject to Section 34, Article XIII of this Basic Law;

 Public Utilities Operations in the Bangsamoro. – In case of inter-regional utilities, there shall be cooperation and coordination among the relevant government agencies;

Receive grants and donations;

r. Education and skills training;

- s. Science and technology;

t. Research councils and scholarships;

u. Culture and language;

v. Sports and recreation;

w. Regulation of games and amusement operations within the Bangsamoro;

x. Libraries, Museums, Historical, Cultural and Archaeological Sites. – The Bangsamoro Government shall have the power to establish its own libraries and museums and declare historical and cultural sites. The Central Government shall transfer the management of such sites currently under the jurisdiction of the National Museum, National Historical Commission, and other agencies of the Central Government, to the Bangsamoro Government or local governments therein, following certain processes through the intergovernmental relations mechanism. With regard to archaeological sites, the Bangsamoro Government shall coordinate with relevant agencies of the Central Government on the regulation, excavation, preservation, and exportation of cultural properties, as well as on the recovery of lost historical and cultural artifacts;

y. Regulations on manufacture and distribution of foods, drinks, drugs, and tobacco for the welfare of the Bangsamoro;

z. Hajj and Umrah. – The Bangsamoro Government shall have primary jurisdiction over Hajj and Umrah matters affecting pilgrims from within the Bangsamoro. The Central Government shall have competence over Hajj and Umrah matters affecting pilgrims coming from outside the Bangsamoro. There is hereby created a Bangsamoro pilgrimage authority that shall act in close coordination with the Central Government on Hajj and Umrah matters involving offices and agencies outside the Bangsamoro;

aa. Customary laws;

bb. Declaration of Bangsamoro holidays;

cc. Ancestral domain and natural resources;

dd. Protection of the rights of the indigenous people in the Bangsamoro in accordance with the United Nations Declaration on the Rights of Indigenous Peoples, and taking into account in addition to economic and geographical criteria, their individual and communal property rights, cultural integrity, customary beliefs, and historical and community traditions. The Bangsamoro Parliament shall create an appropriate office or ministry for the indigenous peoples, which shall be part of the Bangsamoro Cabinet, to develop and implement the Bangsamoro programs for the indigenous peoples in accordance with a law passed by the Bangsamoro Parliament;

- ee. Land Management, Land Distribution, and Agricultural Land Use Reclassification.
 - The classification of public lands into alienable and disposable lands shall be initiated and recommended by the Bangsamoro Government to the President for the timely implementation of Bangsamoro development plans and targets;

ff. Cadastral Land Survey. – The Bangsamoro Government shall have the authority to conduct cadastral surveys, lot surveys, and isolated and special surveys in the Bangsamoro. The Bangsamoro Government shall furnish the results of these surveys to, and coordinate with, relevant Central Government agencies to effect inclusion into national cadastral survey:

gg. Expropriation and eminent domain;

hh. Environment, Parks, Forest Management, Wildlife, Nature Reserves and Conservation. – The Bangsamoro Government shall have the authority to protect and manage the environment. It shall have the power to declare nature reserves and aquatic parks, forests, watershed reservations, and other protected areas in the Bangsamoro;

ii. Inland waterways for navigation;

1	
2	jj. Inland waters;
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4	kk. Management, regulation, and conservation of all fishery, marine and aquatic
5	resources within the Bangsamoro territorial jurisdiction;
6	
7	II. Bangsamoro settlements;
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9	mm. Customary justice;
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11	nn. Shari'ah courts and Shari'ah justice system;
12	on Dubling and the same
13	oo. Public administration and bureaucracy for the Bangsamoro;
14 15	nn Hoalth maridad a comment
16	pp. Health, provided that the Central Government and the Bangsamoro Government
17	shall cooperate with and assist each other in the prevention and control of
18	epidemic and other communicable diseases;
19	an Social services, social welfare and the w
20	qq. Social services, social welfare and charities;
21	rr. Waste Management;
22	and a sure of the
23	ss. Establishment and supervision of humanitarian services and institutions;
24	institutions;
25	tt. Identification, generation, and mobilization of international human resources for
26	capacity building and other activities involving the same within the Bangsamoro.
27	The Central Government shall cooperate with and assist the Bangsamoro
28	Government towards ensuring access to such relevant human resources through
29	the intergovernmental relations mechanism;
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31	uu. Establishment of Awqaf (endowment) and charitable trusts;
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33	vv. Hisbah office for accountability as part of the Shari'ah justice system;
34	and justice system,
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36	ww. Registration of births, marriages, and deaths, copies of which shall be
37	forwarded to the Philippine Statistics Authority;

1 2 xx. Housing and human settlements; 3 yy. Development planning; 5 zz. Urban and rural development; 7 8 aaa. Water supplies and services, flood control, and irrigation systems in the Bangsamoro: 9 Provided, That with regard to water supplies and services, flood control, and irrigation 10 systems that connect to or from facilities outside the Bangsamoro, there shall be 11 cooperation and coordination between the Bangsamoro Government and the appropriate 12 Central or local government bodies; 13 14 bbb. Public works and highways within the Bangsamoro; 15 16 ccc. Establishment of appropriate mechanisms for consultations for women and 17 marginalized sectors; 18 19 ddd. Special development programs and laws for women, labor, the youth, the elderly, 20 the differently-abled, and indigenous peoples; 21 22 eee. Local Administration, Municipal Corporations and Other Local Authorities Including 23 the Creation of Local Governments. – The Bangsamoro Government shall manage and 24 build its own bureaucracy and administrative organization, in accordance with the 25 ministerial form of government; 26 27 The Bangsamoro Parliament may create, divide, merge, abolish, or substantially alter boundaries of provinces, cities, municipalities, or barangays in accordance with a 28 law enacted by the Bangsamoro Parliament and shall be entitled to their appropriate share in the national taxes or Internal Revenue Allotment, provided that the criteria laid down in Republic Act No. 7160 or the Local Government Code of 1991 are satisfied, and

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subject to the approval by a majority of the votes cast in a plebiscite in the political units directly affected.

In the event the Bangsamoro Parliament will create, divide, merge, abolish, or substantially alter boundaries of provinces, cities, municipalities, or barangays that will not be compliant with the criteria laid down in R.A. No. 7160 the share of the concerned local government unit in the Internal Revenue Allotment shall come from the Bangsamoro Government. Subject to the criteria provided in said law, the Bangsamoro Parliament may likewise create appropriate local government units in the areas inhabited predominantly by indigenous peoples.

However, when such acts require the creation of a congressional district, the Bangsamoro Government shall cooperate and coordinate with the Central Government through the Philippine Congress — Bangsamoro Parliament Forum to prioritize the deliberations on the creation of the congressional district; and

fff. Establishment or creation of other institutions, policies, and laws for the general welfare of the people in the Bangsamoro.

Sec. 4. Other Exclusive Powers. – The following vested powers and competencies previously granted to the ARMM under R.A. No. 6734 as amended by R.A. No. 9054, are hereby transferred to the Bangsamoro Government as part of its exclusive powers:

a. To regulate and exercise authority over foreign investments within its jurisdiction. The Central Government may intervene in such matters only if national security is involved;

b. To proclaim a state of calamity over its territorial jurisdiction or parts thereof whenever typhoons, flash floods, earthquakes, tsunamis, or other natural calamities cause widespread damage or destruction to life or property in the region. The state of calamity proclaimed by the Chief Minister shall only be for the purpose of maximizing the efforts to rescue imperiled persons and property and the expeditious rehabilitation of the damaged area;

c. To temporarily take over or direct operation of any privately-owned public utility or business affected with public interest operating exclusively in the Bangsamoro in times of state of calamity declared by the Chief Minister, when the public interest so requires, and under such reasonable terms and safeguards as may be prescribed by the Bangsamoro Parliament. The public utility or business concerned may contest the take-over of its operations by the Bangsamoro Government by filing a proper case or petition with the Court of Appeals;

d. To recognize constructive or traditional possession of lands and resources by indigenous peoples subject to judicial affirmation, when the petition for such is instituted within a period of ten (10) years from the effectivity of this Basic Law. The procedure for judicial affirmation of imperfect titles under existing laws shall, as far as practicable, apply to the judicial affirmation of titles to ancestral lands;

e. To adopt and implement a comprehensive urban land reform and land use program to ensure the just utilization of lands within its jurisdiction;

f. The Bangsamoro Parliament shall have the following powers:

i. To enact legislation on the rights of the people of the Bangsamoro to initiate measures for the passage, amendment, or repeal of regional or local legislation; to be consulted on matters that affect their environment; to call for a referendum on important issues affecting their lives; and on initiatives;

ii. To conduct inquiries or public consultations in aid of legislation in accordance with its rules. In connection therewith, it shall have the power to issue subpoena or subpoena *duces tecum* to compel the attendance of witnesses and the production of papers,

documents, or things by witnesses or persons under investigation by the Parliament itself, or by any of its committees. It shall also have the right to cite witnesses or persons under investigation for contempt for refusal to testify before it or before any of its committees, or to produce papers, documents, or things required by the Parliament or any of its committees. The rights of persons appearing in or affected by such inquiries shall be respected;

iii. To enact a law that would allow the Chief Minister, Speaker of the Parliament, and the Presiding Justice of the Bangsamoro *Shari'ah* High Court to augment any item in the Bangsamoro General Appropriations Law for their respective offices from savings in other items of their respective appropriations;

- iv. Within the competencies of the Bangsamoro Government, to enact a law that shall regulate the grant of franchises and concessions, and empower the Chief Minister to grant leases, permits, and licenses over agricultural lands and for forest management;
- g. To create pioneering firms and other business entities needed to boost economic development in the Bangsamoro;
- h. To establish and operate pioneering public utilities in the interest of regional welfare and security. Upon payment of just compensation, it may cause the transfer of the ownership of such utilities to cooperatives or other collective organizations;
- i. To support and encourage the building up of entrepreneurial capability in the Bangsamoro and to recognize, promote, and protect cooperatives;

1 To supervise and regulate private schools in the Bangsamoro and to j. 2 allow the participation of three (3) representatives of private schools in the deliberations of the appropriate Bangsamoro Government's ministry, 3 Commission on Higher Education (CHED), Technical Education and Skills 4 Development Authority (TESDA), and other government agencies on matters 5 6 dealing with private schools; 7 To be represented in the board of the state universities and colleges 8 k. in the Bangsamoro by the Chair of the appropriate committee of the 9 Bangsamoro Parliament as member. The state universities and colleges within 10 the Bangsamoro shall be considered part of the Bangsamoro educational 11 system. This notwithstanding, these state universities and colleges shall enjoy 12 academic freedom and fiscal autonomy and shall continue to be governed by 13 their respective charters; 14 15 16 ١. To supervise, through the appropriate ministry, the accredited Madaris in the Bangsamoro; 17 18 To conduct periodic competitive qualifying examinations of Madaris 19 teachers for permanent appointments to the Bangsamoro education system; 20 21 n. To adopt measures to protect and promote the rights of people's organizations and other collective organizations; To adopt measures for the protection of the youth in the Bangsamoro 0. and the promotion of their welfare, and to create the appropriate office and other mechanisms for the implementation of such measures; To enforce the policy against the appointment or designation of any p. member of the Armed Forces of the Philippines in the active service to a civilian

position in the Bangsamoro Government, including GOCCs, or in any of their

subsidiaries or instrumentalities within the Bangsamoro.

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ARTICLE VI

INTERGOVERNMENTAL RELATIONS

Sec. 1. Asymmetric Relationship. – The relationship between the Central Government and the Bangsamoro Government shall be asymmetric. This is reflective of the recognition of their Bangsamoro identity and their aspiration for self-governance.

This makes it distinct from other regions and other local governments.

Sec. 2. Parity of Esteem. — The Central Government and the Bangsamoro Government shall be guided by the principles of parity of esteem and accepted norms of good governance. The Central Government shall respect the exercise of competencies and exclusive powers of the Bangsamoro Government. The Bangsamoro Government shall respect the exercise of the competencies and reserved powers of the Central Government.

Sec. 3. General Supervision. – Consistent with the principle of autonomy and the asymmetric relation of the Central Government and the Bangsamoro Government, the President shall exercise general supervision over the Bangsamoro Government to ensure that laws are faithfully executed.

Sec. 4. Intergovernmental Relations Mechanism. — The Central Government and the Bangsamoro Government shall establish a mechanism at the highest levels that will coordinate and harmonize their relationships. For this purpose, the primary mechanism shall be the Central Government — Bangsamoro Government Intergovernmental Relations Body to resolve issues on intergovernmental relations. All disputes and issues relating to these intergovernmental relations shall be resolved through regular consultations and continuing negotiations in a non-adversarial manner.

The Central Government - Bangsamoro Government Intergovernmental Relations Body shall exhaust all means to resolve all issues brought before it. Unresolved issues shall be elevated to the President through the Chief Minister.

The Central Government and the Bangsamoro Government shall each appoint a representative in the Intergovernmental Relations Body. Both representatives shall have authority to make decisions. The body shall be supported by a joint secretariat.

The Central Government - Bangsamoro Government Intergovernmental Relations Body is hereby authorized to create other intergovernmental bodies or boards other than those specified in this Basic Law or as may be necessary: *Provided*, That these bodies or boards, as well as all others already created in this Basic Law shall be under the supervision and oversight of the Central Government — Bangsamoro Government Intergovernmental Relations Body: *Provided further*, That these bodies or boards shall not encroach upon the exercise of the exclusive powers of the Bangsamoro Government.

- **Sec. 5. Philippine Congress Bangsamoro Parliament Forum.** There shall be a Philippine Congress-Bangsamoro Parliament Forum for purposes of cooperation and coordination of legislative initiatives.
- **Sec. 6. Intergovernmental Fiscal Policy Board.** There is hereby created an Intergovernmental Fiscal Policy Board (IGFPB) that shall address revenue imbalances and fluctuations in regional financial needs and revenue-raising capacity of the Bangsamoro, whose functions and composition are provided for in Article XII of this Basic Law.
- **Sec. 7. Joint Body for the Zones of Joint Cooperation.** There is hereby created a Joint Body for the Zones of Joint Cooperation, which shall be responsible for formulating policies relating to the Zones of Joint Cooperation in the Sulu Sea and Moro Gulf, whose functions and composition are provided for in Section 20, Article XIII of this Basic Law.
- **Sec. 8. Intergovernmental Infrastructure Development Board.** There is hereby created an Intergovernmental Infrastructure Development Board, which shall be responsible for coordinating and synchronizing national and Bangsamoro infrastructure development plans including those provided under Section 2 of Article V, Section 25 of Article XII, Section 1 of Article XIV, and Section 15 of Article VI of this Basic Law.

The Board shall be composed of the heads and/or representatives of the appropriate ministries and offices in the Bangsamoro Government. The Central Government shall likewise be represented in the Board by the Secretary of Public Works and Highways and such other officials as may be necessary to be designated by the Secretary of Public Works and Highways.

Sec. 9. Intergovernmental Energy Board. - There is hereby created an Intergovernmental Energy Board. It shall resolve all matters specified in Section 34, Article XIII of this Basic Law and other energy issues referred to it by the Central Government - Bangsamoro Government Intergovernmental Relations Body. It shall be

composed of the representatives of both governments coming from their respective Departments of Energy, Regulatory Commissions, and Electrification Administrations.

Sec. 10. Bangsamoro Sustainable Development Board. - The Bangsamoro Parliament shall create a Bangsamoro Sustainable Development Board (BSDB), an intergovernmental body composed of representatives from the Bangsamoro Government and the Central Government. The Board shall ensure the harmonization of environmental and developmental plans, as well as formulate common environmental objectives.

Sec. 11. Council of Leaders. – The Bangsamoro Council of Leaders shall consist of the Chief Minister, provincial governors, mayors of chartered cities, and representatives of traditional leaders, non-Moro indigenous communities, women, settler communities, *Ulama*, youth, Bangsamoro communities outside of the Bangsamoro territory, and other sectors. The Bangsamoro Council of Leaders shall be chaired by the Chief Minister. The Council shall advise the Chief Minister on matters of governance in the Bangsamoro. The representation of the non-Moro indigenous communities shall be pursuant to their customary laws and indigenous processes.

 The mechanism of representation and number of representatives shall be determined by the Bangsamoro Parliament.

Sec. 12. Devolution and Subsidiarity. – The Central Government and the Bangsamoro Government accept the concept of devolution as inspired by the principles of subsidiarity. Decisions are to be made at the appropriate level to ensure public accountability and transparency, and in consideration of good governance and the general welfare.

Sec. 13. Bangsamoro Government and its Constituent Local Government Units. — The provinces, cities, municipalities, barangays, and geographic areas within its territory shall be the constituent units of the Bangsamoro. The authority to regulate on its own responsibility the affairs of the local government units is guaranteed within the limits of this Basic Law. The local government units shall continue to exercise the powers granted to them by law. For good governance, the Bangsamoro Parliament may enact a Local Government Code.

Sec. 14. Bangsamoro Participation in Central Government. – It shall be the policy of the Central Government to appoint competent and qualified inhabitants of the Bangsamoro in the following offices in the Central Government: at least one (1) Cabinet Secretary; at least one (1) in each of the other departments, offices, and bureaus holding executive, primarily confidential, highly technical, or policy-determining positions; and one (1) Commissioner in each of the constitutional bodies.

The recommendations of the Bangsamoro Government shall be channeled through the intergovernmental relations mechanisms.

Sec. 15. Assistance to Other Bangsamoro Communities. – The Central Government shall ensure the protection of the rights of the Bangsamoro people residing outside the territory of the Bangsamoro and undertake programs for the rehabilitation and development of their communities. The Bangsamoro Government, in coordination with the concerned local government unit where the community is located, shall provide assistance to their communities to enhance their economic, social, and cultural development. In this regard, the Bangsamoro Government shall include in its priorities the creation of an office for Bangsamoro communities outside of the Bangsamoro territory.

Sec. 16. National Programs and Projects. - National programs and projects, such as but not limited to Pantawid Pamilyang Pilipino Program, Philhealth, Home Development Mutual Fund, and social security coverage including programs for senior citizens, shall continue to be funded by the Central Government. For purposes of coordination and synchronization, the same shall be channeled through the intergovernmental relations mechanisms.

25 ARTICLE VII

THE BANGSAMORO GOVERNMENT

Sec. 1. Seat of Government. – The Bangsamoro Parliament shall determine the seat of the Bangsamoro Government anywhere within the Bangsamoro territory.

Sec. 2. Powers of Government. – The powers of government shall be vested in the Bangsamoro Parliament, which shall exercise those powers and functions expressly granted to it in this Basic Law, and those necessary for or incidental to the proper governance and development of the Bangsamoro. It shall set policies, legislate

on matters within its authority, and elect a Chief Minister who shall exercise executive 1 authority on its behalf.

- Sec. 3. Legislative Authority. The Bangsamoro Parliament shall have the authority to enact laws on matters that are within the powers and competencies of the Bangsamoro Government.
- Sec. 4. Executive Authority. The executive function and authority shall be exercised by the Cabinet, which shall be headed by a Chief Minister. The Chief Minister who heads the parliamentary government of the Bangsamoro shall be elected by a majority vote of the Parliament from among its members.

The Chief Minister shall appoint two (2) Deputy Chief Ministers, as provided under Section 36, Article VII and the members of the Cabinet, majority of whom shall also come from the Bangsamoro Parliament.

Bangsamoro Parliament

Sec. 5. Composition. – The Parliament shall be composed of at least eighty (80) members, unless otherwise provided by the Parliament, who are representatives of political parties elected through a system of proportional representation, those elected from single member districts, and to reserved seats to represent key sectors in the Bangsamoro, except as otherwise provided under this Article.

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Sec. 6. Classification and Allocation of Seats. – The seats in the Bangsamoro Parliament shall be classified and allocated as follows:

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a. District Seats. – Forty percent (40%) of the members of Parliament shall be elected from single member parliamentary districts apportioned for the areas and in the manner provided in the Appendix of this Basic Law.

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The Bangsamoro Parliament may, by law, undertake new redistricting in order to ensure a more equitable representation of the constituencies in the Bangsamoro Parliament.

