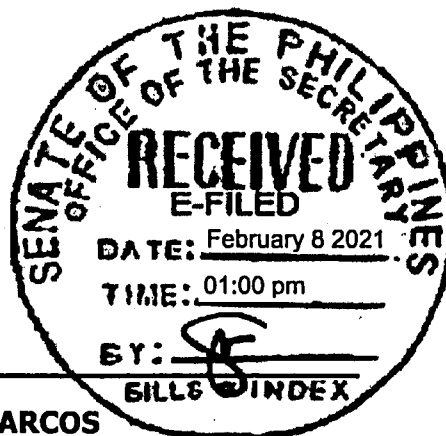


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

SENATE
S.B. No. 2039



Introduced by **SENATOR IMEE R. MARCOS**

**AN ACT
CREATING THE PHILIPPINE RISE DEVELOPMENT
AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS, PROVIDING
FUNDS THEREFOR, AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Article II, Section 7 of the 1987 Constitution provides that, "*the State shall pursue an independent foreign policy. In its relations with other states, the paramount consideration shall be national sovereignty, territorial integrity, national interest, and the right to self-determination.*" Further, Article XII, Section 2 mandates that, "*The State shall protect the nation's marine wealth in its archipelagic waters, territorial sea, and exclusive economic zone, and reserve its use and enjoyment exclusively to Filipino citizens.*"

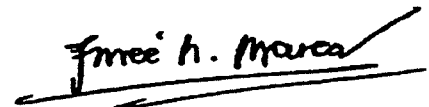
The "*Philippine Rise*", formerly known as the "*Benham Rise*," as per Executive Order No. 25, series of 2017, is a twenty-four (24) million hectare undersea feature sea located within the Philippine exclusive economic zone and continental shelf, as well as the outer limits of the continental shelf in accordance with the recommendations of the Commission on the Limits of the Continental Shelf (CLCS) issued on April 2012.

According to the University of the Philippines – Institute of Maritime Affairs and Law of the Sea Director Jay Batongbacal, the underwater plateau contains untapped natural gas and heavy metals. In addition, the area is rich in manganese deposits which is a vital component of steel production and as an ingredient of fertilizers and ceramics. While, Armed Forces of the Philippines Researcher Rowena Tatad reported that the Benham Bank, the shallowest part of the plateau, has minerals such as methane hydrate to which Geologist Hobart King anticipates to be a "*next energy game changer*" in the coming years since it stores an immense amount of energy when harnessed. Aside from that, the bank also houses a diverse community of marine life, including various soft and hard corals, algae, sponges, and fish.

Considering its substantial size and the existence of marine, oil, and other natural resources, President Rodrigo Roa Duterte ordered the area be protected from external threats and the conduct of extensive research and exploration to tap and accelerate the sound and sustainable development of the Philippine Rise particularly on its potential to be a rich source of alternative energy, marine resources and as a possible tourism destination.

Therefore, an effective institutional mechanism is imperative to be established to address the need for an integrated approach in the formulation and implementation of various development plans, programs, and projects that will optimize the full potential of the Philippine Rise. Thus, this bill seeks to create the Philippine Rise Resource Development Authority which shall promote, coordinate, and facilitate the active and extensive participation of all sectors to effect the exploration, study, utilization, and development of the Philippine Rise. The Authority shall also be the lead agency to enforce the rights of the State over the area, including the conduct of research and exploration.

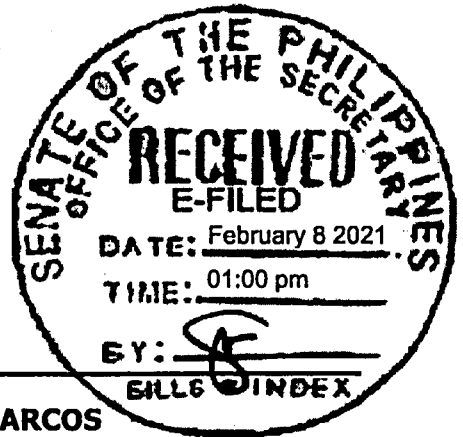
Thus, the immediate passage of this bill is earnestly sought.

A handwritten signature in black ink that reads "Imee R. Marcos". The signature is written in a cursive style and is underlined with two parallel horizontal lines.

IMEE R. MARCOS

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

SENATE
S.B. No. 2039



Introduced by **SENATOR IMEE R. MARCOS**

**AN ACT
CREATING THE PHILIPPINE RISE RESOURCE DEVELOPMENT
AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS, PROVIDING
FUNDS THEREFOR, AND FOR OTHER PURPOSES**

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

1 **SECTION. 1. Short Title.** – This Act shall be known as "*Philippine Rise Resource*
2 *Development Authority Act*".