1	The District Representatives shall be elected through direct, plurality vote
2	by the registered voters in the parliamentary districts.
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4	b. Party Representatives. – Fifty percent (50%) of the members of Parliament
5	shall be representatives of political parties who win seats through a system
6	of proportional representation based on the whole Bangsamoro territory.
7	Parties shall submit their respective list of approved candidates prior to the
8	election,
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11	c. Reserved Seats; Sectoral Representatives. – Sectoral Representatives,
12	constituting ten percent (10%) of the members of Parliament, including
13	two (2) reserved seats each for non-Moro indigenous peoples and settler
14	communities. Women, youth, traditional leaders, and the Ulama shall also
15 16	have one (1) reserved seat each.
10	
17	The Parliament shall have the power to determine the manner of
18	election of its sectoral and other representatives.
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20	Sec. 7. Election for Reserved Seats for Non-Moro Indigenous Peoples. —
21	Notwithstanding the immediately preceding sections, reserved seats for the non-Moro
22	indigenous peoples, such as but not limited to, Teduray, Lambangian, Dulangan Manobo
23	Blaan, and Higaonon, shall be pursuant to their customary laws and indigenous
24	processes based on the following:
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26	a. Primacy of customary laws and practices;
27	b. Primacy of consensus building;
28	c. Acceptability of the community;
29	d. Inclusivity and full participation;
30	e. Representation of the collective interests and aspirations of non-Moro indigenous
31	peoples;

- f. Sustainability and strengthening of Indigenous Political Structures;
- g. Track record and capability; and
- h. Gender equity.

Sec. 8. Election of the Representatives of the Settlers, Women, Youth, and Traditional Leaders. - The Bangsamoro Transition Authority (BTA) shall enact the law defining the manner of election for the representatives of the settlers, women, youth, and traditional leaders.

Sec. 9. Regional Parties. – A free and open regional party system shall be allowed to evolve according to the free choice of the people. Towards this end, only regional political parties duly accredited by the Bangsamoro Electoral Office, as approved by the Commission on Election (COMELEC), may participate in the parliamentary elections in the Bangsamoro.

Sec. 10. Redistricting. – The Parliament shall have the power to reconstitute, by law, the parliamentary districts apportioned among the provinces, cities, municipalities, and geographic areas of the Bangsamoro to ensure equitable representation in the Parliament. The redistricting, merging, or creation of parliamentary districts shall be based on the number of inhabitants and additional provinces, cities, municipalities, and geographic areas, which shall become part of the territory of the Bangsamoro Government.

For the purpose of redistricting, parliamentary districts shall be apportioned based on population and geographical area: *Provided*, That each district shall comprise, as far as practicable, contiguous, compact, and adjacent territory, and should have at least a population of one hundred thousand (100,000).

Sec. 11. Bangsamoro Electoral Code. – The BTA shall enact the Bangsamoro Electoral Code, which shall be correlated to national election laws, insofar as these are consistent with this Basic Law. The electoral system shall allow democratic participation, ensure accountability of public officers primarily to their constituents, and encourage formation of genuinely principled political parties.

There is hereby created a Bangsamoro Electoral Office which shall be a part of the COMELEC and shall be under its direct control and supervision. The Bangsamoro Electoral Office shall perform the functions of the COMELEC in the Bangsamoro.

The Bangsamoro Electoral Office shall be headed by the COMELEC Commissioner-in-Charge for the Bangsamoro. In addition to enforcing national election laws in the Bangsamoro, the Bangsamoro Electoral Office shall likewise implement the Bangsamoro Electoral Code enacted by Parliament, and shall perform the following functions:

- Register and accredit regional political parties;
- In relation to plebiscite for joining the Bangsamoro, receive petitions/resolutions to join from geographic areas;
 - c. Schedule plebiscites for expansion; and
 - d. Prepare rules and regulations for Bangsamoro elections and plebiscites for the promulgation of the COMELEC. All rules and regulations governing Bangsamoro elections and plebiscites shall emanate from the Bangsamoro Electoral Office.

Sec. 12. Budget for the Bangsamoro Electoral Office. – The budget of the Electoral Office shall be submitted by the Bangsamoro Electoral Office to be part of the annual budget of the COMELEC.

Sec. 13. Term of Office. The initial term of office of the members of the Parliament shall be three (3) years, without prejudice to the power of the BTA to include in the Election Code a new term of office.

- **Sec. 14. Qualifications. -** No person shall be a member of Parliament unless he or she is a citizen of the Philippines, at least twenty-five (25) years of age on the day of the election, able to read and write, and a registered voter in the Bangsamoro.
- The Youth representative shall not be less than eighteen (18) years and not more than forty (40) years of age at the time of his/her election.

For District Representatives, he or she must be a registered voter of the district for which he or she files his or her certificate of candidacy, and has resided in said district for at least three (3) years immediately preceding the day of the election.

For the first regular election immediately following the enactment of this Basic Law, the abovementioned residency requirement shall be reduced to one (1) year immediately preceding the day of the election.

Sec. 15. Prohibition. - No Party Representative should be related within the second (2nd) civil degree of consanguinity or affinity to a District Representative or another Party Representative in the same Parliament.

Sec. 16. Salaries of Parliament Members. – The Parliament shall determine the salaries and emoluments of its members: *Provided,* That the salaries and emoluments of the members of the Parliament shall not be higher than the salaries and emoluments of the Chief Minister or the members of the Philippine Congress. No increase in said compensation shall take effect until after the expiration of the full term of all the members of the Parliament approving such increase.

For the first Parliament, salaries and emoluments of its members shall be determined by a law passed by the BTA.

Members of the Parliament shall not receive during their tenure other salary and emoluments from the Bangsamoro Government or from the Central Government, except as provided by law or regulations from the Parliament.

Sec. 17. Disclosure. – Members of the Parliament shall, upon their assumption to office, make full disclosure of their financial and business interests, including those of their spouses and children. They shall notify the Parliament of any potential conflict of interest that may arise from the filing of bills or resolutions of which they are authors.

Sec. 18. Prohibition Against Conflict of Interest. – The Chief Minister, Deputy Chief Ministers, and all the members of the Parliament, during their term, shall not engage, directly or indirectly, in any business or commercial enterprise where there may be a conflict of interest in the exercise of the functions of their respective offices.

No member of the Parliament may personally appear as counsel before courts of justice or quasi-judicial and other administrative bodies. Neither shall the member, directly or indirectly, be financially interested in any contract with, or in any franchise or special privilege granted by the Central Government or by the Bangsamoro Government, or any subdivision, agency, or instrumentality thereof, including any GOCCs or its subsidiary, during his or her term of office. The member shall not intervene in any manner before any office of the government for his or her pecuniary benefit or where he or she may be called upon to act on account of his or her office.

Sec. 19. Forfeiture of Seat. - A member of Parliament shall forfeit his or her seat if:

- He/she resigns voluntarily in the form of either a written or oral declaration in the Parliament;
- b. He/she is convicted of a grave offense by a regular court or found guilty of grave offense as defined by the Rules of the Parliament, e.g. treason, high crimes, heinous crimes, crimes against morality, or other crimes punishable by imprisonment of more than six (6) years. He/she may be expelled by the Parliament through its Ethics Committee;
 - He/she becomes permanently, physically, or mentally incapacitated and is unable to discharge his/her duties as member of Parliament or dies while in office;
 - d. He/she, having been elected under the proportional representation system, is replaced by the party to which he/she belongs with another member of said party;
 - He/she, having been elected under the proportional representation system, transfers to another party during his/her incumbency as member of Parliament; and
- f. Such other grounds as may be provided in the Bangsamoro Electoral Code as provided under Section 11, Article VII of this Basic Law.

Sec. 20. Filling of Vacancy. – In case of a vacancy of a proportional representation seat, the party to which that seat belongs shall fill the vacancy.

In case of a vacancy of a district seat by an affiliated member of Parliament, his/her party shall nominate a replacement within thirty (30) days from the occurrence of such vacancy, and the said nominee shall be appointed by the Chief Minister.

In case of a vacancy in the seat occupied by an unaffiliated member of Parliament, occurring at least one (1) year before the expiration of the term of office, a special election may be called to fill such vacancy in the manner prescribed by law enacted by Parliament.

The appointee or elected member of Parliament, as the case may be, shall serve the unexpired term of the vacant office.

Sec. 21. Privileges and Immunities. – No member of the Parliament may be arrested while the Parliament is in session, except for crimes punishable by imprisonment of more than six (6) years. The members of Parliament may not be questioned in any other place or held liable for any speech or debate delivered in the Parliament sessions or meetings of its committees.

Sec. 22. Sessions of the Bangsamoro Parliament. – The Parliament shall conduct its regular session forty-five (45) days after the election of the Parliament up to thirty (30) days before the opening of its next regular session, unless earlier dissolved by a vote of no confidence. A special or emergency session may be called by the Speaker, upon the request of the Chief Minister or by a majority of the members of the Bangsamoro Parliament.

Sec. 23. Officers of the Bangsamoro Parliament. – On the first session following their election, the members of Parliament shall, in open session, elect by a simple majority vote from all its members the Speaker, a Deputy Speaker, and the other officers of the Parliament, as the Rules of the Parliament may provide.

In case of death, removal, resignation, or permanent disability or legal incapacity of the Speaker, the Deputy Speaker shall act as Speaker until a new Speaker shall have been elected by the Parliament.

- Sec. 24. Presiding Officer. The Speaker, Deputy Speaker, or any other person presiding over the Parliament shall:
 - a. Serve to secure the honor and dignity of the Parliament;
 - Be responsible for ensuring the rights and privileges of all members and public access to the proceedings of the Parliament and its committees;
 - c. Have the authority and moral ascendancy to maintain order and decorum in the Parliament, in accordance with its Rules; and
 - d. Act impartially, and without fear, favor, and prejudice.

Sec. 25. Rules of Parliament. – The Parliament shall adopt its own Rules for the conduct of its business.

Sec. 26. Proceedings. – A majority of all the members of the Parliament shall constitute a quorum to do business. The legislative proceedings in the Parliament shall be recorded in its original form and translated in the Filipino, Arabic, and English languages. Unless otherwise provided by law or the Rules of the Parliament, the members of Parliament may use any of the commonly understandable native languages during legislative deliberations.

Sec. 27. General Welfare. – The Parliament shall pass laws that promote the general welfare of the people in the Bangsamoro.

Sec. 28. Appropriations. – No public money may be spent without an appropriations act clearly defining the purpose for which it is intended. The Parliament shall pass an annual appropriations law.

Sec. 29. Budget. – The form, content, and manner of preparation of the Bangsamoro budget shall be prescribed by law enacted by the Parliament. Pending the enactment of such law, the budgeting process shall be governed by existing laws, rules, and regulations on budget. For this purpose, the Parliament shall create a Bangsamoro Budget Office.

Sec. 30. Reenacted Budget. - If, by the end of a fiscal year, the Parliament shall have failed to pass the Bangsamoro appropriations bill for the ensuing fiscal year, the Bangsamoro Appropriations Act for the preceding year shall be deemed automatically reenacted and shall remain in force and effect until a new Bangsamoro appropriations law is enacted by Parliament.

Executive Officers

Sec. 31. Qualifications of the Chief Minister. – No person may be elected as the Chief Minister unless he/she is at least twenty-five (25) years of age at the time of the election, a *bona fide* resident of the Bangsamoro for three (3) years immediately preceding the day of the election, and with proven competence and probity, mentally fit, and known for his/her integrity and high moral standards.

For the first election of the Chief Minister immediately following the enactment of this Basic Law, the abovementioned residency requirement shall be reduced to one (1) year immediately preceding the day of the election.

Sec. 32. Election of the Chief Minister. – On the inaugural session of the Bangsamoro Parliament following their elections, the members of Parliament shall, in open session, elect the Chief Minister by a majority vote of all its members.

If no member of Bangsamoro Parliament obtains the majority vote necessary to be elected Chief Minister in the first round of voting, a runoff election shall be conducted. In such case, the members of Bangsamoro Parliament shall elect the Chief Minister from the two (2) candidates who obtained the highest number of votes cast in the first round.

- **Sec. 33. Powers, Duties, and Functions of the Chief Minister. -** Unless otherwise provided by law, the Chief Minister shall exercise the following powers, duties, and functions:
 - a. Heads the government of the Bangsamoro;
 - Appoints heads of ministries, agencies, bureaus, and offices of the Bangsamoro
 Government or other officers of Bangsamoro-owned and/or -controlled
 corporations or entities with original charters;

- c. Appoints other officers in the Bangsamoro Government, as may be provided by the Bangsamoro Parliament;
- d. Formulates platform of government subject to approval by the Bangsamoro Parliament;
- e. Issues executive orders and other policies of the Bangsamoro Government;
- f. Represents the government of the Bangsamoro in affairs outside the Bangsamoro; and
- g. Exercises such other powers and functions inherent to the position.

Sec. 34. Administration of Oath of the Chief Minister. – The *Wali* shall administer the oath of office of all the members of Parliament, including the Chief Minister upon his/her election.

Sec. 35. *Ex officio* **Membership**. - The Chief Minister shall be a member of the National Security Council (NSC) on matters concerning the Bangsamoro, the National Economic and Development Authority (NEDA) Board, the Mindanao Development Authority (MinDA) Board, and the Bangsamoro Police Board.

Sec. 36. Deputy Chief Ministers. – There shall be two (2) Deputy Chief Ministers to be appointed by the Chief Minister, as nominated by members of Parliament from among themselves.

For the purpose of shared leadership, the Bangsamoro shall have three (3) sub-regions, namely, south western Mindanao, north central Mindanao, and south central Mindanao, all within the Bangsamoro. To ensure representation of all the sub-regions, the two (2) Deputy Chief Ministers shall come from the other two (2) sub-regions different from that of the Chief Minister.

The coverage of each sub-region, for purposes of this provision, shall be determined by the Bangsamoro Parliament and shall be adjusted accordingly to include other areas based on results of the periodic plebiscite.

The Deputy Chief Ministers may each hold a cabinet position.

In case of death, removal, resignation, or incapacity of the Chief Minister, the Deputy Chief Minister, more senior in age, shall temporarily act as the Chief Minister until the Bangsamoro Parliament shall have elected a new Chief Minister. Said election shall be held within thirty (30) days from the occurrence of the vacancy.

Sec. 37. Call for a New Bangsamoro Parliament Election. — Within seventy-two (72) hours upon a two-thirds (2/3) vote of no confidence of all members of Parliament against the government of the day, the Chief Minister shall advise the *Wali* to dissolve the Parliament and call for a new parliamentary election. In no case shall the *Wali* countermand the advice of the Chief Minister.

The Wali shall call for election of a new Bangsamoro Parliament on a date not later than one hundred twenty (120) days from the date of dissolution.

In case of dissolution, an Officer-in-Charge shall be selected from among the Deputy Chief Ministers by the Cabinet. The Officer-in-Charge and the Cabinet shall continue to conduct the affairs of the Bangsamoro Government until a new Parliament is convened and a Chief Minister is elected and has qualified. The term of office of the new members of Parliament shall be three (3) years, subject to the provisions of Section 13 of this Article.

Sec. 38. Prohibitions During Holdover. - After a vote of no confidence against the government of the day shall have been obtained, and before a new government is formed, the Officer-in-Charge and the Cabinet shall not contract loans, approve new contracts, or disburse public funds except those for payment of salaries and wages and expenses for the regular operation of the government.

The Officer-in-Charge and the Cabinet, during the holdover period, shall not make appointments, except temporary appointments to positions when continued vacancies therein will prejudice public service or endanger public safety.

27 ARTICLE VIII 28 WALI

Sec. 1. Appointment of *Wali.* - Consistent with the parliamentary form of government, there shall be a *Wali* who shall serve as the ceremonial head of the Bangsamoro Government.

The Bangsamoro Parliament shall issue a resolution reflecting its consensus on the selection of the *Wali* from a list of names of eminent residents of the Bangsamoro submitted by the Council of Leaders.

- **Sec. 2. Qualifications of** *Wali.* The *Wali* must possess the following qualifications at the time of his nomination:
 - a. Citizen of the Republic of the Philippines;
- Able to read and write in English or Arabic;
- 9 c. At least 40 years old;
 - d. A resident of the Bangsamoro for at least 15 years;
- e. Respected in the community;
- f. Reputable and of unquestionable integrity and moral ascendancy; and
 - g. No prior conviction for any criminal or administrative offense by any court or quasi-judicial body.

Sec. 3. Ceremonial Duties of *Wali.* - The *Wali* shall only take on ceremonial functions, such as attending public ceremonies, opening the session of Parliament, administering the oath of officers of Parliament, dissolving the Parliament, and calling for the election of a new Parliament as provided for in Section 37, Article VII of this Basic Law.

Sec. 4. Term of Office of *Wali.* - The first *Wali*, who shall hold office for three (3) years, shall be appointed by the BTA through a resolution reflecting its consensus. Each succeeding *Wali* shall hold office for a term of six (6) years.

- **Sec. 5. Allowances of the** *Wali.* The first *Wali* shall receive allowances in such amount as may be determined by the BTA. The allowances of the *Wali* subsequently chosen shall be determined by the Bangsamoro Parliament.
- Such allowances shall be sourced from the funds of the Bangsamoro Government and shall be provided for in its annual appropriations law: *Provided*, That the appointed *Wali* shall continue until such time that the succeeding *Wali* is appointed and has assumed office.

- Sec. 6. Grounds for Removal of the *Wali.* The *Wali* may be removed from office by the Bangsamoro Parliament on the following grounds:
- When the Wali countermands the directive to dissolve the Bangsamoro Parliament
 after a vote of no confidence;
- When the Wali is convicted of a crime involving moral turpitude;
- 3. When, for any other valid reason, the *Wali* is no longer able to perform his functions; and
- Such other grounds as the Bangsamoro Parliament may provide.

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ARTICLE IX

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BASIC RIGHTS

- Sec. 1. Basic Rights in the Bangsamoro. In addition to the basic rights already enjoyed by the citizens residing in the Bangsamoro, the Bangsamoro Government shall guarantee the following enforceable rights:
 - Right to life and to inviolability of one's person and dignity;
 - Right to freedom and expression of religion and beliefs;
- c. Right to privacy;
- d. Right to freedom of speech;
 - e. Right to express political opinion and pursue democratically political aspirations;
- f. Right to seek constitutional change by peaceful and legitimate means;
- g. Right of women to meaningful political participation and protection from all forms of violence;
- h. Right to freely choose one's place of residence and the inviolability of the home;
 - i. Right to equal opportunity and non-discrimination in social and economic activity
- and the public service, regardless of class, creed, disability, gender, and ethnicity;
- j. Right to form cultural and religious associations;
- k. Right to freedom from religious, ethnic, and sectarian harassment;
- Right to redress of grievances and due process of law;
- m. Right to free public basic education (K+12), tertiary education, and *madrasah* education; and
- n. Collective democratic rights of the Bangsamoro people.
- The Bangsamoro Parliament shall pass a law for the promotion and protection of the above-enumerated rights.

Sec. 2. Vested Property Rights. – Vested property rights shall be recognized and respected: *Provided,* That legitimate grievances of the Bangsamoro people arising from any unjust dispossession of their territorial and proprietary rights, customary land tenure, or their marginalization shall be duly acknowledged and given due course: *Provided further,* That whenever restoration is no longer possible, the Central Government and Bangsamoro Government shall take effective measures for adequate reparation of the loss in such quality, quantity, and status collectively beneficial to the Bangsamoro people, and to be determined mutually by both Governments.

Sec. 3. Transitional Justice. – There shall be created a transitional justice mechanism to address the legitimate grievances of the Bangsamoro people including the indigenous peoples, such as historical injustices, human rights violations, marginalization through unjust dispossession of their territorial and proprietary rights, and customary land tenure.

The report of the Transitional Justice and Reconciliation Commission (TJRC) shall be taken into consideration in the creation of said mechanism.

Sec. 4. Indigenous Peoples' Rights. – The Bangsamoro Government recognizes the rights of the indigenous peoples and shall adopt measures for the promotion and protection of their rights, the right to their native titles and/or *fusaka inged*, indigenous customs and traditions, justice systems and indigenous political structures, the right to an equitable share in revenues from the utilization of resources in their ancestral lands, the right to free and prior informed consent, the right to political participation in the Bangsamoro Government including reserved seats for the non-Moro indigenous peoples in the Bangsamoro Parliament, the right to basic services, and the right to freedom of choice as to their identity consistent with the United Nations Declaration of the Rights of Indigenous Peoples and the United Nations Declaration on Human Rights and subsisting laws on indigenous peoples in the Bangsamoro.

Sec. 5. Customary Rights and Traditions. – The customs, beliefs, and traditions of the people in the Bangsamoro are hereby recognized, protected, and guaranteed.

The Bangsamoro Parliament shall adopt measures to ensure mutual respect and protection of the distinct beliefs, customs, and traditions of the Bangsamoro people and the other inhabitants in the Bangsamoro.

No person in the Bangsamoro shall be subjected to any form of discrimination on account of creed, religion, ethnic origin, parentage, or sex.

Sec. 6. Human Rights. – The Bangsamoro Government guarantees full respect for human rights.

All laws and policies, including customary laws, shall conform to international human rights and humanitarian standards. The rights under the International Covenant on Economic, Social, and Cultural Rights (ICESCR), the International Covenant on Civil and Political Rights (ICCPR), and other international human rights instruments shall be guaranteed by the Central Government and the Bangsamoro Government.

Sec. 7. Bangsamoro Human Rights Commission. – There is hereby created an office called the Bangsamoro Human Rights Commission, which shall be an independent and impartial office within the Bangsamoro. It shall have the same powers and functions as the national Commission on Human Rights and as may be provided for by the Bangsamoro Parliament to ensure the protection and promotion of the human rights of all the Bangsamoro inhabitants.

There shall be five (5) members of the Commission, including the Chairperson, who shall all be appointed by the President upon the recommendation of the Chief Minister. The composition of the Commission shall reflect the ethnic distribution of the population of the Bangsamoro. The Chairperson shall be a lawyer and majority of the members of the Commission shall, preferably, be members of the Philippine Bar or Counselors-at-Law. The terms of office and other qualifications and disqualifications of the members of the Commission shall be provided by the Bangsamoro Parliament.

The Commission shall submit a report on its activities and performance at least every quarter to the Bangsamoro Parliament. Other state instrumentalities in the Bangsamoro shall assist the Commission and ensure impartiality, dignity, and effectiveness. The Commission shall have a coordinative and complementary relationship with the national Commission on Human Rights in carrying out its mandate.

Sec. 8. Delivery of Basic Services. - The Bangsamoro Government shall 2 provide, maintain, and ensure the delivery of, among other things, basic and responsive 3 health programs, quality education, appropriate services, livelihood opportunities, 4 affordable and progressive housing projects, power and electricity, and water supply to 5 the Bangsamoro people and other inhabitants of the Bangsamoro. It shall maintain 6 appropriate disaster-preparedness units for immediate and effective relief services to 7 victims of natural and man-made calamities. It shall also ensure the rehabilitation of 8 calamity-affected areas and victims of calamities.

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Sec. 9. Housing and Human Settlements. – The Bangsamoro Parliament shall pass a law creating a housing and human settlements agency to address the lack of shelters, settlements, and livelihood for the disadvantaged and homeless Bangsamoro and non-Moro indigenous peoples, especially those victims of war and atrocities. Such agency may directly solicit and receive assistance, donations, aids, and grants from donors for its housing, settlements, and livelihood programs and development.

The Bangsamoro Government, in cooperation with the private sector, shall develop its own housing and human settlement programs.

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Sec. 10. Rights of Labor. - The Bangsamoro Government shall guarantee all fundamental rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike, in accordance with a law to be passed by Bangsamoro Parliament. In this regard, the right of workers, whether publicly or privately employed, to form unions, associations, or federations shall not be abridged.

The workers shall participate in policy and decision-making processes affecting their rights and benefits, as may be provided by law, to be enacted by the Bangsamoro Parliament.

The right of workers to security of tenure, humane conditions of work, and a living wage shall be guaranteed.

No trafficking in persons and engagement of minors in any hazardous or deleterious forms of employment shall be tolerated.

The Bangsamoro Parliament may pass labor laws that expand, improve upon, or enhance the rights stated herein.

Sec. 11. Participation of Women in the Bangsamoro Government. – Aside from the reserved seat for women in the Bangsamoro Parliament, there shall be at least one (1) woman to be appointed to the Bangsamoro Cabinet. The Bangsamoro Parliament shall enact a law that gives recognition to the important role of women in nation-building and regional development, and ensures representation of women in other decision-making and policy-determining bodies of the Bangsamoro Government.

The Bangsamoro Parliament shall, by law, create the Bangsamoro Women Commission and shall define its powers, functions, and composition.

Sec. 12. Rights of the Youth. – The Bangsamoro Government recognizes the vital role of the youth in nation-building and shall promote and protect their physical, moral, spiritual, intellectual, and social well-being. It shall inculcate patriotism and nationalism, encourage involvement in public and civic affairs, and promote mental and physical fitness through sports.

The Bangsamoro Government shall, by law, create the Commission on Youth Affairs and shall define its powers, functions, and composition.

Sec. 13. Protection of Women. – The Bangsamoro Government shall uphold and protect the fundamental rights of women including the right to engage in lawful employment and to be protected from exploitation, abuse, or discrimination, as embodied in the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW).

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The Bangsamoro Parliament shall enact the necessary laws for the implementation of this section.

Sec. 14. Rights of Children. – The Bangsamoro Government shall respect, protect, and promote the rights of children, especially orphans of tender age. They shall be protected from exploitation, abuse, or discrimination. Their education and development, both physical and mental, shall be fully addressed.

Bangsamoro policies and programs must take into utmost consideration the best interest of children, non-discrimination of children, their survival and development, and the protection and rights of children, youth, and adolescents.

The Bangsamoro Government and its constituent local government units shall provide for adequate funding and effective mechanisms for the implementation of this policy.

Sec. 15. Settler Communities. The Bangsamoro Government shall ensure that settlers shall enjoy the rights guaranteed in this Basic Law. For this purpose, the Bangsamoro Parliament shall create an Office for Settler Communities that shall promote the welfare and address issues and concerns of settlers in the Bangsamoro.

13 Education

Sec. 16. Integrated System of Quality Education. – The Bangsamoro Government shall establish, maintain, and support, as a top priority, a complete and integrated system of quality education and adopt an educational framework that is relevant and responsive to the needs, ideals, and aspirations of the Bangsamoro people and the unity of all Filipinos.

The Bangsamoro Government shall institutionalize peace education in all levels of education.

The schools, colleges, and universities existing in the ARMM as of the date of the approval of this Basic Law and such other schools and institutions that may be established in the Bangsamoro shall be deemed integral components of the educational system of the Bangsamoro Government.

Sec. 17. Vocational, Technical, Non-formal, and Special Education. – The thrusts and programs of vocational, technical, non-formal, and special education of the Bangsamoro educational system for the poor, illiterate, out-of-school youth, persons with special needs, disadvantaged, and senior citizens shall be supportive and relevant to the human resource requirements of the Bangsamoro.

Sec. 18. *Madaris* **Education, Islamic and Arabic Studies.** – The Bangsamoro Government shall establish and maintain *madaris* education within the Bangsamoro.

It shall ensure the integration in its elementary and high school education curriculum the teaching of Islamic and Arabic studies for Muslim pupils and students in public schools.

The Bangsamoro Parliament shall enact legislation for the strengthening and development of *madaris* educational system in the Bangsamoro.

Sec. 19. Tribal University System. – The Bangsamoro Parliament shall create a tribal university system within the Bangsamoro to address the higher educational needs of the non-Moro indigenous peoples in the Bangsamoro.

The Bangsamoro Parliament shall pass a law recognizing and supporting the indigenous peoples' educational system to be integrated in the educational system in the Bangsamoro.

15 Health

Sec. 20. Comprehensive and Integrated Health Service Delivery. – The Bangsamoro Government shall adopt a policy on health that provides for a comprehensive and integrated health service delivery for its constituents. It shall, by law, establish a general hospital system to serve the health requirements of its people to ensure that the individual basic right to life shall be attainable through the prompt intervention of excellent and affordable medical services.

The Bangsamoro Government shall also uphold the people's right to have access to essential goods, health, and other social services that would promote their well-being.

Sec. 21. Support for Persons with Special Needs, Senior Citizens, and Disadvantaged Groups. — The Bangsamoro Government shall establish a special agency and support facilities for persons with special needs and other disadvantaged persons for their rehabilitation, and livelihood or skills training to encourage their productive integration into mainstream society.

The Bangsamoro Government shall coordinate all existing governmental and non-governmental agencies concerned with the rehabilitation and education of these persons.

The Bangsamoro Government shall ensure the welfare of senior citizens by continuing to provide rights, benefits, and privileges they presently enjoy.

Arts and Sports

Sec. 22. Physical Education and Sports Development, Sports Program, and Bangsamoro Sports Commission. — The Bangsamoro educational system shall develop and maintain an integrated and comprehensive physical education program. It shall develop healthy, disciplined, innovative, and productive individuals, and promote good sportsmanship, cooperation, and teamwork.

The Bangsamoro education system shall encourage and support for sports programs, league competitions, indigenous games, martial arts, and amateur sports including training for regional, national, and international competitions.

The Bangsamoro Parliament shall pass a law creating the Bangsamoro Sports Commission.

20 Culture

Sec. 23. Preservation of the Cultural Heritage of the Bangsamoro. – To preserve the history, culture, arts, traditions, and the rich cultural heritage of the Bangsamoro people and their Sultanates, such as but not limited to, the Sultanates of Sulu, Maguindanao, Kabuntalan, Buayan, the Royal Houses of Ranao, and of the Iranun, and the non-Moro indigenous peoples of the Bangsamoro, there shall be created a Bangsamoro Commission for the Preservation of Cultural Heritage.

Sec. 24. Primary Responsibility of the Commission. – The Bangsamoro Commission for the Preservation of Cultural Heritage shall have the primary responsibility to write the history of the Bangsamoro people and to establish and sustain the cultural

institutions, programs, and projects in the Bangsamoro component areas. The Commission shall establish its own libraries and museums, and declare and restore historical shrines and cultural sites to preserve the Bangsamoro heritage for posterity.

Sec. 25. Management of Bangsamoro Historical and Cultural Sites. – The Central Government shall transfer the management of Bangsamoro historical and cultural sites currently under the jurisdiction of the National Museum, National Historical Commission, or other agencies of the Central Government to the Bangsamoro Commission for the preservation of cultural heritage, through the intergovernmental relations mechanism. The Bangsamoro Commission for the Preservation of Cultural Heritage shall coordinate with relevant agencies of the Central Government on the regulation, excavation, and preservation of cultural artifacts and on the recovery of lost historical and cultural heritage.

15 ARTICLE X

BANGSAMORO JUSTICE SYSTEM

Sec. 1. Justice System in the Bangsamoro. – The justice system in the Bangsamoro shall consist of *Shari'ah* law, which shall have supremacy and application over Muslims only; the traditional or tribal justice system, for the indigenous peoples in the Bangsamoro; the local courts; and alternative dispute resolution systems.

For Muslims, the justice system in the Bangsamoro shall give primary consideration to *Shari'ah* and customary rights and traditions of the indigenous peoples in the Bangsamoro.

Nothing herein shall be construed to operate to the prejudice of non-Muslims and non-indigenous peoples.

Shari'ah Judicial System

Sec. 2. *Shari'ah* **Judicial System.** – The judicial authority shall be vested in the Bangsamoro *Shari'ah* judiciary, in accordance with the power of the Supreme Court, particularly on the Bangsamoro *Shari'ah* High Court, *Shari'ah* District and Circuit courts, and other subordinate courts which the Congress of the Philippines may create, upon

- the recommendation of the Bangsamoro Shari'ah High Court through the Supreme
- 2 Court. This notwithstanding, Congress, upon the recommendation of the Supreme Court,
- may likewise create Shari'ah courts outside of the territorial jurisdiction of the
- Bangsamoro government in areas where a considerable number of Muslims reside. The
- 5 Supreme Court shall station these courts.

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Sec. 3. *Shari'ah.* - *Shari'ah*, which is the law forming part of the Islamic tradition derived from religious precepts of Islam, particularly the *Qur'an* and *Hadith*, shall be distinctively applied as the underlying basis of the Bangsamoro *Shari'ah* judicial system exclusively over Muslims or persons who voluntarily submit to the jurisdiction of the *Shari'ah* Court.

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Sec. 4. Jurisdiction of *Shari'ah* **Courts. -** The Bangsamoro Parliament shall enact laws on persons and family relations, other civil actions, commercial actions, and criminal cases. The Congress of the Philippines, through this Basic Law, confers jurisdiction over commercial actions, minor criminal offenses as provided hereunder, and other civil actions not provided for under Presidential Decree No. 1083 or the Code of Muslim Personal Laws.

Under *Shari'ah*, the penalties for *Hudud* (capital crime), which are seen as crimes against *Allah*, and *Qisas*, which are crimes against persons, are imposed in the *Qur'an*.

Ta'zir (discretionary punishment) are minor offenses which shall be defined by the Bangsamoro Parliament, the penalties for which shall be equivalent to arresto menor and/or fine. Criminal jurisdiction over Ta'zir is hereby conferred on Shari'ah Circuit Courts.

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- Sec. 5. Sources of Shari'ah. The following are the sources of Shari'ah:
- 26 Principal Sources:
- a. *Al-Qur'an* (The Koran);
- b. Al-Sunnah (Traditions of Prophet Muhammad SAW);

- 30 Secondary Sources:
- 31 c. *Al-Ijma* (Consensus); and

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3	Sec. 6. <i>Shari'ah</i> Circuit Courts The <i>Shari'ah</i> Circuit Court in the Bangsamoro shall exercise exclusive original jurisdiction over the following:
5 6	a. All cases involving offenses defined and punished under P.D. No. 1083, where the act or omission has been committed in the Bangsamoro;
7 8 9	b. All civil actions and proceedings between parties residing in the Bangsamoro who are Muslims or have been married in accordance with Article 13 of P.D. No. 1083, involving disputes relating to:
10	i. Marriage;
11	ii. Divorce;
12	iii. Betrothal or breach of contract to marry;
13 14	iv. Customary dower (<i>mahr</i>);
15	V. Disposition and distribution of property upon divorce; vi. Maintenance and support, and consolatory different
16	vi. Maintenance and support, and consolatory gifts;vii. Restitution of marital rights.
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18	 All cases involving disputes relative to communal properties;
19	d. All cases involving <i>Ta'zir</i> offenses defined and punishable under <i>Shari'ah</i>
20 21	law enacted by the Bangsamoro Parliament punishable by <i>arresto menor</i> and/or fine;
22	e. All civil actions, under <i>Shari'ah</i> law enacted by the Bangsamoro
23	Government, involving real property in the Bangsamoro, where the assessed value
24	of the property does not exceed Four Hundred Thousand Pesos (P400,000); and
25	f. All civil actions in which the parties are Muslims, or where all litigants have
26	voluntarily submitted themselves to the jurisdiction of the Shari'ah Circuit Courts, if
27	they have not specified in an agreement which law shall govern their relations where
28	the demand or claim does not exceed Two Hundred Thousand Pesos (P200,000).
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30	Sec. 7. Shari'ah District Courts The Shari'ah District Court in the Bangsamoro
31	shall exercise exclusive original jurisdiction over the following:

d. *Al-Qiyas* (Analogy).

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- a. All cases involving custody, guardianship, legitimacy, and paternity and filiation arising under P.D. No. 1083;
- b. All cases involving disposition, distribution, and settlement of the estate of deceased Muslims who were residents of the Bangsamoro, probate of wills, issuance of letters of administration, or appointment of administrators or executors regardless of the nature or the aggregate value of the property;
 - Petitions for the declaration of absence and death for the cancellation or correction of entries in the Muslim Registries mentioned in Title VI of Book Two of P.D. No. 1083;
 - All actions arising from customary and Shari'ah compliant contracts in which the parties are Muslims, if they have not specified which law shall govern their relations;
 - e. All petitions for *mandamus*, prohibition, injunction, *certiorari*, *habeas corpus*, and all other auxiliary writs and processes in aid of its appellate jurisdiction;
 - f. Petitions by Muslims for the constitution of a family home, change of name, and commitment of an insane person to an asylum;
 - g. All other personal and real actions not falling under the jurisdiction of the Shari'ah Circuit Courts wherein the parties involved are Muslims, except those for forcible entry and unlawful detainer, which shall fall under the exclusive original jurisdiction of the Municipal Circuit Court;
 - All special civil actions for interpleader or declaratory relief wherein the parties are Muslims residing in the Bangsamoro or the property involved belongs exclusively to Muslims and is located in the Bangsamoro;
 - All civil actions, under Shari'ah law enacted by the Bangsamoro Parliament, involving real property in the Bangsamoro, where the assessed value of the property exceeds Four Hundred Thousand Pesos (P400,000); and
 - j. All civil actions in which the parties are Muslims, or where all litigants have voluntarily submitted themselves to the jurisdiction of the *Shar'iah* Circuit Court, if they have not specified in an agreement which law shall govern their relations where the demand or claim exceeds Two Hundred Thousand Pesos (P200,000).

The *Shari'ah* District Court in the Bangsamoro shall exercise appellate jurisdiction over all cases decided upon by the *Shari'ah* Circuit Courts in the Bangsamoro within its territorial jurisdiction, as provided under Article 144 of P.D. No. 1083.

1	Sec. 8. Bangsamoro Shari'ah High Court There is hereby created a
2	Bangsamoro Shari'ah High Court. The Bangsamoro Shari'ah High Court shall exercise
3	exclusive original jurisdiction over:
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5	a. All petitions for <i>mandamus</i> , prohibition, injunction, <i>certiorari</i> , <i>habeas</i>
6 7	corpus, and all other auxiliary writs and processes, in aid of its appellate jurisdiction; and
8	b. All actions for annulment of judgments of Shari'ah District Courts.
9 10	The Bangsamoro <i>Shari'ah</i> High Court shall exercise exclusive appellate jurisdiction over cases under the jurisdiction of the <i>Shari'ah</i> District Courts in the Bangsamoro.
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12	The decisions of the Bangsamoro Shari'ah High Court shall be final and executory except on issues of procedure or when there is manifest grave abuse of discretion
13	amounting to lack or excess of jurisdiction.
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15	Sec. 9. Qualifications of Shari'ah Judges. —
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17	a. Shari'ah Circuit Court. — No person shall be appointed judge of the Shari'ah
18	Circuit Court unless he/she is a Muslim, citizen of the Philippines, at least thirty (30)
19	years of age, of proven competence and probity, mentally and physically fit, known
20	for his/her integrity and high moral standards, and a member of the Philippine Bar
21	or a special member of the Philippine Bar allowed to practice in Shari'ah Courts.
22	For Shari'ah Counselors-at-Law, he/she must be a graduate of a four-year course
23	on Shari'ah or Islamic jurisprudence, and must have been engaged in the practice
24	of Shari'ah law in the Philippines for at least three (3) years.
25	For a regular member of the Philippine Bar, he/she must have finished at least
26	two (2) years of Shari'ah or Islamic Jurisprudence and must have been engaged in
27	the practice of law for at least three (3) years.
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29	b. Shari'ah District Court. – No person shall be appointed judge of the Shari'ah
30	District Court unless he/she is a Muslim, citizen of the Philippines, at least thirty-five
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(35) years of age, of proven competence and probity, mentally and physically fit,

known for his/her integrity and high moral standards, and a member of the Philippine Bar or a special member of the Philippine Bar allowed to practice in *Shari'ah* Courts.

For *Shari'ah* Counselors-at-Law, he/she must be a graduate of a four-year course on *Shari'ah* or Islamic jurisprudence, and must have been engaged in the practice of *Shari'ah* law in the Philippines for at least five (5) years.

For a regular member of the Philippine Bar, he/she must have finished at least two (2) years in *Shari'ah* or Islamic Jurisprudence and must have been engaged in the practice of law for at least five (5) years.

c. Bangsamoro *Shari'ah* High Court. — No person shall be appointed Justice of the Bangsamoro *Shari'ah* High Court unless he/she is a Muslim, natural-born citizen of the Philippines, at least forty (40) years of age, of proven competence and probity, mentally and physically fit, known for his/her integrity and high moral standards, and a member of the Philippine Bar or a special member of the Philippine Bar allowed to practice in *Shari'ah* Courts.

For Shari'ah Counselors-at-Law, he/she must be a graduate of a four-year course on Shari'ah or Islamic jurisprudence, and must have been engaged in the practice of Shari'ah law in the Philippines for at least ten (10) years prior to his/her appointment.

 For a regular member of the Philippine Bar, he/she must have finished at least two (2) years of *Shari'ah* or Islamic Jurisprudence and must have engaged in the practice of law for at least ten (10) years before *Shari'ah* Courts.