3 **SEC. 2. Declaration of Policy.** – It is the policy of the State to give paramount
4 consideration to the State's national sovereignty, territorial integrity, national interest,
5 and the right to self-determination. The "*Philippine Rise*", formerly known as the
6 "*Benham Rise*," as per Executive Order No. 25, series of 2017, is a twenty-four (24)
7 million hectare undersea feature sea located within the Philippine exclusive economic
8 zone and continental shelf, as well as the outer limits of the continental shelf in
9 accordance with the recommendations of the Commission on the Limits of the
10 Continental Shelf (CLCS) which has a rich source of alternative energy, marine
11 resources and a possible tourism destination. The creation of a Philippine Rise
12 Resource Development Authority shall promote, coordinate, and facilitate the active
13 and extensive participation of all sectors to effect the exploration, study, utilization,
14 and development of the Philippine Rise.

15 **SEC. 3. Creation of the Philippine Rise Resource Development Authority.** – There
16 is hereby created a "Philippine Rise Resource Development Authority", hereinafter
17 referred to as the "Authority", which shall promote, coordinate, and facilitate the active
18 and extensive participation of all sectors to effect the exploration, study, utilization,
19 and development of the Philippine Rise. The Authority shall also be the lead agency
20 to enforce the rights of the State over the area, including the conduct of research and
21 exploration.

1 It shall be an attached agency to the National Economic Development Authority
2 (NEDA) and shall establish its principal office in the Aurora Pacific Economic and
3 Freeport Zone otherwise known as the "APECO" and may put up such branches as
4 may be necessary to achieve the objectives of this Act.

5 *SEC. 4. Coverage.* – The Authority shall cover all natural resources located at the
6 Philippine Rise, encompassing more or less the 13-million hectare underwater plateau
7 within coordinates 119°30'E to 132°00'E and 12°10'N to 20°30'N latitude, as provided
8 in the decision of the United Nations Convention on the Law of the Sea (UNCLOS)
9 which provides that the aforementioned landmass is part of the Philippine's
10 continental shelf and territory.

11 *SEC. 5. Powers and Functions of the Philippine Rise Resource Development*
12 *Authority.* – In the exercise of its mandate, the Authority shall have the following
13 powers and functions:

- 14 a) Formulate an integrated development framework for the Philippine Rise that
15 is consistent to the development initiatives of the national government, as
16 far as practicable;
- 17 b) Integrate, prioritize, program, and implement, whenever allowed and
18 authorized by applicable laws, programs, activities, and projects at the
19 Philippine Rise, including Official Development Assistance (ODA) projects,
20 subject to such limitations prescribed by existing laws, rules and regulations;
- 21 c) Recommend to and, whenever necessary, call upon the proper agencies on
22 the technical support, physical assistance and, generally, the level of priority
23 to be accorded to environmental, agricultural, fisheries, energy, industrial,
24 commercial, infrastructure, tourism, technological and scientific programs
25 and projects soliciting or requiring direct or indirect help from or through the
26 national government or any of its agencies or instrumentalities;
- 27 d) Advocate national policies that will foster the integrated, balanced, and
28 sustainable development of the Philippine Rise;
- 29 e) Promote and facilitate public and private investments in any field that would
30 enhance the economic development of the Philippine Rise in close
31 coordination with agencies primarily mandated to undertake such functions;
- 32 f) Explore other sources of financing, if applicable or necessary, for priority
33 Philippine Rise-related programs, projects and activities;
- 34 g) Coordinate and facilitate the extension of necessary planning, management
35 and technical assistance to prospective and existing investors,
36 complementary and in support of agencies primarily mandated to execute
37 such functions;
- 38 h) Establish a comprehensive and integrated database on the Philippine Rise
39 needed for planning and decision making;

- 1 l) Monitor, evaluate and formulate recommendations in the implementation of
2 development programs, activities and projects involving the Philippine Rise;
3 j) Provide strategic direction for the sustainable and long-term development of
4 the Philippine Rise;
5 k) Establish appropriate mechanisms to ensure the timely implementation of
6 the Philippine Rise projects, whenever necessary, as far as practicable,
7 including, but not limited to, public-private partnership;
8 l) Review and recommend for approval by the National Economic and
9 Development Authority (NEDA) Board such Philippine Rise programs,
10 projects, and plans by the national government and donor agencies subject
11 to existing laws, rules and regulations;
12 m) Act as the official and permanent lead agency of the government in
13 coordinating the formulation and implementation of policies and programs;
14 n) Receive and administer donations, contributions, grants, bequests or gifts,
15 in cash or in kind, from foreign governments, international agencies, private
16 entities and other sources, including ODA, to be used in the development of
17 the Philippine Rise, subject to existing laws, rules and regulations;
18 o) To sue and be sued, enter into contracts, acquire, purchase, hold, lease,
19 transfer, dispose of property of any kind or nature to carry out the purposes
20 to this Act; and,
21 p) Any other function/s that may be deemed necessary or as may be provided
22 by law.
23

24 The Authority, through the Administrator, shall submit to the President and
25 Congress annual reports on its accomplishments and activities.