Sec. 10. Composition and Stations of Bangsamoro *Shari'ah* High Court. — The Bangsamoro *Shari'ah* High Court shall be composed of nine (9) Justices, including the Presiding Justice. It may exercise its powers, functions, and duties through three (3) divisions, each composed of three (3) members. It may sit *en banc* only for the purpose of exercising administrative or ceremonial functions. The Bangsamoro *Shari'ah* High Court shall hold sessions *en banc* at its main office at the capital of the Bangsamoro Government. The stations of the three divisions shall be Cotabato City, Marawi City, and Jolo, Sulu.

Sec. 11. Compensation, benefits, tenure, and privileges. – Justices of the Bangsamoro *Shari'ah* High Courts shall have the same rank, prerogatives, salaries, allowances, benefits, tenure, and privileges as the Justices of the Court of Appeals.

Judges of the *Shari'ah* District Court shall have the same rank, prerogatives, salaries, allowances, benefits, tenure, and privileges as judges of the Regional Trial Court.

Judges of the *Shari'ah* Circuit Court shall have the same rank, prerogatives, salaries, allowances, benefits, tenure, and privileges as judges of the Metropolitan Trial Court.

Sec. 12. Shari'ah Judicial and Bar Council. - The Shari'ah Judicial and Bar Council is hereby created which shall be under the supervision of the Bangsamoro Shari'ah High Court. It shall recommend to the Judicial and Bar Council applicants for the positions of judges and Justices in the Shari'ah Courts for appointment by the President. The President shall issue the appointment within ninety (90) days from the submission of nominations by the Judicial and Bar Council. The recommendation of the Shari'ah Judicial and Bar Council shall be given utmost consideration by the Judicial and Bar Council shall not be contrary to nor diminish the principal function of the Judicial and Bar Council.

Sec. 13. Composition of the *Shari'ah* Judicial and Bar Council. — The *Shari'ah* Judicial and Bar Council shall be composed of five (5) members: a senior member of the Bangsamoro *Shari'ah* High Court, as *ex officio* Chair, the Head of the *Shari'ah* Academy, and one (1) representative from the Bangsamoro Parliament, as *ex officio* member. The regular members of the Council shall be one (1) representative each from the accredited organization of *Shari'ah* lawyers, and the accredited *Ulama* organization in the Bangsamoro.

The regular members of the Council shall be appointed by the Chief Minister with a term of five (5) years without reappointment.

Sec. 14. Functions of the *Shari'ah* **Judicial and Bar Council.** The *Shari'ah* Judicial and Bar Council shall have the following functions:

a. Recommend nominees to the *Shari'ah* Courts in the Bangsamoro which shall be submitted to the Judicial and Bar Council; and

b. Conduct investigations of erring members of the *Shari'ah* Bar and of judges and personnel of the *Shari'ah* Courts in the Bangsamoro and submit the results of such investigation to the Supreme Court for the latter's action.

- **Sec. 15.** *Shari'ah* **Rules of Court.** The Rules of Court for the *Shari'ah* courts in the Bangsamoro shall be promulgated by the Supreme Court, giving utmost consideration to the recommendations of the Bangsamoro *Shari'ah* High Court. Pending the promulgation of the Rules of Court of the *Shari'ah* Courts in the Bangsamoro, the special rules of court for *Shari'ah* courts, as promulgated by the Supreme Court, shall continue to be in force.
- **Sec. 16. Special Bar Examinations for** *Shari'ah.* The Bangsamoro *Shari'ah* High Court, under the strict supervision of the Supreme Court, shall administer *Shari'ah* Special Bar Examinations for admission of applicants to the Philippine Bar as special members thereof. A successful examinee who has qualified for special membership in the Philippine Bar shall be duly conferred the title of Counselor-at-Law.

Sec. 17. Practice of Law Before *Shari'ah* **Courts. -** The following are eligible to practice before *Shari'ah* courts:

- a. A *Shari'ah* Counselor-at-Law;
- b. A regular member of the Philippine Bar;
- c. A Muslim who acts as counsel on his behalf; and
- d. A non-Muslim who submits to the jurisdiction of the *Shari'ah* court and chooses to act as counsel on his behalf.

Sec. 18. Appointment and Discipline of *Shari'ah* **Court Personnel.** The Supreme Court shall appoint the *Shari'ah* court personnel and shall have the power of discipline over them. The *Shari'ah* Judicial and Bar Council shall conduct investigations over erring personnel of the *Shari'ah* courts and submit the results of such investigations to the Supreme Court for the latter's action.

Sec. 19. Bangsamoro *Shari'ah* **Integrated Bar.** - The Bangsamoro Parliament shall pass a law creating the Bangsamoro *Shari'ah* Integrated Bar as the official organization for the legal profession in the Bangsamoro, which shall be compulsory in membership for all *Shari'ah* lawyers. The Supreme Court shall adopt the rules for the integration of the *Shari'ah* Bar which shall be under the supervision of the Bangsamoro *Shari'ah* High Court in accordance with the powers and authority of the Supreme Court.

Sec. 20. Shari'ah Public Assistance Office. — There is hereby created a Shari'ah Public Assistance Office which shall be part of the Public Assistance Office. The office shall be staffed by a Director and two Deputies who shall all be Counselors-at-Law. The Bangsamoro Parliament may determine the additional staff complement for the said office. The Shari'ah Public Assistance Office shall provide free legal assistance to indigent party litigants with cases pending before Shari'ah courts in the Bangsamoro.

Sec. 21. Shari'ah Special Prosecution Service. — There shall be created a Shari'ah Special Prosecution Service in charge of the prosecution of criminal complaints before the Shari'ah courts which shall be headed by a Shari'ah General Prosecutor. The Shari'ah Counselors-at-Law employed in the office shall be called Shari'ah prosecutors. The Shari'ah Special Prosecution Service shall be attached to the National Prosecutorial Service of the Central Government. The Bangsamoro Government shall recommend the qualified applicants for the position of the Shari'ah prosecutors and personnel of the Shari'ah Special Prosecution Service to the Secretary of Justice.

Sec. 22. *Shari'ah* **Academy.** – There is hereby created a *Shari'ah* Academy, the primary function of which is to conduct courses in *Shari'ah* and *Fiqh*, civil law, commercial law, and criminal law, and trainings on the practice of *Shari'ah* law in the Bangsamoro, accredit *Shari'ah* courses and degrees obtained from schools and universities abroad, and develop the curricula, textbooks, and learning materials of schools and universities in the Bangsamoro. The Bangsamoro Parliament shall define its powers and additional functions and appropriate funds therefor. The *Shari'ah* Academy may coordinate with the National Commission on Muslim Filipinos (NCMF) whenever necessary.

Sec. 23. Bangsamoro Jurisconsult in Islamic Law. – There is hereby created an office of Jurisconsult of Islamic law in the Bangsamoro. The Bangsamoro Parliament shall define the powers and functions of this office, including the rank, salary, privileges, and benefits of the Jurisconsult and its subordinate personnel.

The office of the Jurisconsult shall be a collegial body composed of the Jurisconsult and five (5) Deputies who shall be appointed by the Chief Minister upon recommendation of the Bangsamoro Parliament, taking into consideration ethnic balance in the appointment.

The Jurisconsult must be a Muslim, at least forty (40) years of age, must have obtained a Bachelor's Degree in Islamic Law and Jurisprudence or the equivalent of such degree, and a member of the Philippine *Shari'ah* Bar or the Integrated Bar of the Philippines. In addition, he/she must be an eminent scholar of Islamic Law and Jurisprudence, and fluent in the Arabic language. He/she must be of proven competence and probity, mentally and physically fit, and known for his/her integrity and high moral standards.

The Deputies must be Muslims, at least thirty-five (35) years of age, holders of a Bachelor's Degree in Islamic Law and Jurisprudence, and members of the Philippine *Shari'ah* Bar or the Integrated Bar of the Philippines. Each Deputy must be of proven competence and probity, mentally and physically fit, and known for his/her integrity and high moral standards.

The term of office of the Jurisconsult and his/her Deputies shall be five (5) years, without prejudice to reappointment.

Sec. 24. Jurisconsult Under Existing Law. – Notwithstanding the preceding section, the Office of the Jurisconsult under P.D. No. 1083 shall be strengthened by providing that the salary, rank, benefits, and privileges of the Jurisconsult shall be equivalent to that of Justices of the Court of Appeals.

Sec. 25. Justices from the Bangsamoro. – It shall be the policy of the Central Government that at least one (1) Justice in the Supreme Court and two (2) Justices in the Court of Appeals, at any one time, shall be qualified individuals of the Bangsamoro. For this purpose, the Chief Minister may, after consultations with the Bangsamoro

Parliament and the *Shari'ah* Judicial and Bar Council, submit the names of qualified persons to the Judicial and Bar Council for its consideration.

The appointments of those recommended by the Chief Minister to the judicial positions mentioned above are without prejudice to appointments that may be extended to other qualified inhabitants of the Bangsamoro to other positions in the Judiciary.

Sec. 26. Deputy Court Administrator for the Bangsamoro. — The Office of the Deputy Court Administrator for the Bangsamoro is hereby created. The Deputy Court Administrator for the Bangsamoro shall be appointed by the Chief Justice of the Supreme Court from among three (3) recommendees submitted by the Chief Minister upon previous consultations with the speaker of the Bangsamoro Parliament, the presiding Justice of the Bangsamoro Shari'ah High Court, the representative of the Shari'ah Integrated Bar, and representative of the Integrated Bar of the Philippines in the Bangsamoro area.

Traditional or Tribal Justice Systems

Sec. 27. Traditional or Tribal Justice Systems. – The Bangsamoro Parliament shall enact laws to promote and support the traditional or tribal justice systems that are appropriate for the indigenous peoples, as they may define. The traditional justice systems are the mechanisms to determine, settle, and decide controversies and enforce decisions involving disputes between members of the indigenous peoples concerned in accordance with the customary laws of these communities.

Sec. 28. Office for Traditional or Tribal Justice System. – There is hereby created an Office for Tribal Justice System responsible in overseeing the study, preservation, and development of the tribal justice system within the Bangsamoro. The powers and functions of the Office shall be defined by the Bangsamoro Parliament.

The Office shall ensure the full participation of indigenous peoples in the formulation, implementation, and evaluation of policies related to the strengthening of tribal justice system. It shall further ensure that such systems maintain their indigenous character in accordance with the respective practices of each tribe.

1	Regular Courts in the Bangsamoro
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Sec. 29. Regular Courts. Regular courts in the Bangsamoro shall continue to exercise their judicial functions, as provided by law. The Bangsamoro Government shall undertake measures to support the regular courts in the Bangsamoro consistent with the powers of the Supreme Court.

Alternative Dispute Resolution

Sec. 30. Alternative Dispute Resolution. The Bangsamoro Government shall adopt the principles of conciliation and mediation in settling disputes and, through Parliament, shall pass the necessary legislation to institute the mechanism for alternative dispute resolution. The *Shari'ah* courts and the traditional and tribal adjudicatory tribunal may utilize this mode of settlement and resolution of cases which may be feasible and useful.

ARTICLE XI

PUBLIC ORDER AND SAFETY

Sec. 1. Public Order and Safety. – The Bangsamoro Government shall have primary responsibility over public order and safety within the Bangsamoro. There shall be cooperation and coordination between the Central Government and the Bangsamoro Government through the intergovernmental relations mechanism.

Sec. 2. Bangsamoro Police. – There is hereby created a Bangsamoro Police which shall be organized, maintained, supervised, and utilized for the primary purpose of law enforcement and maintenance of peace and order in the Bangsamoro. It shall be part of the Philippine National Police.

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The Bangsamoro Police shall be professional, civilian in character, regional in scope, effective and efficient in law enforcement, fair and impartial, free from partisan political control, and accountable under the law for its actions. It shall be responsible

both to the Central Government and the Bangsamoro Government, and to the 1 communities it serves. 2

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Sec. 3. Powers and Functions of the Bangsamoro Police. – The Bangsamoro Police shall exercise within the Bangsamoro the following powers and functions:

- a. Enforce laws enacted by the Congress and by the Bangsamoro Parliament relative to the protection of lives and properties of the people;
- b. Maintain law and order and ensure public safety;
- c. Investigate and prevent crimes, arrest criminal offenders, bring criminal suspects 9 to justice, and assist in their prosecution; 10
- d. Conduct searches and seizures in accordance with pertinent laws; 11
- e. Detain persons for a period not exceeding what is prescribed by law, inform the 12 person so detained of all his/her rights under the 1987 Constitution and this Basic 13 Law, and observe the human rights of all people in the Bangsamoro;
 - f. Process and facilitate applications for the registration of firearms and the issuance of licenses and permits for approval by the proper official of the Philippine National Police;
 - g. Initiate drives for the registration or surrender of unregistered firearms, confiscate unregistered firearms after such drives are over, prosecute or recommend to the President the grant of amnesty or pardon to possessors of unregistered firearms who surrender them; and
 - h. Perform such other duties and exercise all other functions as may be provided by law enacted by Congress or by the Bangsamoro Parliament.

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Sec. 4. Bangsamoro Police Organization. - The structural organization of the Bangsamoro Police shall be as follows:

- a. It shall be headed by a Bangsamoro Police Director, who shall be assisted by at least two (2) Deputies. They shall be professional police officers with the rank of at least Police Chief Superintendent. For a period of ten (10) years immediately following the enactment of this Basic Law, the head of the Bangsamoro Police and his Deputies may be selected from a list of Bangsamoro Police officers with the rank of Police Senior Superintendent;
- b. It shall have regional, provincial, and city or municipal offices;

- c. The provincial office shall be headed by a Provincial Director, who shall be a professional police officer with the rank of at least Police Superintendent; and
 - d. The city or municipal office or station shall be headed by a Chief of Police, who shall be a professional police officer with the rank of at least Police Superintendent for the city and Police Inspector for the municipality.

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- Sec. 5. Bangsamoro Police Board. There is hereby created a Bangsamoro Police
 Board, which shall perform the functions of the National Police Commission (NAPOLCOM)
 in the Bangsamoro Government. The Board shall be part of the NAPOLCOM. The
 NAPOLCOM shall ensure that the Bangsamoro Police Board performs its powers and
 functions within the bounds of its authority. The Board shall perform the following
- a. Set the policing objectives and priorities in the Bangsamoro;
- b. Monitor the performance of the Bangsamoro Police against policing objectives and
 priorities;
 - Monitor crime trends and patterns as well as performance in areas of human rights, crime reduction, and crime prevention, recruiting patterns, and employment opportunities in the Bangsamoro;
 - d. Provide information and guidance to the Bangsamoro Government and the Philippine National Police on the annual budgetary requirement of the Bangsamoro Police;
- e. Monitor police performance as against the budget allocation for the Bangsamoro Police; and
- f. Recommend the Bangsamoro Police Director and his Deputies, the Provincial Directors, and city and municipal chiefs of the Bangsamoro Police.

The Bangsamoro Police Board shall have the power to investigate complaints against members of the Bangsamoro Police, conduct summary hearing, and adjudicate administrative cases *en banc*. Appeals from its decision may be lodged with the National Appellate Board. Pending resolution of the appeal, its decisions may be executed. The existing rules and regulations governing the investigation and disposition of cases involving members of the Philippine National Police shall be followed by the Bangsamoro Police Board in the absence of law enacted by the Bangsamoro Parliament

Sec. 6. Composition of the Board. – The Board shall be composed of eleven
(11) members. Six (6) members of the Board shall come from the Bangsamoro
Parliament and five (5) from various sectors. The six (6) members of the Board coming
from the Bangsamoro Parliament shall not hold any other post. All the members thereof
shall be appointed by the Chief Minister in accordance with the rules promulgated by the
Bangsamoro Parliament for this purpose.

The Chief Minister shall act as *ex officio* Chairperson of the Bangsamoro Police Board.

Sec. 7. Terms of Office. – The Sectoral Representatives to the Board shall hold office for a period of three (3) years: *Provided,* That of those first appointed as Sectoral Representatives, two (2) will sit for three (3) years, another two (2) will sit for two (2) years, and the last will sit for one (1) year. Appointment to any vacancy shall only be for the unexpired term of the predecessor.

The members of Parliament who are likewise members of the Board shall hold office for the duration of their elective terms.

Sec. 8. Powers of the Chief Minister Over the Bangsamoro Police. — The Chief Minister shall have the following powers over the Bangsamoro Police:

- a. To act as *ex officio* member of the NAPOLCOM and as *ex officio* Chairperson of the Bangsamoro Police Board;
- b. To select the head of the Bangsamoro Police and his Deputies;
- c. To exercise operational control and supervision and disciplinary powers over the Bangsamoro Police;
- d. To employ or deploy the elements of and assign or reassign the Bangsamoro Police through the Bangsamoro Police Director. The Bangsamoro Police Director shall not countermand the order of the Chief Minister unless it is in violation of the law;
 - e. To oversee the preparation and implementation of the Integrated Bangsamoro Public Safety Plan;
 - f. To impose, after due notice and summary hearings of the citizen's complaints, administrative penalties on personnel of the Bangsamoro Police, except those appointed by the President; and

g. To do everything necessary to promote widespread support for the Bangsamoro Police by residents of the Bangsamoro.

Sec. 9. Manning Level. — The average manning level of the Bangsamoro Police shall be approximately in accordance with the police-to-population ratio of one (1) police officer for every five hundred (500) persons. The actual strength by cities and municipalities shall depend on the state of peace and order, population density, and actual demands of service in the particular area: *Provided*, That the minimum police-to-population ratio shall not be less than one (1) police officer for every one thousand (1,000) persons: *Provided further*, That urban areas shall have a higher minimum police-to-population ratio as may be prescribed by regulations.

Sec. 10. Appointment of Officers and Members of the Bangsamoro Police. – The appointment of the officers and members of the Bangsamoro Police shall be effected in the following manner:

a. Police Officer I to Senior Police Officer IV. – Appointed by the head of the Bangsamoro Police, subject to the confirmation of the Bangsamoro Police Board, and attested by the Civil Service Commission.

Other personnel of the Bangsamoro Police shall also be appointed by its head.

- Inspector to Superintendent. Appointed by the Chief of the Philippine National Police, as recommended by the head of the Bangsamoro Police and the Chief Minister, and attested by the Civil Service Commission; and
- c. Senior Superintendent and higher. Appointed by the President upon recommendation of the Chief of the Philippine National Police, with proper endorsement by the Chief Minister and the Civil Service Commission.

Provided, That in the selection of police officers for the Bangsamoro Police, applicants must comply with all the requirements set forth in R.A. No. 8551 or the Philippine National Police Reform and Reorganization Act of 1998: *Provided further,* That the NAPOLCOM may, upon the recommendation of the Regional Police Board, allow the waiver of some of the requirements in the appointment of Bangsamoro Police personnel.

Sec. 11. Community Policing. – The Bangsamoro Police shall adopt community policing as an essential mechanism in maintaining peace and order. It shall promote organization strategies that support the systematic use of partnerships and problem solving techniques to immediately address public safety issues such as crimes and social disorder.

To this effect, the Bangsamoro Police and Community Relations Agency is hereby created. Its organization shall be drawn up by the Bangsamoro Parliament.

Sec. 12. Law Governing the Bangsamoro Police. – The Bangsamoro Parliament is hereby authorized to enact laws to govern the Bangsamoro Police consistent with this Basic Law.

Sec. 13. Transitional Arrangements. — Upon the establishment of the BTA and pending the organization of the Bangsamoro Police, the BTA shall have substantial participation in choosing the head and in the employment and the deployment of existing PNP in the Bangsamoro. The head of the Bangsamoro Police will be selected from a list of three (3) eligible officers recommended by the PNP. Members of the PNP who are residents of the Bangsamoro currently assigned in the ARMM shall continue in their assignments until the finality of the organization of the Bangsamoro Police.

Sec. 14. National Support Services. – The relationship between the Bangsamoro Police and the national support services of the PNP shall be determined by the Intergovernmental Relations Body.

Sec. 15. Jail Management, Penology, and Fire Protection. –The following agencies are hereby created:

a. Bureau of Jail Management and Penology. – The Bangsamoro Bureau of Jail Management and Penology is hereby created to render support to the Bangsamoro Police, with the following major programs, among others: livelihood projects, educational and vocation training, recreation and sports, and religious and spiritual activities.

b. Bureau of Fire Protection. – The Bangsamoro Bureau of Fire Protection is hereby created. It shall be responsible for the prevention and suppression of destructive fires in the Bangsamoro.

The organization, composition, and functions of these agencies shall be contained in the enacting laws which the Bangsamoro Parliament shall pass.

Sec. 16. Defense of the Bangsamoro. – The defense of the Bangsamoro shall be the responsibility of the Central Government. The Central Government shall create a Bangsamoro military command of the Armed Forces of the Philippines (AFP) for the Bangsamoro, which shall be organized, maintained, and utilized in accordance with national laws. Qualified inhabitants of the Bangsamoro territory shall be given preference in the leadership of command for assignments in the said Bangsamoro military command.

Sec. 17. Auxiliary Contingent. - A Bangsamoro auxiliary contingent attached to the Bangsamoro military command shall be organized and deployed or stationed in the Bangsamoro. It shall provide support services such as administrative, medical, nutritional, recreational, and spiritual support to the Bangsamoro military command.

The members of the contingent shall have the necessary qualifications and shall have undergone training relative to their chosen assignments, developed skills and/or special training, as nursing aides, nutritionists, physical therapists, or religious personalities (*Ulama*).

At least fifty percent (50%) of the auxiliary contingent shall be women.

- **Sec. 18. Calling Upon the Armed Forces of the Philippines.** Notwithstanding the provisions of the preceding sections, the Chief Minister may request the President to call upon the AFP:
- a. To prevent or suppress lawless violence, invasion, or rebellion, when the public safety so requires, in the Bangsamoro;
- b. To suppress the danger to or breach of peace in the Bangsamoro, when the Bangsamoro Police is not able to do so; or

c. To avert any imminent danger to public order and security in the area of the Bangsamoro.

Sec. 19. Coordination. – The Central Government and the Bangsamoro Government shall establish coordination protocols, which shall govern the movement of the AFP in the Bangsamoro territory.

Sec. 20. Indigenous Structure. – The Bangsamoro Government shall recognize indigenous structures or systems which promote peace and law and order. The Bangsamoro Parliament shall provide institutional support to these structures and systems to enhance peace and security in the Bangsamoro.

ARTICLE XII

FISCAL AUTONOMY

Sec. 1. Fiscal Autonomy. – The Bangsamoro shall enjoy the maximum form of fiscal autonomy with the end in view of attaining economic self-sufficiency and genuine development. It shall be entitled to all fund sources enumerated herein and shall have the power to create its sources of revenues as provided in this Basic law. It shall prepare its budget and allocate funds in accordance with an annual appropriations law passed by the Bangsamoro Parliament. The form, content, and manner of preparation of the budget shall be prescribed by a law enacted by the Bangsamoro Parliament.

Sec. 2. Auditing. — All public funds of the Bangsamoro are subject to auditing. For this purpose, a Bangsamoro Auditing Office (BAO) is hereby created. It shall have the primary power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property owned or held in trust by or pertaining to the public funds utilized by the Bangsamoro Government. The utilization of the revenue generated by the Bangsamoro Government and block grants or subsidies from foreign or domestic donors shall be subject to the auditing rules and regulations of the Bangsamoro Government. The BAO shall formulate auditing rules and regulations, which may include pre-audit and post-audit mechanisms.

The BAO's power, authority, and duty shall be without prejudice to the power, authority, and duty of the Commission on Audit to examine, audit, and settle all accounts pertaining to the revenues and the use of funds and property owned and held in trust by any government instrumentality including GOCCs. For this purpose, the Commission on Audit shall continue to maintain a regional office in the Bangsamoro. In case of conflict, the findings of the national Commission on Audit shall prevail.

With due regard to the BAO's responsibility to ensure the judicious use of funds within the Bangsamoro, disbursement vouchers of the Bangsamoro Government shall be submitted immediately to the BAO.

Sec. 3. Local Government Finance. – The Bangsamoro Government shall create a mechanism for coordinating, assisting, and monitoring the finances of the constituent local government units in pursuance of good governance and local autonomy.

There is hereby created a Bureau of Local Government Finance under the Ministry of Finance to direct and supervise the local government treasuries within the Bangsamoro. Upon the recommendation of the Bangsamoro Government, the Secretary of Finance shall appoint the treasurers of the local government units within the Bangsamoro, who shall all be inhabitants thereof.

Sec. 4. Central Government Assistance. – The Central Government shall extend assistance to the Bangsamoro Government in the matter of tax administration and fiscal management. This assistance shall include capacity building and training programs, in accordance with a needs assessment and capacity building plan developed by the Bangsamoro Government in consultation with the Central Government.

Sources of Revenue

Sec. 6. Revenue Sources. – The Bangsamoro Government shall have the power to create its own sources of revenues and to levy taxes, fees, and charges, subject to the provisions of this law and consistent with the principles of equalization, equity, accountability, administrative simplicity, harmonization and economic efficiency, and

- fiscal autonomy. Such taxes, fees, and charges shall accrue exclusively to the Bangsamoro Government.
- The sources of revenue of the Bangsamoro Government shall include, among others, the following:
- 5 a. Taxes;

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- b. Fees and charges;
- c. Annual block grant coming from Central Government;
- d. Revenues from the exploration, development, and utilization of natural resources derived from areas/territories, land or water, covered by and within the jurisdiction of the Bangsamoro:
- e. Share in the government revenues derived from the exploration, development, and utilization of natural resources within the Bangsamoro;

f. Share in the Central Government taxes, fees, and charges collected in the Bangsamoro;

- g. Revenues from Bangsamoro GOCCs, financial institutions, and other corporations, and shares from the revenues of national GOCCs and its subsidiaries operating in the Bangsamoro as may be determined by the IGFPB;
- h. Grants from economic agreements entered into by the Bangsamoro Government and conventions to which the Central Government is a party;
- i. Grants and donations; and
- j. Loans and Overseas Development Assistance (ODA).
- All powers over revenue generation already granted to the ARMM under R.A. No. 6734 as amended by R.A. No. 9054 and other legislations and executive issuances, are transferred to the Bangsamoro.
- Sec. 7. Baitalmal, Awqaf, and Zakat Regulation. The Bangsamoro Parliament may enact legislation on the regulation of *baitalmal*, *awqaf*, and *zakat*.
- Baitalmal or "House of Wealth" is a financial institution responsible for the administration of funds, including zakat and endowments for proper administration and utilization.

Zakat is a religious obligation for Muslims, who are supposed to pay a certain percentage of their wealth and income, for distribution to the poor, needy, and indigents.

Awqaf is a religious endowment or donation, voluntarily given by individuals for the benefit of the community as a whole.

6 Taxation

Sec. 8. Taxes, Fees, and Charges. – The Bangsamoro Government shall exercise the power to levy taxes, fees, and charges, including those already granted to ARMM under R.A. No. 6734 as amended by R.A. No. 9054, the Muslim Mindanao Autonomy Act No. 49 or the Revenue Code of the Autonomous Region in Muslim Mindanao, and other legislations and executive issuances, as well as those that are provided herein.

In enacting revenue-raising measures, the Bangsamoro Government shall observe the principles of uniformity and equity in taxation. Revenues shall inure solely to the benefit of, and be subject to disposition by, the Bangsamoro Government.

Taxes, fees, and charges shall not be unjust, excessive, oppressive, confiscatory, or contrary to public policy. The collection of Bangsamoro taxes, fees, charges, and other impositions shall not be delegated to any private person.

The power to impose a tax under this Basic Law shall be exercised by the Bangsamoro Parliament through an appropriate legislation which shall not be enacted without any prior public hearing conducted for the purpose. The Bangsamoro Government shall evolve a progressive, responsive, and culture-sensitive system of taxation which shall, among other things, provide for incentives for the prompt payment of taxes and penalize tax evasion and delinquency.

Sec. 9. Tax Incentives. – To encourage investments and other economic activities, the Bangsamoro Government shall have the power to grant tax exemptions, rebates, tax holidays, and other incentives including those granted to the Regional Board of Investment of the ARMM, as provided for in Executive Order No. 458, S. 1991 in relation to Executive Order No. 226, S. 1987 otherwise known as the Omnibus Investment Code. As part of incentives to investors, the Bangsamoro Government may opt instead to impose a flat rate lump sum tax on small and medium enterprises.

- Sec. 10. Taxing Powers. The following taxes in the Bangsamoro shall be levied by the Bangsamoro Government:
- a. Capital Gains Tax. Tax imposed on the gains presumed to have been realized by the seller from the sale, exchange, or other disposition of capital assets, including pacto de retro sales and other forms of conditional sale;
- b. Documentary Stamp Tax. Tax on documents, instruments, loan agreements,
 and papers evidencing the acceptance, assignment, sale, or transfer of an obligation
 rights or property incident thereto;
- 10 C. Donor's Tax. Tax on a donation or gift, and is imposed on the gratuitous 11 transfer of property between two or more persons who are living at the time of the 12 transfer. It shall apply whether the transfer is in trust or otherwise, whether the gift 13 is direct or indirect, and whether the property is real or personal, tangible or 14 intangible;
- d. Estate Tax. Tax on the right of the deceased person to transmit his/her estate to his/her lawful heirs and beneficiaries at the time of death and on certain transfers, which are made by law as equivalent to testamentary disposition;
- e. Tax on banks, non-bank intermediaries, and other financial institutions operating in the Bangsamoro;
- f. Registration fees of vessels which are registered by their owners with the
 Bangsamoro Government and wharfage on wharves constructed and maintained by
 the Bangsamoro Government or the local government unit concerned;
- g. Tolls on bridges or roads constructed and maintained by the provinces, cities, municipalities, or barangays concerned or by the Bangsamoro Government;
- h. Taxes, fees, or charges on agricultural and aquatic products, except when sold by marginal farmers or fisherfolks;
- i. Excise taxes on articles that are not enumerated under the National Internal Revenue Code;
- j. Taxes, fees, and charges for passengers travelling to and from the Bangsamoro;
- k. Taxes, fees, or charges on countryside, barangay enterprises, and cooperatives not registered under R.A. No. 6810 or the Magna Carta for Countryside and Barangay

- Business Enterprises and R.A. No. 9520 or the Philippine Cooperative Code of 2008,
- 2 respectively; and
- Such other taxes that were allowed to be levied by the ARMM Government under
- R.A. No. 6734 as amended by R.A. No. 9054, Muslim Mindanao Autonomy Act No.
- 49 or the Revenue Code of the Autonomous Region in Muslim Mindanao, and other
- 6 legislations and executive issuances.
- Where all taxable elements are within the Bangsamoro territory, taxes under letters
- 8 (a) to (d) above shall no longer be imposed by the Bureau of Internal Revenue (BIR) of
- 9 the Central Government. The IGFPB shall promulgate rules on the determination of
- taxable elements in relation to taxes (a) to (d) above and on the sharing of revenues
- from the collection of such taxes where the taxable elements are found within and outside
- of the Bangsamoro territory. Any dispute between the Bangsamoro Government and the
- 13 Central Government arising from the imposition of the above taxes shall be addressed by
- 14 the IGFPB.

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- **Sec. 11. Share in Taxes of the Central Government.** Central Government taxes, fees, and charges collected in the Bangsamoro, other than tariff and customs duties, shall be shared as follows:
- Twenty-five percent (25%) to the Central Government; and
- b. Seventy-five percent (75%) to the Bangsamoro, including the shares of the local government units.
 - The aforementioned twenty-five percent (25%) share of the Central Government shall, for a period of ten (10) years, be retained by the Bangsamoro Government. The period for retention may be extended upon mutual agreement between the Central Government and the Bangsamoro Government.
 - The shares in taxes, fees, and charges provided under this Section shall be an amount separate and distinct from the annual block grant appropriated to the Bangsamoro under Section 18 of this Article.

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Sec. 12. Assessment and Collection of Taxes; Bangsamoro Revenue Office. – The Bangsamoro Parliament shall, by law, establish the Bangsamoro Revenue Office within the Bangsamoro for the purpose of assessing and collecting Bangsamoro taxes as well as all other collectible taxes in the Bangsamoro.

The Bangsamoro Revenue Office shall collect such taxes and remit the share of the Central Government through a duly accredited depository bank.

Until such time that the Bangsamoro Revenue Office is established, the collection shall be done by the BIR. The share of the Bangsamoro Government shall be retained by the Central Government collecting agencies and shall be remitted or released to the Bangsamoro in lump sum without need for an appropriations law.

When the Bangsamoro Revenue Office is established, and collection of the above taxes is undertaken by said Office, the cost of administering the tax collection shall be co-shared between the Central Government and the Bangsamoro Government.

Sec. 13. Bangsamoro Treasury Office. – There is hereby created a Bangsamoro Treasury Office whose primary function is to receive and safeguard all the revenues generated and collected by the Bangsamoro Government. The Office shall be headed by a Regional Treasurer who shall be appointed by the Chief Minister and whose term shall be determined by a law to be passed by the Bangsamoro Parliament.

Sec. 14. Payment of Taxes by Corporations, Partnerships, or Firms. - Corporations, partnerships, or firms directly engaged in business in the Bangsamoro shall pay their corresponding taxes, fees, and charges in the province or city where the corporation, partnership, or firm is doing business.

Corporations, partnerships, or firms whose central, main, or head offices are located outside the Bangsamoro but which are doing business within its territorial jurisdiction shall pay the income taxes for income derived from their business operations in the Bangsamoro to the city or municipality where their branch offices or business operations or activities are located. The BIR and the Bangsamoro Revenue Office shall agree on modalities for the filing of income tax returns through the IGFPB.

Sec. 15. Share of the Constituent Local Government Units in Taxes within the Bangsamoro. — The Bangsamoro Parliament shall enact a law detailing the shares of constituent local government units in the seventy-five percent (75%) share of the Bangsamoro Government in the taxes, fees, and charges collected in their jurisdiction for the Central Government in the Bangsamoro.

Sec. 16. Bangsamoro Taxes and Revenue Code. – The Bangsamoro Parliament shall enact a Bangsamoro Tax and Revenue Code, which shall cover the taxing powers of the Bangsamoro Government, in accordance with the 1987 Constitution.

Sec. 17. Fees and Charges. – The Bangsamoro shall exercise the power to levy fees and charges pursuant to the powers and functions in accordance with this Basic Law, including the powers already granted under R.A. No. 6734 as amended by R.A. No. 9054 and other executive issuances, and memoranda of agreement.

10 Block Grant

Sec. 18. Annual Block Grant. — With the Bangsamoro enjoying the maximum form of fiscal autonomy as provided in Section 1 of this Article, the Central Government shall provide an annual block grant which shall be the share of the Bangsamoro in the national internal revenue of the Central Government. The amount shall be sufficient for the exercise of the powers and functions of the Bangsamoro Government under this Basic Law and in no case shall it be less than the last budget received by the ARMM immediately before the establishment of the BTA.

Sec. 19. Formula of the Block Grant. – For the budget year immediately following the year of the ratification of this Basic Law, the amount of the block grant shall be equivalent to six percent (6%) of the net national internal revenue collection of BIR and of the net collections of the Bureau of Customs (BOC).

For purposes of this Section, the net national internal revenue collection of the BIR is understood to be the sum of all internal revenue tax collections during the base year less the internal revenue allotment of local government units, as well as the amount released during the same year for tax refunds, payments for informer's reward, and any portion of internal revenue tax collections which are presently set aside, or hereafter earmarked under special laws for payment to third persons.

Provided, That the computation shall be based on collections from the third fiscal year preceding the current fiscal year;

_	770	vided raither, That the above formula shall be adjusted if, after the effectivity		
2		sic Law, there occurs a change in the total land area of the Bangsamoro.		
3				
4	Sec	. 20. Automatic Appropriation. — The annual block grant shall be		
5		ally appropriated to the Bangsamoro Government and reflected in the General		
6	Appropria			
7				
8	Sec	. 21. Allocation of the Block Grant The Bangsamoro Parliament shall		
9		nnual appropriations law that allocates the block grant to various agencies and		
10		according to the powers and functions of the Bangsamoro Government. The		
11	Bangsamoro Parliament shall assign the highest budgetary priority to education, heal			
12		services as may be provided in its appropriations law.		
13	The	Bangsamoro annual appropriations law may also include performance		
14		and targets for each sector. Any unspent amount in the current year's block		
15		revert to the Bangsamoro under a Special Fund for re-appropriation.		
16				
17	Sec	. 22. Regular Release The block grant shall be released without need of		
18	any furthe	r action, directly and comprehensively, to the Bangsamoro Government, and		
19	shall not	be subject to any lien or holdback that may be imposed by the Central		
20		nt for whatever purpose.		
21				
22	Sec.	23. Deductions from the Block Grant; Exceptions. – Ten (10) years		
23	from the operationalization of the regular Bangsamoro Government, the following			
24	be deducted from the block grants:			
25	a.	Revenues from the following taxes collected three (3) years prior;		
26		i. Capital Gains Tax		
27		ii. Documentary Stamp Tax		
28		iii. Donor's Tax		
29		iv. Estate Tax		

b. Share of the Bangsamoro in the government income derived from the exploration, development, and utilization of natural resources, as provided under Section 36, Article XII, collected three (3) years prior.

Provided, That the amount allocated for the operation of the Bangsamoro Sustainable Development Board, as provided in Section 4, Article XIII shall not be included in the amount herein to be deducted from the block grant: *Provided further,* That the abovementioned deduction shall not include the shares of constituent local government units and of indigenous communities in government income derived from the exploration, development, and utilization of natural resources under Sections 37 and 38 of Article XII, respectively.

Sec. 24. Review of the Block Grant Formula. – The formula of the Block Grant, as provided above, shall be reviewed by the IGFPB five (5) years after its effectivity, and every five years thereafter. The review that shall be undertaken shall consider, among others, the fiscal needs of the Bangsamoro and the actual revenues it is able to generate. Should the Central Government no longer have any representative in the said Board, the review shall be undertaken by the Central Government - Bangsamoro Government Intergovernmental Relations Body.

Sec. 25. Development Programs and Projects. – The Central Government shall provide for additional funds that would subsidize expenditure for development projects and infrastructure in the Bangsamoro, including provincial and municipal roads, in accordance with a development plan formulated by the Bangsamoro Government. The Central Government and the Bangsamoro Government shall agree on the amount through the Intergovernmental Infrastructure Development Board as well as the manner of release of said amount to the Bangsamoro Government.

28 Loans

Sec. 26. Foreign and Domestic Loans; Bills, Bonds, Notes, and Obligations. –

a. Loans, Credits, and Other Forms of Indebtedness. – The Bangsamoro Government may contract loans, credits, and other forms of indebtedness in

order to finance the construction, installation, improvement, expansion, operation or maintenance of public facilities, infrastructure facilities, housing projects, the acquisition of real property, and the implementation of other capital investment projects, as well as for the development and welfare of the people of the Bangsamoro.

2.2

Subject to acceptable credit worthiness, such loans may be secured from domestic and foreign lending institutions, except foreign and domestic loans requiring sovereign guaranty, whether explicit or implicit, which would require the approval of the Central Government. The Bangsamoro Parliament may authorize the Chief Minister to contract such domestic or foreign loans. The loans so contracted may take effect upon approval by a majority of all the members of the Bangsamoro Parliament.

The Central Government shall assist the Bangsamoro Government in complying with the requirements for a speedy issuance of the sovereign guaranty to finance local infrastructure and other socio-economic development projects in accordance with the Bangsamoro Development Plan.

Within thirty (30) days from the submission of the Bangsamoro Government of its application for sovereign guaranty, the Bangsamoro Government shall be informed by the Central Government on the actions taken on the application. The application shall be resolved with dispatch.

- b. Bills, Bonds, Notes, Debentures, and Obligations. The Bangsamoro Government is also authorized to issue treasury bills, bonds, debentures, securities, collaterals, notes, obligations, and other debt papers or documents, as well as redeem or retire the same, pursuant to law enacted by the Bangsamoro Parliament. Said authority may be exercised in order to finance self-liquidating, income-producing development or livelihood projects pursuant to the priorities established in the aforementioned development plan.
- c. Payment of Loans and Indebtedness. The Bangsamoro Government shall appropriate in its annual budget such amounts as are sufficient to pay their loans and their indebtedness incurred. The amount of appropriations for debt servicing shall not exceed twenty percent (20%) of the regular sources of revenue but excluding those coming from grants, donations, loans, and ODA of the Bangsamoro.
- d. Publication. All loans, whether domestic- or foreign-assisted and the purpose for which it was entered into shall be published once every two (2) weeks in at least one (1) local newspaper which is circulated in the Bangsamoro.