26 **SEC. 6. Board of Directors.** – The power of the Authority shall be vested in and
27 exercised by a Board of Directors, hereinafter referred to as the “Board”, which shall
28 manage and supervise the overall directions and thrusts. It shall be composed of the
29 following:

- 30 a) The NEDA Director-General, which shall act as the Chairman of the Board;
31 b) The Administrator of the Philippine Rise Resource Development Authority,
32 which shall act as the Vice-Chairman of the Board; and
33 c) Nine (9) other members composed of the following:
34 i. The Department of Environment and Natural Resources (DENR)
35 Secretary or the duly authorized representative;
36 ii. The Department of Energy (DOE) Secretary or his/her duly authorized
37 representative;
38 iii. The Department of Agriculture (DA) Secretary or his/her duly
39 authorized representative;

- 1 iv. The Department of Science and Technology (DOST) Secretary or
2 his/her duly authorized representative;
3 v. Department of Finance (DOF) Secretary or his/her duly authorized
4 representative;
5 vi. Philippine Coast Guard (PCG) Commandant or his/her duly authorized
6 representative;
7 vii. Three (3) representatives from the private sector to be appointed by
8 the President, upon the recommendation of the other members of the
9 Board, comprising of one (1) representative each from the following:
10 (1) Business Sector;
11 (2) Academic Sector; and
12 (3) Science Sector

13 The term of the three (3) representatives from the private sector shall be six (6)
14 years: *Provided*, That at the initial appointment of such members, the second member
15 to be appointed shall only serve a term of four (4) years and the third member to be
16 appointed shall only serve a term of two (2) years: *Provided*, further, That they shall
17 continue to hold office until their successors shall have been appointed. All vacancies,
18 prior to the expiration of the term, shall be filled for the unexpired term only.

19 Members of the Board shall receive a per diem at a rate to be determined by the
20 Governance Commission for Government-Owned or -Controlled Corporations (GCG),
21 in accordance with existing rules and regulations. *Provided*, however, That the per
22 diem collected per month does not exceed the equivalent per diem of four (4)
23 meetings. *Provided*, further, That the amount of per diem for every Board meeting
24 may be increased by the President or GCG but such amount shall not be increased
25 within two (2) years from its last increase.

26 The Board shall have the following functions:

- 27 a) Provide direction and guidance for the Authority's work and thrusts for the
28 Philippine Rise;
29 b) Ensure that the goals and policies of the Authority are consistent with the
30 overall national development goals and objectives;
31 c) Ensure that the programs of the Authority are consistent with regional and
32 local development plans, programs, and projects and vice versa for purposes
33 of harmonization;
34 d) Explore sources for financing of priority Philippine Rise plans, programs,
35 projects and activities;
36 e) Create committees/task forces as may be deemed necessary in
37 the accomplishment of duties and functions;

- 1 f) Determine schedules, establish voting procedures, criteria for the constitution
2 of a quorum and other rules and regulations in the conduct of Board
3 meetings; and
4 g) Perform such functions, as may be necessary, to carry out the purposes of
5 this Act.

6 **SEC. 7. Administrator.** – The Authority shall be headed by an Administrator which
7 shall be appointed by the President of the Philippines, upon recommendation of the
8 NEDA Director-General. The Administrator shall serve a term of six (6) years from the
9 date of his/her appointment unless sooner separated from service due to death,
10 voluntary resignation, or removal for cause. Provided, That no person shall be
11 appointed as Administrator unless he/she is a holder of a degree in law or a masters
12 degree in any of the following fields: economics, business, public administration, law,
13 management or their equivalent and have at least ten (10) years relevant experience
14 in said fields. Provided, further, That he/she shall be a resident of the Philippines for
15 at least five (5) years before the appointment.