Sec. 27. Overseas Development Assistance. – In its efforts to achieve inclusive growth and poverty reduction through the implementation of priority development projects, the Bangsamoro Government may avail directly of ODA. The Bangsamoro Parliament may enact legislation governing ODA.

Grants and Donations

Sec. 28. Grants and Donations. – Grants and donations from foreign and domestic donors received by the Bangsamoro Government for the development and welfare of the people in the Bangsamoro shall be used solely for the purpose for which they were received.

Donations and grants that are used exclusively to finance projects for education, health, youth and culture, and economic development may be deducted in full from the taxable income of the donor or grantor.

Economic Agreements and Conventions

Sec. 29. Economic Agreements. –The Bangsamoro Government may enter into economic agreements and receive benefits and grants derived therefrom as provided in Section 1, Article V of this Basic Law.

Sec. 30. Cultural Exchange, Economic, and Technical Cooperation. — Consistent with the reserved powers of the Central Government and whenever necessary, the Central Government shall appoint recommendees of the Bangsamoro Government to Philippine embassies, consulates, and international delegations. The Bangsamoro Government may establish linkages for cultural exchange, economic, and technical cooperation with countries with diplomatic relations with the Philippines, with the assistance of Philippine embassies or consulates, or through some other arrangements with the Central Government supporting such undertakings.

Sec. 31. Benefits from Conventions. – The Bangsamoro shall be entitled to benefits resulting from conventions to which the Central Government is a party. Such benefits shall be equitable and shall consider the available human and material resources and comparative advantage of the Bangsamoro, as well as its socio-economic conditions and needs.

Government-Owned and/or -Controlled Corporations and Financial Institutions

Sec. 32. Government-Owned and/or -Controlled Corporations and Financial Institutions. — The Bangsamoro shall have the power to create GOCCs and financial institutions through the necessary modalities and in accordance with a law on GOCCs to be passed by the Bangsamoro Parliament. These GOCCs created by the Bangsamoro Government shall be duly registered with the SEC or established under legislative charter by the Bangsamoro Parliament, and shall be recognized even outside the Bangsamoro. Revenues derived from their operations shall pertain to the Bangsamoro.

Sec. 33. Existing GOCCs Operating Exclusively in the Bangsamoro. – The Bangsamoro Government shall have the authority and control over existing GOCCs and financial institutions operating exclusively in the Bangsamoro, after determination by the IGFPB of its feasibility. Such transfer shall be effected through the necessary changes on the GOCCs' governing boards.

Sec. 34. Southern Philippine Development Authority and *Al-Amanah* Islamic Investment Bank. — Within six (6) months from the establishment of the BTA, the IGFPB shall determine the participation of the Bangsamoro in the ownership and management of *Al-Amanah* Islamic Investment Bank of the Philippines and the Southern Philippines Development Authority (SPDA) as provided in P.D. No. 690 as amended by P.D. No. 1703, and the mode of transfer of ownership to the Bangsamoro Government.

Sec. 35. Existing GOCCs in the Bangsamoro. – The Bangsamoro Government shall be represented in the Board of Directors or in the policy-making bodies of GOCCs

that operate a substantial portion of their businesses directly or through their subsidiaries in the Bangsamoro or where the Bangsamoro has a substantial interest. The IGFPB shall determine the extent of their participation. In no case shall the Bangsamoro have less than one (1) seat in the governing board of such entities.

The share of the Bangsamoro Government from the results of operations of GOCCs and subsidiaries operating in the Bangsamoro shall be based on a formula determined by the IGFPB under Section 39 of this Article.

Sharing in the Exploration, Development, and Utilization of Natural Resources

Sec. 36. Sharing in Exploration, Development, and Utilization of Natural Resources. — Government revenues generated from the exploration, development, and utilization of all natural resources in the Bangsamoro, inclusive of mines and minerals, shall pertain fully to the Bangsamoro Government. In the case of fossil fuels (petroleum, natural gas, and coal) and uranium, the same shall be co-managed and the revenues shared equally between the Central Government and the Bangsamoro Government.

The sharing schemes set forth in the paragraph above shall be applicable to all natural resources found in the Bangsamoro territory, both the land mass and the waters under its territorial jurisdiction.

Sec. 37. Share of the Constituent Local Government Units. – The share of the Bangsamoro Government in the revenues referred to in the immediately preceding section shall include those for its constituent local government units. The Bangsamoro Parliament shall enact a law detailing the shares of such local government units.

Sec. 38. Share of Indigenous Communities. – Indigenous peoples shall have an equitable share from the revenues generated from the exploration, development, and utilization of natural resources that are found within the territories covered by a native, traditional, or customary title in their favor. The share shall be provided for in a law to be passed by the Bangsamoro Parliament.

The Bangsamoro Parliament shall enact a law that shall provide in detail said sharing system, including the percentage of the shares of the indigenous peoples and communities, and the mechanisms therefor.

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Sec. 39. Functions of the Intergovernmental Fiscal Policy Board. – The IGFPB created under Section 6, Article VI shall have the following functions:

- a. Recommend the necessary fiscal policy adjustments by undertaking a periodic review of the taxing powers, tax base and rates of the Bangsamoro Government, wealth sharing arrangements, and sources of revenues vis-à-vis the development needs of the Bangsamoro;
- Address disputes between the Central Government and the Bangsamoro Government involving the collection of capital gains tax, documentary stamp tax, donor's tax, and estate tax in the Bangsamoro;
- c. Determine the extent of participation of the Bangsamoro Government in the Board of Directors or the policy-making bodies of GOCCs that operate a substantial portion of their businesses directly or through their subsidiaries in the Bangsamoro or where the Bangsamoro has a substantial interest;
- d. Determine the participation of the Bangsamoro Government in the results of operations of GOCCs and its subsidiaries operating in the Bangsamoro. The Board shall also determine a formula for the share of the Bangsamoro Government from the results of said operations;
- e. Determine the participation of the Bangsamoro in the ownership and management of Al-Amanah Islamic Investment Bank of the Philippines and the SPDA;
- f. Recommend the exercise by the Bangsamoro Government of additional fiscal powers in order to attain the highest form of fiscal autonomy; and
- g. Define the modalities for the filing of income tax returns for corporation or firms whose central, main, or head offices are located outside the Bangsamoro but are doing business within its territorial jurisdiction so that income realized from such operations in the Bangsamoro shall be attributed as income derived therein and subject to the sharing scheme between the Central Government and the Bangsamoro Government.

1	Sec. 40. Composition The IGFPB shall be composed of the heads and/or
2	representatives of the appropriate ministries and offices in the Bangsamoro Government.
3	The Central Government shall likewise be represented in the Board by the Secretaries of
4	Finance, Budget and Management, Trade and Industry, the Director General of the
5	National Economic Development Authority, and such other officials as may be necessary.
6	The Board shall be headed by two (2) co-Chairpersons, one representing the
7	Bangsamoro Government and the other representing the Central Government.
8	Once full fiscal autonomy has been achieved by the Bangsamoro, it may no longer
9	be necessary to have a representative from the Central Government to sit in the IGFPB.
10	
11	Sec. 41. Meetings and Annual Report The IGFPB shall meet at least once
12	evry six (6) months or as often as necessary and shall adopt its own rules of procedure
13	for the conduct of its meetings.
14	An annual report shall be submitted by the IGFPB to the Central Government and
15	the Bangsamoro Government, and shall be made available to the public.
16	Sec. 42. Full Disclosure Policy. – The Bangsamoro Government hereby adopts
17	a policy of full disclosure of its budget and finances, and bids and public offerings, and
18	shall provide protocols for the guidance of local authorities in the implementation of said
19	policy, which shall include, among others, the posting of the Summary of Income and
20	Expenditures, and the participation of representatives from civil society in the budget
21	process. The same policy shall apply to its constituent local government units, as may be
22	provided in the Bangsamoro Local Government Code to be enacted by the Bangsamoro
23	Parliament.
24	
25	Sec. 43. Additional Fiscal Powers. – The IGFPB may recommend the exercise
26	by the Bangsamoro Government of additional fiscal powers in order to reach full fiscal
27	autonomy. Such recommendations shall be proposed to the Philippine Congress or the
28	appropriate agency of the Central Government that has the power to effect such
29	recommendations.
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ARTICLE XIII

ECONOMY AND PATRIMONY

31

Sec. 1. Social Justice and the Bangsamoro Economic System. - The Bangsamoro shall establish an economic system based on the principle of social justice. Pursuant to this principle, the Bangsamoro Parliament shall legislate laws pertaining to the Bangsamoro economy and patrimony that are responsive to the needs of its people.

Sustainable Development

Sec. 2. Equitable and Sustainable Development. – In order to protect and improve the quality of life of the inhabitants of the Bangsamoro, development in the Bangsamoro shall be carefully planned, taking into consideration the ecological balance and the natural resources that are available for its use and for the use of future generations.

The Bangsamoro Government shall promote the effective use of economic resources and endeavor to attain economic development that shall facilitate growth and full employment, human development, and social justice.

The Bangsamoro Government shall also provide equitable opportunities for the development of constituent local government units and shall strengthen governance systems to ensure people's participation.

Sec. 3. Comprehensive Framework for Sustainable Development. — The Bangsamoro Government shall develop a comprehensive framework for sustainable development through the proper conservation, utilization, and development of natural resources. Such framework shall guide the Bangsamoro Government in adopting programs and policies and establishing mechanisms that focus on the environment dimensions of social and economic interventions. It shall include measures for environmental justice and governance, as well as for the reduction of vulnerability of women and marginalized groups to climate change and variability.

Sec. 4. Funding Support for the Bangsamoro Sustainable Development Board. — The funding support for the Board shall be included in the annual budget of

the Bangsamoro Government. However, if there are revenues collected from the exploration, development, and utilization of all natural resources within the Bangsamoro, a certain percentage of such revenues shall be allocated for the operation of the Board, as may be provided in a law to be passed by the Bangsamoro Parliament.

Sec. 5. Bangsamoro Development Plan. – The Bangsamoro Government shall formulate its development plans taking into consideration the Bangsamoro people's unique needs and aspirations and consistent with national development goals. The Plan shall also consider the revenue generation efforts needed for the post-conflict rehabilitation, reconstruction, and development of its territory.

The Plan shall include the promotion of growth and full employment, human development, and address social and economic inequities that have resulted from decades of neglect, historical injustice, poverty, and inequality.

For this purpose, the Bangsamoro Parliament shall create a Bangsamoro Economic Planning, Research, and Development Office.

Sec. 6. Gender and Development. – The Bangsamoro Government recognizes the role of women in governance and shall ensure the fundamental equality before the law of women and men. It shall guarantee full and direct participation of women in governance and in the development process and shall further ensure that women benefit equally in the implementation of development programs and projects.

In the utilization of public funds, the Bangsamoro Government shall ensure that the needs of women and men are adequately addressed. For this purpose, at least five percent (5%) of the total budget appropriation of each ministry, office, and constituent local government unit of the Bangsamoro shall be set aside for gender-responsive programs, in accordance with a Gender and Development (GAD) Plan. In the same manner, at least five percent (5%) up to thirty percent (30%) of the official development funds received by the Bangsamoro shall be set aside to complement said GAD budget allocation.

The Bangsamoro Government shall establish a mechanism for consultation with women and local communities to further ensure the allocation and proper utilization of said funds. It shall identify and implement special development programs and laws for women.

Sec. 7. Participation of the Bangsamoro in National Development Planning. – The preceding section notwithstanding, and in order to ensure that the Bangsamoro development plans are reflected in the national development plans, the Bangsamoro Government shall participate in national development planning. The Chief Minister shall be a regular member of the NEDA Board, the MinDA Board, as well as other related agencies. The Chief Minister or his duly-appointed representative shall participate in the said offices.

Natural Resources

Sec. 8. Natural Resources, Nature Reserves, and Protected Areas. – The Bangsamoro Government shall have the power, authority, and right to explore, develop, and utilize the natural resources, including surface and sub-surface rights, inland waters, coastal waters, and renewable and non-renewable resources in the Bangsamoro: *Provided*, That when the utilization, exploration, and development of waters inside or outside the Bangsamoro shall affect the flow of the water going in or out of the Bangsamoro, the Central Government and the Bangsamoro Government shall cooperate and coordinate through the intergovernmental relations mechanism: *Provided further*, That it shall not affect the exercise of exclusive power of the Bangsamoro over inland waters and natural resources.

The protection, conservation, rehabilitation, and development of forests, coastal, and marine resources, including the adoption of programs and projects to ensure the maintenance of ecological balance and biodiversity shall be given priority.

The Bangsamoro Government shall also have the power to declare nature reserves and aquatic parks, forests, watershed reservations, and other protected areas in the Bangsamoro.

The Bangsamoro Parliament shall pass a law on protected areas regarding the procedure for the declaration and the management of those that are so declared, and the role of the Bangsamoro Government and other stakeholders in the process.

Sec. 9. Transfer of Existing Nature Reserves and Protected Areas. – The management and protection of nature reserves and aquatic parks, forests, watershed reservations, and other protected areas in the Bangsamoro territory that have already

been defined by and under the authority of the Central Government shall be transferred to the Bangsamoro Government.

Within three months from the establishment of the BTA, the Bangsamoro Government and Department of Environment and Natural Resources (DENR), as well as other relevant government agencies shall start the process of transferring these areas, including the conduct of surveys of all affected areas and the planning and transition for each and every protected area. Such process shall be completed within a period not exceeding two (2) years.

Section 10. Exploration, Development, and Utilization of Fossil Fuels and Uranium. - The Bangsamoro Government and the Central Government shall jointly exercise the power to grant rights, privileges, and concessions over the exploration, development, and utilization of fossil fuels (petroleum, natural gas, and coal) and uranium in the Bangsamoro.

The Central Government, through the Department of Energy (DOE), and the Bangsamoro Government shall adopt a competitive and transparent process for the grant of rights, privileges, and concessions in the exploration, development, and utilization of fossil fuels and uranium.

The DOE and the Bangsamoro Government will identify and select prospective contract areas to be offered for exploration and development. A qualified Filipino citizen who is a *bona fide* resident of the Bangsamoro will receive a rating higher than other proponents during the evaluation process. The award of the service contract shall be made jointly by the DOE and the Bangsamoro Government.

Sec. 11. Preferential Rights of Bona Fide Inhabitants of the Bangsamoro.

— Qualified citizens who are bona fide inhabitants of the Bangsamoro shall have preferential rights over the exploration, development, and utilization of natural resources, including fossil fuels (petroleum, natural gas, and coal) and uranium, within the Bangsamoro territory. Existing rights over the exploration, development, and utilization of natural resources shall be respected until the expiration of the corresponding leases, permits, franchises, or concessions, unless legally terminated.

Sec. 12. Rights of Indigenous Peoples Over Natural Resources. – The Bangsamoro Parliament shall enact a law recognizing the rights of indigenous peoples

in the Bangsamoro in relation to natural resources within the territories covered by a native title, including their share in revenues as provided in this Basic Law, and priority rights in the exploration, development, and utilization of such natural resources within their area.

The right of indigenous peoples to free and prior informed consent in relation to development initiatives shall be respected.

Sec. 13. Mines and Mineral Resources. – The Bangsamoro Government shall have authority and jurisdiction over the exploration, development, and utilization of mines and minerals in its territory, taking into consideration environmental protection and ecological balance. Permits and licenses and the granting of contracts for this purpose shall be within the powers of the Bangsamoro Government.

Sec. 14. Financial and Technical Assistance Agreements. – The applications for financial and technical assistance agreements (FTAAs) covering mineral resources within the Bangsamoro shall be commenced at and recommended by the Bangsamoro Government to the President.

The manner by which the Bangsamoro Government shall make the recommendation shall be in accordance with the mining policy that shall be adopted by the Bangsamoro Parliament.

Sec. 15. Regulation of Small-Scale Mining. – Small-scale mining shall be regulated by the Bangsamoro Government to the end that the ecological balance, safety and health, and the interests of the affected communities, the miners, the indigenous peoples, and the local government units of the place where such operations are conducted are duly protected and safequarded.

Sec. 16. Legislating Benefits and Compensation for Victims and Communities Adversely Affected by Mining and Other Activities that Harness Natural Resources. - The Bangsamoro Parliament shall enact laws for the benefit and welfare of the inhabitants injured, harmed, or adversely affected by the harnessing of natural and mineral resources in the Bangsamoro. Such laws may include payment of just

compensation to and relocation of the people and rehabilitation of the areas adversely affected by the harnessing of natural and mineral resources mentioned above.

The Bangsamoro Parliament may, by law, require the persons, natural or juridical, responsible for causing the harm or injury mentioned above to bear the costs of compensation, relocation, and rehabilitation mentioned above wholly or partially.

Sec. 17. Bangsamoro Mining Policy. - Policies on mining and other extractive industries shall be drawn up by the Bangsamoro Parliament in accordance with its Comprehensive Sustainable Development Plan, as well as its overall medium-term and long-term Bangsamoro Development Plan.

Sec. 18. Land Tenure and Conflicting Claims. — In order to address conflicting land claims, the Bangsamoro shall develop a land tenure improvement program to be designed and implemented by the concerned ministries of the Bangsamoro. Measures shall be undertaken to facilitate the identification of land ownership and the generation of land titles. The plan may include measures that would provide the necessary titling assistance for legitimate landowners and abbreviated procedures for the registration of lands. For this purpose, the Bangsamoro Parliament may enact a law and create the necessary office.

Sec. 19. Zones of Joint Cooperation. – Zones of Joint Cooperation in the Sulu Sea and the Moro Gulf are hereby created, the coordinates of which shall be defined by an *ad hoc* joint body composed of representatives from the DENR and the National Mapping and Resource Information Authority (NAMRIA), and an equal number of representatives from appropriate agencies of the Bangsamoro Government.

The Joint Body shall be convened within thirty (30) days after the ratification of this Basic Law and shall cease to exist after it has established the coordinates of the Bangsamoro territory, including the Bangsamoro Waters and the Zones of Joint Cooperation. However, the said Joint Body shall be reconvened within thirty (30) days after the conduct of a plebiscite for the inclusion of other territories as provided in this Basic Law.

Sec. 20. Joint Body for the Zones of Joint Cooperation. — There shall be created a Joint Body for the Zones of Joint Cooperation composed of a Bangsamoro Minister as Chairperson, one (1) representative of a constituent province of the Bangsamoro adjacent to the Sulu Sea, one (1) representative of a constituent province of the Bangsamoro adjacent to the Moro Gulf, the Secretary of Environment and Natural Resources, the Secretary of Agriculture, the Secretary of Transportation and the Secretary of Information and Communication Technology of the Central Government, or their authorized representatives, and their counterpart officials from the appropriate Bangsamoro offices and/or agencies. There shall be one (1) representative from an adjoining province that is not part of the Bangsamoro and adjacent to the Sulu Sea, and one (1) representative from an adjoining province that is not part of the Bangsamoro and adjacent to the Moro Gulf. The Joint Body shall be responsible for formulating policies mentioned in the preceding Section as well as those necessarily related thereto.

The Joint Body may invite private sector representatives from the fishing and transportation industries whenever necessary.

The Bangsamoro Government and the Central Government shall work together to regulate the waters that comprise the Zones of Joint Cooperation in the Sulu Sea and the Moro Gulf. Policies shall be jointly drawn up for the following purposes:

- a. Protection of the traditional fishing grounds;
- b. Benefitting from the resources therein;

- Ensuring the interconnectivity of the islands and mainland parts of the Bangsamoro so that they are parts of a cohesive Bangsamoro political entity;
 and
- d. Ensuring the exercise of the preferential rights of the Bangsamoro people, other indigenous peoples in the adjoining provinces, and the resident fishers in the Bangsamoro over fishery, aquamarine, and other living resources in the Zones of Joint Cooperation. The Joint Body shall promulgate rules and regulations as to the exercise of these preferential rights.

The Bangsamoro Government and the Central Government shall ensure that there shall be free movement of vessels, goods, and people in these Zones of Joint Cooperation.

Sec. 21. Exploration, Development, and Utilization of Non-living Resources in the Zones of Joint Cooperation. – The Joint Body for the Zones of

Joint Cooperation shall ensure the cooperation and coordination between the Central Government and the Bangsamoro Government on the exploration, development, and utilization of fossil fuels and other non-living resources in the Zones of Joint Cooperation and determine the sharing of income and revenues derived therefrom.

Sec. 22. Transportation in the Zones of Joint Cooperation. – Transportation plying direct routes connecting the islands in Sulu, Basilan, Tawi-Tawi, and/or the mainland parts of the Bangsamoro and passing through the Zones of Joint Cooperation shall be considered intra-regional routes.

Sec. 23. Inland Waters. — The Bangsamoro Government shall have exclusive powers over inland water, including but not limited to lakes, marshes, rivers, and tributaries: *Provided*, That these inland waters do not flow in and out of the Bangsamoro. When the utilization, exploration, and development of waters inside or outside the Bangsamoro shall affect the flow of the water going in or out of the Bangsamoro, the Central Government and the Bangsamoro Government shall cooperate and coordinate through the intergovernmental relations mechanism: *Provided further*, That it shall not affect the exercise of exclusive power of the Bangsamoro over inland waters and natural resources. The Bangsamoro Parliament shall enact laws on the regulation, conservation, management, and protection of these resources, and may classify inland waters in the Bangsamoro. It shall create a Bangsamoro office and authorities for specific inland bodies of water that shall exercise management and regulation powers over these bodies of water.

The Bangsamoro Government shall ensure that the utilization of these waters shall primarily be for the benefit of the people in the Bangsamoro and shall ensure that host communities shall be given equitable shares from the revenues generated from such utilization.

Sec. 24. Agriculture, Fisheries, and Aquatic Resources. – The Bangsamoro Government's policies and laws on agriculture, fisheries, and aquatic resources shall advance agriculture as a key development strategy, promote productivity measures, and provide support for farmers and fisherfolks, especially small landholders and marginal fisherfolks: *Provided,* That in the Bangsamoro Regional Waters and Waters in the Zones of Joint Cooperation, the Bangsamoro people, indigenous peoples, and resident small

fisherfolks shall have preferential rights to fish in those waters, without prejudice to the rights of citizens of the Philippines, whether residents or non-residents of the Bangsamoro, to fish in those waters.

Trade and Industry

Sec. 25. Trade and Industry in the Bangsamoro. – The Bangsamoro Government recognizes the private sector as a mover of trade, commerce, and industry. To achieve equity, social justice, and economic development, it shall encourage and support the building up of entrepreneurial capability in the Bangsamoro and shall recognize, promote, protect, and support the development of cooperatives and other medium, small, and micro enterprises. It shall adopt and implement cooperative development policies and programs through the enactment of a Bangsamoro Cooperative Code.

The Bangsamoro Government shall promote trade and industry in the Bangsamoro by providing avenues through which other countries can learn about its unique industries, economic opportunities, and culture through participation in trade missions, trade fairs, and other promotional activities. It can also organize trade missions to other countries observing the necessary coordination with the relevant government agencies.

The Bangsamoro Government shall also promote domestic trade preference for goods produced and materials sourced from within the Bangsamoro and adopt measures to increase their competitiveness. The Bangsamoro Government shall also ensure that Bangsamoro products and services gain considerable access to the markets of its trading partners, and particular attention should also be given to the markets of its trading partners who have historic and cultural ties to the Bangsamoro.

Sec. 26. Barter Trade and Countertrade with ASEAN Countries. – The Bangsamoro Government shall regulate traditional barter trade and countertrade with ASEAN member countries. The goods or items that are traded with the said countries shall not be sold elsewhere in the country without payment of appropriate customs or import duties.

Traditional barter trade and countertrade refer to all cross-border trade of all goods not otherwise considered illicit since time immemorial between the Bangsamoro areas with ASEAN member countries. The Bangsamoro Government shall ensure compliance with national standards and safety product standards requirements. Any dispute in relation to compliance or non-compliance shall be brought to the intergovernmental relations mechanism.

Sec. 27. Economic Zones, Industrial Estates, and Free Ports. — The Bangsamoro Government may establish economic zones, industrial estates, and free ports in the Bangsamoro. They may also establish a Bangsamoro Economic Zone Authority which shall have similar powers as the Philippine Economic Zone Authority. The Bangsamoro Parliament may provide such additional powers and functions to the Bangsamoro Economic Zone Authority as may be necessary to meet the special circumstances of the Bangsamoro.

Once the Bangsamoro Economic Zone Authority is created by the Bangsamoro Parliament, the Philippine Export Zone Authority shall no longer authorize any other economic zone within the Bangsamoro. Any corporation, firm, or entity established within the Bangsamoro by authority of the Philippine Export Zone Authority shall be placed under the jurisdiction of the Bangsamoro Economic Zone Authority and shall continue to enjoy the benefits granted to it by the Philippine Export Zone Authority.

Through the intergovernmental relations mechanism, the Bangsamoro Government and the Central Government shall cooperate on customs, immigration, and quarantine service including the attendant international commitments thereto, in order to implement and make fully operational such economic zones, industrial estates, and free ports within one (1) year from their establishment. Business and other enterprises operating within the Bangsamoro economic zones, industrial estates, and free ports shall be entitled to the fiscal incentives and other benefits provided by the Central Government to special economic zones. The Bangsamoro Government shall implement the fiscal incentives and other benefits to investors in economic zones, industrial estates, and free ports.

Bangsamoro free ports shall be contiguous or adjacent to a seaport or airport. The area of coverage of a free port may be so much as may be necessary of that portion of the constituent local government units of the Bangsamoro, subject to such criteria as the

1	Bangsamoro Parliament may provide in a law for that purpose. Existing free ports in the
2	ARMM are hereby transferred to the Bangsamoro Government.
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4	Sec. 28. Prohibition Against Toxic or Hazardous Substances The
5	Bangsamoro Government shall regulate, restrict, or prohibit the use, importation, transit,
6	transport, deposit, disposal, and dumping of toxic or hazardous substances within the
7	Bangsamoro. It shall, in the same manner, regulate activities that may adversely impact
8	the environment and may be harmful to the health, safety, and welfare of the
9	Bangsamoro people.
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11	Sec. 29. Halal Program. — The Bangsamoro Government shall have the power
12	to accredit <i>halal</i> -certifying bodies in the Bangsamoro. It shall promote awareness through
13	the development and implementation of a halal campaign program.
14	The Bangsamoro Parliament shall enact laws to further strengthen its policy and
15	programs on <i>halal</i> development.
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17	Double and the
18	Banking and Finance
19	Sec. 30. Banks and Financial Institutions. — The Bangsamoro Government shall
20	encourage the establishment of:
21	a. Banks and financial institutions and their branches; and
22	b. Off-shore banking units of foreign banks
23	within the Bangsamoro, and in accordance with the principles of the Islamic banking
24	system.
25	The Bangsamoro Parliament shall enact laws on Islamic finance.
26	
27	Sec. 31. Islamic Banking and Finance. – The Bangsamoro Government, the
28	Bangko Sentral ng Pilipinas (BSP), the Department of Finance (DOF), and the NCMF shall
29	jointly promote the development of an Islamic banking and finance system, to include
20	5 Joseph Committee Committ

among others, the establishment of a Shari'ah Supervisory Board and the promotion and

development of Shari'ah-compliant financial institutions.

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To facilitate the establishment of an Islamic banking and finance system, the Bangsamoro Government and the Central Government shall review existing market environment and policies and adopt measures to enhance the competitiveness of Islamic finance products and ensure that Islamic financial players are not inhibited from introducing Islamic finance products. It shall further promote investor awareness and acceptance in order to build a broader customer and asset base.

Sec. 32. Islamic Banking Unit in the Bangko Sentral ng Pilipinas. - An Islamic Banking Unit shall be established in the BSP which shall be headed and staffed by qualified Islamic banking experts, recommended by the Chief Minister of the Bangsamoro Government. The head of the Islamic Banking Unit shall be chosen from among at least three (3) qualified persons from the Bangsamoro nominated by the Chief Minister.

- Sec. 33. Functions of the *Shari'ah* Supervisory Board and Qualifications of its Members. Without prejudice to the crafting of the Bangsamoro Islamic banking and finance framework by the Bangsamoro Parliament, the following are the functions and qualifications of the *Shari'ah* Supervisory Board:
 - a. Functions. The Shariah Supervisory Board shall be responsible for monitoring the compliance of *Shari'ah* rules in banking and finance transactions and issuance of *Shari'ah* products. Furthermore, as a representative of the various *Ulama*, it shall have the authority to issue *fatwas* regarding the products and practices employed by banks and other institutions.
 - b. Qualifications. Subject to other qualifications that the Bangsamoro Parliament may enact, the members of the Board shall have the necessary knowledge of both Islamic jurisprudence and conventional banking and finance.

Public Utilities and Infrastructure

Sec. 34. Energy and Power Generation. - The Bangsamoro Government shall promote investments, domestic and international, in the power sector in the Bangsamoro: *Provided,* That the Bangsamoro Government shall notify the Central Government insofar as power generation investments are concerned.

a. Power Generation, Transmission, and Distribution Operating Exclusively in the Bangsamoro. - The Bangsamoro Government shall have the authority to regulate power generation, transmission, and distribution operating exclusively in the Bangsamoro through a Ministry of Energy it shall create. It may likewise create its own public utilities including power generation utilities: Provided, That the Bangsamoro government shall divest its ownership of said utilities after twentyfive (25) years from the creation of said utilities. It shall promote investments, domestic and international, in the power sector industry in the Bangsamoro. Power generation plants and distribution utilities operating exclusively in the Bangsamoro shall be able to interconnect, sell, and buy power over the National Transmission Grid. In the same way, transmission lines operating exclusively in the Bangsamoro shall be able to interconnect to the National Transmission Grid. In this case, the Central Government and the Bangsamoro Government shall cooperate and coordinate through the Intergovernmental Energy Board. The Bangsamoro Government may assist electric cooperatives operating exclusively in the Bangsamoro in accessing funds and technology to ensure their financial and operational viability. Assistance may be in the form of restructuring of debts, with rehabilitation and efficiency improvement measures based on a set of clear timebound operational reform programs. Other measures may be brought to the Intergovernmental Energy Board.

- b. Power Generation Not Operating Exclusively in the Bangsamoro. The Bangsamoro Government shall have primary responsibility over the permits of power generation plants located inside the Bangsamoro. However, for power generation plants not operating exclusively in the Bangsamoro, the Central Government and the Bangsamoro Government shall cooperate and coordinate through the Intergovernmental Energy Board when it comes to regulation of the physical structure of these power generation plants. However, for power generation plants that do not operate exclusively in the Bangsamoro, the Central Government shall maintain its regulatory powers over their power supply contracts where power generation utilities sell power outside the Bangsamoro. Further, the Central Government, in consultation with the Bangsamoro Government, shall exercise regulatory powers over power supply contracts of power generation utilities selling power inside the Bangsamoro.
- c. Power Distribution Not Operating Exclusively in the Bangsamoro. For private distribution utilities and electric cooperatives not operating exclusively in the Bangsamoro, the regulatory powers as specified under R.A. No. 9136 or the

Electric Power Industry Reform Act of 2001 shall fall under the government whose territory has the majority of end-user connections. The Bangsamoro Electrification Administration shall have all the powers, functions, and privileges of the National Electrification Administration under R.A. No. 10531 or the National Electrification Administration Reform Act of 2013 when it comes to the supervision of the management and operations of electric cooperatives whose franchise areas are exclusively in the Bangsamoro. The Central Government and the Bangsamoro Government shall cooperate and coordinate through the Intergovernmental Energy Board when it comes to different fees and charges specified in existing laws and collected through private distribution utilities and electric cooperatives that do not operate exclusively in the Bangsamoro, and for the settlement and/or restructuring of debts to the Central Government of electric cooperatives whose franchise areas are exclusively in the Bangsamoro.

- d. National Transmission Grid. The Central Government shall maintain its authority to regulate the National Transmission Grid: *Provided*, That when power generation utilities in the Bangsamoro connect to the National Transmission Grid, the Bangsamoro Government and Central Government shall cooperate through the Intergovernmental Energy Board.
- e. Retail Competition and Open Access. The Central Government shall maintain its authority to regulate the implementation of retail competition and open access as specified in R.A. No. 9136.
- f. Agus Hyrdopower Complex. In the event of the privatization of the Agus Hydropower Complex, the Bangsamoro Government shall have the preferential rights to acquire the hydroelectric plants situated within its territory. Nevertheless, the Central Government and the Bangsamoro Government shall cooperate and coordinate through the Intergovernmental Energy Board insofar as the utilization of water from Lake Lanao for the Agus Hydropower Complex is concerned, subject to fees that may be imposed by the Bangsamoro Government for such utilization: *Provided,* That this is without prejudice to the payment of user fees to the Bangsamoro Government. This is without prejudice to the payment of the obligation of NAPOCOR/PSALM to the ARMM which now accrues to the Bangsamoro Government.

Sec. 35. Roads, Bridges, and Irrigation. – The Bangsamoro Government shall be responsible for the public works in the Bangsamoro. However, the Central Government

shall continue to fund the construction and maintenance of national roads and bridges and national irrigation systems in the Bangsamoro. Central Government shall include in the national Road Network Information System all national roads and bridges in the Bangsamoro. Funding for national roads, bridges, and irrigation systems shall be automatically provided and regularly released by the Central Government.

Transportation and Communications

Sec. 36. Reserved, Concurrent, and Exclusive Powers. – The Central Government and the Bangsamoro Government shall have reserved, concurrent, and exclusive powers, based on the principles of subsidiarity, technical, and financial viability, harmonization, compliance with international standards, treaties, and conventions, mutual respect and recognition, and recognition of the aspiration of the Bangsamoro to assume further powers as may be practically operational as its capacity develops. The intergovernmental mechanism shall harmonize policies, programs, regulations and standards, and resolve problems of implementation between the Central Government and the Bangsamoro Government.

Sec. 37. Reserved powers. – The Central Government shall exercise reserved powers over the airside operation of all existing airports within the Bangsamoro.

- **Sec. 38. Concurrent Powers.** The Central Government and Bangsamoro Government shall have concurrent powers over the following:
 - a. The Bangsamoro Government and the Central Government shall exercise concurrent powers in transportation and communications in the Zones of Joint Cooperation;
 - b. The issuance of franchises, permits, and provisional authorities for inter-regional operation of land, air, and water transportation, as well as telecommunications facilities shall pertain to the Central Government, while the issuance of the same for intra-regional operation shall be the authority of the Bangsamoro Government: Provided, That this is without prejudice to the power of the Bangsamoro Government to enter into a Memorandum of Agreement or similar arrangements with any national government agencies issuing franchises, permits, and provisional authorities for the operation of land, air, and water transportation, as well as telecommunications facilities, which shall include existing Memoranda of

- Agreement entered into by the ARMM which shall continue to remain valid and in effect: *Provided further*, That the principle of mutual recognition pertaining to the abovementioned franchises, permits, and provisional authorities is observed: *Provided finally*, That powers granted to the ARMM under E.O. No. 435, s. 1997 and other issuances and Memoranda of Agreement shall continue to take effect insofar as they are consistent with this Basic Law.
 - c. Establishment and regulation of inter-regional routes, zones, or areas of operation that pass through, include, or involve the territory of the Bangsamoro: *Provided*, That when the origin and the destination of a route are within the Bangsamoro territory and it passes through the Zones of Joint Cooperation, it shall be considered an intra-regional route;
 - d. Designation and establishment of inter-regional airways; and
 - e. Promulgation of rules and regulations to promote safety and security in the airside operation of civil aviation in the Bangsamoro.

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- **Sec. 39. Exclusive Powers.** The Bangsamoro Government shall have the following exclusive powers:
 - a. Those granted under R.A. No. 6734 as amended by R.A. No. 9054 on transportation and communications;
 - Regulation of the operation of land, air, and water transportation, as well as telecommunication facilities in the Bangsamoro: *Provided*, That the Central Government shall continue to fund the construction and maintenance of airports and wharves;
 - c. Issuance of licenses, Certificates of Public Convenience (CPCs), special permits (SPs), and Provisional Authority (PA) to operate land, air, and water transportation and telecommunication companies in the Bangsamoro;
 - d. Registration of land, air, and water transportation of all kinds and telecommunication companies in the Bangsamoro; and
 - e. Quasi-judicial powers over the operation of land, air, and water transportation and telecommunication companies in the Bangsamoro in accordance with the rules of procedure established by the Bangsamoro Parliament.

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Sec. 40. Intergovernmental Relations Mechanism. – The intergovernmental relations mechanism may harmonize policies, programs, regulations and standards, and

resolve problems of implementation between the Central Government and the Bangsamoro Government.

ARTICLE XIV

REHABILITATION AND DEVELOPMENT

Sec. 1. Normalization, Rehabilitation, and Development.—The Bangsamoro Government, with funding support from the Central Government, shall intensify development efforts for the rehabilitation, reconstruction, and development of the Bangsamoro as part of the normalization process. It shall formulate and implement a program for rehabilitation and development that will address the needs of Moro Islamic Liberation Front (MILF)/Bangsamoro Islamic Armed Force (BIAF) members and its decommissioned women auxiliary force, Moro National Liberation Front (MNLF)/Bangsamoro Armed Forces (BAF) members, and address the needs of internally displaced persons, widows and orphans, and poverty-stricken communities.

Sec. 2. Special Development Fund. – In order for the Bangsamoro to rebuild its conflict-affected communities and catch up with the rest of the country, the Central Government shall provide for a Special Development Fund to the Bangsamoro for the rehabilitation and development of its conflict-affected communities.

The amount of One Hundred Billion Pesos (P100,000,000,000) shall be allocated for this purpose to be utilized by the Bangsamoro Government for ten (10) years from the ratification of this Basic Law. It shall be given to the Bangsamoro Government in the amount of Ten Billion Pesos (P10,000,000,000) annually. Such amount shall be released at the beginning of each fiscal year to the Bangsamoro Government.

The utilization of the funds shall be in accordance with the Bangsamoro Development Plan to be adopted by the Bangsamoro Government, as provided in Section 5, Article XIII of this Basic Law.

ARTICLE XV

PLEBISCITE

1	S	ec. 1. Establishment of the Bangsamoro. – The establishment of the
2	Bangsa	moro and the determination of the Bangsamoro territory shall take effect upon
3	ratificat	ion of this Basic Law by a majority of the votes cast in a plebiscite in the following:
4	a.	The present geographical area of the ARMM;
5	b.	The municipalities of Baloi, Munai, Nunungan, Pantar, Tagoloan, and Tangkal
6		in the province of Lanao del Norte that voted for inclusion in the ARMM during
7		the 2001 plebiscite under Republic Act No. 9054;
8	C.	The following thirty-nine (39) Barangays in the municipalities of Kabacan,
9		Carmen, Aleosan, Pigkawayan, Pikit, and Midsayap in the province of North
10		Cotabato that voted for inclusion in the ARMM during the 2001 plebiscite under
11		Republic Act No. 9054:
12		i. Dunguan, Lower Mingading, and Tapodoc in the municipality of Aleosan
13		(3);
14		ii. Manarapan and Nasapian in the municipality of Carmen (2);
15		iii. Nanga-an, Simbuhay, and Sanggadong in the municipality of Kabacan (3);
16		iv. Damatulan, Kadigasan, Kadingilan, Kapinpilan, Kudarangan, Central
17		Labas, Malingao, Mudseng, Nabalawag, Olandang, Sambulawan, and
18		Tugal in the municipality of Midsayap (12);
19		v. Lower Baguer, Balacayon, Buricain, Datu Binasing, Kadingilan, Matilac,
20		Patot, and Lower Pangangkalan in the municipality of Pigkawayan (8);
21		vi. Bagoinged, Balatican, S. Balong, S. Balongis, Batulawan, Buliok, Gokotan,
22		Kabasalan, Lagunde, Macabual, and Macasendeg, in the municipality of
23		Pikit (11)
24	d.	The Cities of Cotabato and Isabela; and
25	e.	Those qualified for inclusion in the plebiscite, by way of resolution or petition.
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27	Se	ec. 2. Territorial Jurisdiction The plebiscite herein mentioned shall be
28	conducte	ed not earlier than ninety (90) days or later than one hundred fifty (150) days
29	after the	effectivity of this Basic Law.
30	Fo	r this purpose, the COMELEC shall undertake the necessary steps to enable the
31		of the plebiscite within the said period.