16 **SEC. 8. Powers and Duties of the Administrator.** – The Administrator shall have
17 the following powers and duties:

- 18 a) To direct and manage the affairs of the Authority in accordance with the
19 policies of the Board;
20 b) Call and preside meetings of the Board and see to it that the policies,
21 programs and rules and regulations are implemented properly;
22 c) Call on outstanding and credible individuals in the formulation and
23 implementation of a comprehensive and integrated development plan for the
24 Philippine Rise, the preparation of investment programming priorities, annual
25 reports, and other pertinent documents approved by the Authority;
26 d) Identify solutions to key issues and concerns, taking into account related
27 risks, affected parties and impact, in coordination with the Board and key
28 stakeholders;
29 e) Advocate the Authority's work among the various concerned sectors and
30 stakeholders;
31 f) Call on any agency, group, individual member of the Board, local government
32 unit, and host community to address issues and concerns relating to
33 implementation of major programs, projects and activities;
34 g) Supervise the monitoring and timely implementation of the Philippine Rise
35 related programs, projects and activities;
36 h) Endorse to the Board all policy recommendations, plans and programs for
37 approval;
38 i) Accept, on behalf of the Authority, donations, contributions, grants and
39 bequests or gifts, in cash or in kind, from members, foreign governments,

1 International agencies, private entities or any individual for purpose that will
2 realize the functions of the Authority;

- 3 j) Supervise administrative operations including disbursement of any fund of
4 the Authority, subject to the usual accounting and auditing procedures, and
5 submit reports thereon;
- 6 k) Execute and administer the policies and measures approved by the Board;
- 7 l) Appoint all employees of the Authority, and remove, dismiss or otherwise
8 discipline for cause, such employees in accordance with the standard
9 guidelines for recruitment, employment, and discipline in the Civil Service
10 Code;
- 11 m) Represent the Authority in all dealings with other offices, agencies, and
12 instrumentalities of the government and with all persons and entities, public
13 or private;
- 14 n) Sign agreements and/or contracts on behalf of the Authority, including those
15 for expert and consultant services and other reports of accountabilities
16 emanating from the Authority; and
- 17 o) Such other functions that the Board may direct to carry out the provisions of
18 this Act or which are necessary or incidental to his/her office.

19 **SEC. 9. Secretariat.** – A Secretariat is hereby established to serve and assist the
20 Board in the effective implementation of this Act. The Secretariat shall be headed by
21 the Administrator which shall be assisted by four (4) Deputy Administrators. Provided,
22 That no person shall be appointed as a Deputy Administrator unless he/she is a holder
23 of a degree in any of the following fields: economics, business, public
24 administration, law, management or their equivalent and have at least five (5) years
25 relevant experience in said fields: *Provided*, further, That he/she shall be a resident
26 of the Philippines five (5) years prior to his/her appointment and has the requisite
27 eligibilities for third level career service position pursuant to the career executive rank
28 system.

29 Upon recommendation of the Administrator, the Board shall approve the
30 appointment of the Deputy Administrators.

31 **SEC. 10. Organizational Structure.** – The Administrator shall determine the
32 organizational structure, staffing pattern and pay scales of the Authority subject to
33 existing civil service and compensation laws and as may be approved by the Board.
34 The Administrator, in coordination and with approval of the Board, may also reorganize
35 the Authority and may create or abolish divisions, units or branches therein as the
36 exigencies of the affairs of the Authority may require.

37 **SEC. 11. Merit System.** – All officials and employees of the Authority shall be
38 selected and appointed on the basis of merit and fitness in accordance with civil service
39 law, rules and regulations. The recruitment, transfer, promotion, and dismissal of all

1 its personnel including temporary workers shall be governed by a merit system that
2 will be established by the Authority in compliance with existing laws, rules and
3 regulations.

4 *SEC. 12. Appropriations.* – The amount necessary to implement this Act shall be
5 included in the General Appropriations Act (GAA).

6 *SEC. 13. Implementing Rules and Regulations.* – The Administrator, in
7 coordination with the DENR, DOE, DA, DOST, DOF, PCG, and NEDA and in consultation
8 with other stakeholders shall, within sixty (60) days from the date of effectivity of this
9 Act, promulgate and publish the rules and regulations for the effective and
10 implementation of this Act: *Provided,* That the failure of the promulgation of the said
11 rules and regulations shall not prevent the implementation of this Act upon its
12 effectivity.

13 *SEC. 14. Separability Clause.* – If, for any reason or reasons, any part or provision
14 of this Act shall be declared as unconstitutional or invalid, the other parts or provisions
15 hereof which are not affected thereby shall continue to be in full force and effect.

16 *SEC. 15. Repealing Clause.* – All provisions of existing laws, orders, rules and
17 regulations or parts thereof which are in conflict or inconsistent with the provisions of
18 this Act are hereby repealed, amended or modified accordingly.

19 *SEC. 16. Effectivity.* – This Act shall take effect effect fifteen (15) days after its
20 publication in the Official Gazette or in a newspaper of general circulation in the
21 Philippines.

Approved,