Sec. 3. Results of the Plebiscite. -

a. For the present geographic area of the ARMM: If the majority of the votes cast in the entirety of the ARMM voted in favor of the approval of this Basic Law, the Bangsamoro is hereby established and all the provinces and cities of the ARMM shall be part of the Bangsamoro.

- b. For the municipalities of Baloi, Munai, Nunungan, Pantar, Tagoloan, and Tangkal in the province of Lanao del Norte: If the majority of the votes cast in each of these municipalities vote in favor of their inclusion in the Bangsamoro, the respective municipalities shall be included in the Bangsamoro.
- c. For other barangays in the municipalities of Kabacan, Carmen, Aleosan, Pigcawayan, Pikit, and Midsayap in the province of North Cotabato as enumerated in Article XV Section 1 (c) that voted for inclusion in the ARMM during the 2001 plebiscite: If the majority of the votes cast in each of these barangays vote in favor of their inclusion in the Bangsamoro, the respective barangays shall be included in the Bangsamoro.
- d. For the cities of Cotabato and Isabela: If the majority of the votes cast in each of these cities vote in favor of their inclusion in the Bangsamoro, the respective cities shall be included in the Bangsamoro.
- e. For all other contiguous areas where there is a resolution of the local government unit or a petition of at least twenty percent (20%) of the registered voters in the area asking for their inclusion at least two months prior to the conduct of the ratification of this Basic Law and the process of delimitation of the Bangsamoro: If the majority of the votes cast in the mother province or city to which they belong votes in favor of their inclusion in the Bangsamoro, the respective local government units shall be included in the Bangsamoro. In cases where Congress has identified and declared the concerned local government unit as a geographic area, only a majority of the votes cast in such geographic area is necessary for its inclusion in the Bangsamoro.

In order to ensure the widest acceptability of this Basic Law in the core areas abovementioned, a popular ratification shall be conducted among all the Bangsamoro people within the areas for their adoption.

Sec. 4. Delimitation of the Bangsamoro; Periodic Plebiscite. - Five (5) years after the ratification of this Basic Law and every five (5) years thereafter for a period of fifteen (15) years, a plebiscite shall be held in the cities, municipalities, and other geographic areas which were not able to join the Bangsamoro as a result of the

plebiscite mentioned in the three preceding sections, to determine whether or not they desire to join the Bangsamoro.

The contiguous provinces, cities, municipalities, barangays, and other geographic areas particularly mentioned in the 1976 Tripoli Agreement and 1996 Final Peace Agreement, other than those mentioned in the preceding three sections, may opt to join the Bangsamoro through the periodic plebiscite mentioned in the preceding paragraph: *Provided*, That a resolution of the local government unit or a petition of at least twenty percent (20%) of the registered voters of the local government units of each province, city, municipality, or other contiguous geographic area opting to join is submitted to their respective election offices at least one (1) year prior to the scheduled plebiscite.

If the majority of the votes cast in each of the provinces and cities participating in the periodic plebiscite voted in favor of joining the Bangsamoro, they shall form part of the Bangsamoro, except in the case where Congress has identified and declared the concerned local government units as geographic area, in which case, only a majority of the votes cast in such geographic area is necessary for its inclusion in the Bangsamoro.

At the end of the fifteenth (15th) year, the Bangsamoro shall have been delineated and delimited, and no other plebiscite for expansion shall be held, except those allowed under express provision of law or by command of the 1987 Constitution.

Sec. 5. Reconstitution of Local Government Units. – The Bangsamoro Parliament may, by law, provide for the constitution of geographic areas in the Bangsamoro into appropriate territorial or political subdivisions depending on the results of any of the plebiscites herein. Nothing herein shall be construed to allow the Bangsamoro Parliament to create congressional districts.

- **Sec. 6. Plebiscite Questions.** The questions to be asked of the voters in the plebiscite shall be as follows:
 - a. For the ARMM: Do you approve of the Bangsamoro Basic Law?
 - b. For the areas mentioned in (b) and (c) of Section 3, Article XV: Do you vote for the inclusion of your municipality or barangay in the Bangsamoro territory?
 - c. For the areas mentioned in (d) of Section 3, Article XV: Do you vote for the inclusion of your city in the Bangsamoro territory?

d. For the mother province or city under letter (e) of Section 3, Article XV: Do you approve of the inclusion of the petitioning municipality/barangay in the Bangsamoro?

Aside from English and Filipino, these questions shall be in the dominant languages of the people in the areas which shall be covered by the plebiscite.

Sec. 7. Plebiscite Monitoring. – The COMELEC shall also provide for the accreditation of plebiscite monitors, including the international-domestic monitoring body created by the Government of the Philippines (GPH) and the MILF Peace Panels, in accordance with established international standards on election monitoring. The monitoring body will have access to all operations related to the conduct of the plebiscite and be able to conduct regular and random checks. The reports of the international-domestic monitoring body shall be made available to the Panels for their disposition.

Sec. 8. Qualified Voters. — All registered voters in the provinces, cities, and geographic areas mentioned under Section 1, Article XV of this Basic Law shall be qualified to participate in the plebiscite on the establishment of the Bangsamoro. Notwithstanding existing laws, rules, and regulations on overseas and local absentee voters, the COMELEC shall ensure that qualified voters for the plebiscite who are located outside the Bangsamoro on the date of the plebiscite shall be given the opportunity to vote, and that voters who are currently registered outside the areas specified but are otherwise qualified to be registered voters of said areas, complying with residency requirements under the law, shall be given the opportunity to transfer their registration accordingly, in time for the conduct of the plebiscite.

Sec. 9. Special Registration. – The COMELEC shall conduct a special registration before the date of the plebiscite on the Bangsamoro Basic Law.

Sec. 10. Promulgation of Rules for the Conduct of Plebiscite. – The COMELEC shall promulgate rules necessary for the conduct of plebiscite, including those for the accreditation of plebiscite monitors, voluntary inclusion in the plebiscite, and the special registration of voters as provided herein, within fifteen (15) days from the effectivity of this Basic Law, with the primary objective of optimizing the opportunity for participation in the plebiscite of qualified voters in the areas specified for the establishment of the Bangsamoro.

Sec. 11. Information Campaigns. – The COMELEC shall supervise the conduct of information campaigns on the plebiscite, including sectoral campaigns for indigenous communities, women, youth, religious, professionals, and public and private sector employees in every barangay, municipality, city, and province where the plebiscite is to be conducted.

Public conferences, assemblies, or meetings on dates before the plebiscite day itself shall be held to inform the residents thereof regarding the significance and meaning of the plebiscite and to help them them cast their votes intelligently. Free, full, and constructive discussion and exchange of views on the issues shall be encouraged.

For this purpose, the BTC shall assist in the information dissemination campaign. Likewise, the assistance of persons of known probity and knowledge may be enlisted by the COMELEC, the local government units, or interested parties to act as speakers or resource persons.

Such campaign will be without prejudice to other information dissemination and public advocacy initiatives by the other government or non-government groups or individuals.

For information campaigns and other public advocacy initiatives with indigenous communities, local leaders shall be engaged to lead discussions in their respective communities.

Public advocacy initiatives shall be conducted within the framework of solidarity, cooperation, and unity among Bangsamoro, non-Moro indigenous peoples, and settler communities. Consultations shall give due respect to the roles of non-Moro indigenous and Moro women, and encourage their active participation.

Sec. 12. Appropriation. – A sufficient amount is hereby appropriated for the requirements of the conduct of the plebiscite, including the monitoring, information campaign, and the registration of voters: *Provided*, That the COMELEC shall determine the manner of campaigning and the deputization of government and non-government agencies for the purpose.

ARTICLE XVI

BANGSAMORO TRANSITION AUTHORITY

Sec. 1. Transition Period. – The transition or interim period for the establishment of the Bangsamoro shall commence upon ratification of this Basic Law.

This Basic Law shall be deemed ratified when approved by a majority of the votes cast in a plebiscite as proclaimed by the COMELEC or its duly authorized officers. The fact of ratification shall be confirmed by the GPH and MILF Peace Panels.

The transition period shall end upon the dissolution of the BTA, as provided in this Basic Law.

The period of transition herein defined shall be without prejudice to the initiation or continuation of other measures that may be required by post-conflict transition and normalization even beyond the term of the BTA.

Sec. 2. Bangsamoro Transition Authority. – There is hereby created a Bangsamoro Transition Authority which shall be the interim government or the governing body in the Bangsamoro during the transition period. The MILF, being the principal party to the Comprehensive Agreement on the Bangsamoro, shall lead the BTA in its leadership and membership.

The BTA shall be composed of eighty (80) members, all of whom shall be appointed by the President: *Provided*, That non-Moro indigenous communities, youth, women, settler communities, traditional leaders, and other sectors shall have representatives in the BTA. Nominations may be submitted to the Office of the President for this purpose.

The Council of Leaders as provided in Section 10, Article VI shall also be organized during the transition period.

Sec. 3. Powers and Authorities. – Legislative and executive powers in the Bangsamoro during transition shall be vested in the BTA. During the transition period, executive authority shall be exercised by the interim Chief Minister, who shall be appointed by the President as such, while legislative authority shall be exercised by the BTA.

All powers and functions of the Bangsamoro Government as provided in this law is vested in the BTA during the transition period.

For purposes of mechanisms for intergovernmental relations with the Central Government and local governments units in the Bangsamoro, the BTA shall be deemed as the Bangsamoro Government for the duration of the transition period.

- **Sec. 4. Functions and Priorities** —The BTA shall ensure the accomplishment of the following priorities during the transition period:
- a. Enactment of priority legislations such as the Bangsamoro Administrative Code, Bangsamoro Tax and Revenue Code, Bangsamoro Electoral Code, Bangsamoro Local Government Code, and Bangsamoro Education Code consistent with powers and prerogatives vested in the Bangsamoro Government by this Basic Law: Provided, That until the abovementioned laws are enacted for the Bangsamoro, Muslim Mindanao Autonomy Act No. 25 or the ARMM Local Government Code, and subsisting laws on elections and other electoral matters shall apply in the Bangsamoro;

The BTA may also enact a Bangsamoro Civil Service Code, as provided in this Basic Law. In the absence of the latter, national civil service laws and regulations are primarily applicable in the Bangsamoro.

The BTA shall have the power to enact a law to recognize, protect, promote, and preserve the rights of the indigenous peoples in the Bangsamoro. Until such law is enacted and passed, subsisting laws on indigenous peoples in the Bangsamoro shall be operational.

These rights shall be promoted, protected, and enforced by the Ministry of Indigenous Peoples' Affairs, as provided under Section 8, Article XVI.

- b. Organization of the bureaucracy of the Bangsamoro Government during transition, including the approval and implementation of a transition plan, and the institution of a placement process for hiring of personnel during transition. This shall also include the setting up of offices and other institutions necessary for the continued functioning of government and delivery of social services in the region, as well as those necessary for the smooth operations of the first elected Bangsamoro Government;
- c. Full transfer of powers and properties of the ARMM Government to the Bangsamoro Government, and the disposition of personnel as provided in this Basic Law;

- d. Transition from the ARMM Government to the Bangsamoro Government as provided in this Basic Law; and
 - e. Other matters that may be necessary for the protection and promotion of general welfare of the constituents of the Bangsamoro.

Sec. 5. Continuity of Government – To foreclose any political interregnum in the governance of the region, the BTC, an independent body created by E.O. No. 08, shall continue to exist to wind up and caretake the administration of the region until the BTA is constituted.

Sec. 6. Transition Plan. — Within the first sixty (60) days of the transition period, the interim Chief Minister shall submit to the BTA a transition plan that shall contain the proposed organizational plan, as well as the schedule for implementation therefor. The BTA shall, by a majority vote of all its members, approve or otherwise act on the proposed transition plan within ten (10) days upon submission by the interim Chief Minister. If the plan is not acted upon within sixty (60) days, the plan shall be deemed approved. It shall be implemented within fifteen (15) days from its approval.

Sec. 7. Interim Officers. – The interim Chief Minister shall organize the interim Cabinet and shall appoint two interim Deputy Chief Ministers, who shall also be members of the BTA. The interim Chief Minister shall also appoint such other ministers as may be necessary to perform the functions of government during transition, a majority of whom shall be from among members of the BTA.

Members of the BTA who are appointed to cabinet positions shall serve their offices concurrently: *Provided*, That no member of the BTA may be appointed, elected, or otherwise hold more than two (2) positions at the same time.

- **Sec. 8. Interim Cabinet.** The Interim Cabinet shall be composed of fifteen (15) primary ministries with sub-offices, namely:
- a. Finance, and Budget and Management;
- b. Social Services;
- c. Trade, Investments, and Tourism;
- d. Labor and Employment;

1	e.	Transportation and Communication [including Information and Communications Technology (ICT)];			
3	f.	Education, Commission on Higher Education (CHED), and Technical Education and Skills Development Authority (TESDA);			
5	g.	Indigenous Peoples' Affairs;			
6	h.	Health;			
7	i.	Public Works;			
8	j.	Local Government;			
9	k.	Environment, Natural Resources, and Energy;			
10	. I.	Human Settlements and Development;			
11	m.	Science and Technology;			
12	n.	Agriculture, Fisheries, and Agrarian Reform; and			
13	0.	Public Order and Safety.			
14	Other	offices on youth, women, settler communities, disaster risk reduction and			
15		nt, and planning and development, among others, may be created by the			
16	ВТА.	the same accomplished among outlers, may be created by the			
17	The A	ttorney General's Office, under the Office of the Chief Minister, shall likewise			
18	be created by the BTA.				
19					
20	Sec. 9	O. Organization of the Bureaucracy . – The authority of the BTA to create			
21	offices and	organize the bureaucracy during transition is without prejudice to the			
22	authority of	the Bangsamoro Government to reorganize the bureaucracy upon its			
23	constitution, or any time thereafter. In the exercise of this authority, the BTA shall ensure				
24	the least po	ossible disruption to the functioning of government and the delivery of			
25	services in t	he region.			
26	All off	ices and institutions created by laws enacted by the ARMM Regional			
27		sembly shall be deemed part of the ARMM Government and shall be subject			
28		out plan that will be adopted by the BTA.			

Sec. 10. Transfer of Powers and Properties and Disposition of Personnel.

- All powers, functions, assets, capital, records, funds, receivables, equipment, and

facilities of the ARMM Government at the time of the ratification of this Basic Law shall be transferred to the Bangsamoro Government.

The BTA shall schedule the gradual phasing out of offices of the ARMM, which are deemed abolished upon the ratification of this Basic Law. In consideration of public interest and the delivery of services, officials holding appointive positions shall continue to perform their functions in accordance with the schedule.

The Central Government shall provide the necessary funds for the benefits and entitlements of affected employees in the ARMM.

An inventory shall be conducted by an inter-agency headed by the Office of the President, Department of Budget and Management, Commission on Audit, and Civil Service Commission (CSC), to ensure that the liabilities of the ARMM under law, contracts, or others will be settled by the Central Government prior to the turnover to the BTA.

For this purpose, the Office of the Regional Governor of ARMM shall turn over to the BTA, upon the latter's constitution, a summary report on the status of the Regional Government as of the date of the ratification of this Basic Law, including information on the status of devolution, personnel, properties, and assets of the Regional Government.

Employees separated from the service as a result of the abolition of the ARMM under the provisions of this Basic Law shall, within two (2) months from the date of their separation, receive separation pay equivalent to three (3) months' salary per year of service. In addition, those who are qualified to retire from the service shall be entitled to the benefits provided under existing retirement laws.

Qualified employees may reapply and shall be given priority, subject to qualification standards that may be set by the BTA and CSC rules and regulations.

The BTA shall institute an independent, strictly merit-based, and credible placement and hiring process for all offices, agencies, and institutions in the Bangsamoro, and shall consider gender and ethnic balance.

Sec. 11. Disposition of Personnel and Assets of Central Government Offices/Agencies. – The Central Government shall provide for the disposition of personnel of Central Government or national GOCCs whose mandate and functions are transferred to or now vested in the Bangsamoro Government by virtue of this Basic Law. Properties and assets shall be transferred to the Bangsamoro Government within three

(3) months from the organization of the BTA. The transfer of properties and assets is without prejudice to the power of the BTA to organize the bureaucracy during transition.

Sec. 12. Dissolution of the Bangsamoro Transition Authority. – Immediately upon the qualification of the elected Chief Minister under the first Bangsamoro Parliament, the BTA shall be deemed dissolved.

The BTA shall submit its final report and recommendations to the Bangsamoro Parliament, as well as to the House of Representatives, the Senate, and the Office of the President, on the status of government during the transition period within sixty (60) days from the assumption into office of all members of the first Parliament.

Sec. 13. First Regular Election. – The first regular election for the Bangsamoro Government under this Basic Law shall be held three (3) years from the ratification of this Basic Law. It shall be governed by the Bangsamoro Electoral Code. The National Omnibus Election Code shall apply suppletorily, whenever appropriate. The COMELEC, through the Bangsamoro Electoral Office, shall promulgate rules and regulations as may be necessary for the conduct of said elections, and enforce and administer the same, consistent with this Basic Law and the Bangsamoro Electoral Code, as correlated with relevant national laws.

Sec. 14. Initial Funding for Transition. – To carry out the requirements of transition, including the organizational activities of the BTA, organization of the bureaucracy, hiring of personnel, and the exercise of functions and powers of the BTA as provided in this Basic Law, the amount of One Billion Pesos (P1,000,000,000) is hereby appropriated for the BTA, charged against the General Funds of the Central Government. In addition, the current year's appropriations for the ARMM shall also be transferred to the BTA for this purpose.

This shall be without prejudice to any supplemental budget that may be appropriated by Congress to support the transition.

Government functions falling within the reserved powers of the Central Government in the Bangsamoro shall continue to be financed by the Central Government funds.

ARTICLE XVII

AMENDMENTS AND REVISIONS

Sec. 1. Amendments and Revisions. – All proposals to amend or revise the provisions of this Basic Law shall be endorsed by the Bangsamoro Parliament to Congress for prior hearings and due enactment into law.

Such revision, as enacted by Congress, shall become effective upon approval by a majority vote cast by qualified voters in the Bangsamoro. In the case of amendment, the same shall become effective upon the enactment of Congress and approval by the President.

The plebiscite shall be held not earlier than sixty (60) days or later than ninety (90) days after the approval of such revision.

ARTICLE XVIII

FINAL PROVISIONS

Sec. 1. Separability Clause. – The provisions of this Basic Law are deemed separate. If, for any reason, any section or provision of this Basic Law is declared unconstitutional, other sections or provisions which are not affected by such declaration shall continue to be in full force and effect.

Sec. 2. Repealing Clause. – All laws, decrees, orders, rules and regulations, and other issuances or parts thereof, which are inconsistent with this Basic Law, are hereby repealed or modified accordingly. Specifically, R.A. No. 6734 as amended by R.A. No. 9054 is hereby repealed in their entirety.

Sec. 3. Subsisting Regional Laws. – All subsisting laws enacted by the ARMM Regional Legislative Assembly by virtue of authorities provided under R.A. No. 6734 as amended by R.A. No. 9054, shall be deemed valid and in effect, unless inconsistent with this Basic Law or repealed by laws passed by the Bangsamoro Parliament.

Sec. 4. Existing Local Government Units. - Existing local government units previously created by the ARMM Regional Legislative Assembly that did not comply with the criteria provided in R.A. No. 7160 shall now be entitled to their share in the Internal Revenue Allotment from the Central Government.

Sec. 5. Effectivity Clause. – This Basic Law shall take effect fifteen (15) days following its complete publication in at least two (2) national newspapers of general circulation and one (1) local newspaper of general circulation in the ARMM.

Sec. 6. Abolition of the Autonomous Region in Muslim Mindanao. – The Autonomous Region in Muslim Mindanao created under R.A. No. 6734 as amended by R.A. No. 9054 is hereby abolished.

All powers, duties, and rights vested by law and exercised by the ARMM are hereby transferred to the Bangsamoro Government.

All assets, real and personal properties, funds, and revenues owned by or vested in the different offices of the ARMM are transferred to the Bangsamoro Government.

All contracts, records, and documents relating to the operations of the ARMM are transferred to the Bangsamoro Government. Any real property owned by the Central Government or government-owned corporation or authority which is being used and utilized as office or facility by the ARMM shall be transferred to and titled in favor of the Bangsamoro Government.

Approved,