

SENATE

23 MAY 30 P8:59

S.B. No. 2266

RECEIVED BY: 

Introduced by Senator Juan Miguel F. Zubiri

**AN ACT
ESTABLISHING THE BULACAN AIRPORT CITY SPECIAL ECONOMIC ZONE AND
FREEPORT, PROVINCE OF BULACAN, AND APPROPRIATING FUNDS THEREFOR**

EXPLANATORY NOTE

Special Economic Zones are select areas that are designed to attract foreign investments that bring in foreign currencies and technological advancement. These geographical spaces facilitate rapid economic growth and as such tend to have different economic regulations than the rest of the country, such as fiscal and non-fiscal incentives. These areas provide employment and livelihood, promote the growth of MSMEs, and foster beneficial multiplier effects to the region and nearby localities.

The creation of a special economic zone in Bulacan will complement the New Manila International Airport in Bulacan, which is seen to bring in 100 million passengers annually with its four parallel runways. This special economic zone is envisioned to attract world-class semiconductor manufacturers, battery power storage system manufacturers, electric vehicle makers, and other new and emerging tech industries.

The proposed Bulacan Airport City Special Economic Zone and Freeport is expected to add USD 200 billion in annual Philippine export revenues, over the next decade – an increase of around 170% of current annual exports.

The USD 200 billion in incremental exports will come from four areas: the new airport, which at P735 billion, is the largest ever single investment in the country's history; a Silicon Valley-modelled technological hub, focused on semiconductor manufacturing and industrial goods like batteries, essential for our energy independence; a University City in tie-ups with leading universities in the US, Europe, and China; and a Medical Center with tie-ups with leading medical service providers in the world.

The Bulacan Airport City Special Economic Zone Act approved by Congress in 2022 was vetoed by President Ferdinand Marcos Jr. for containing provisions that "pose substantial fiscal risks to the country" and its "infringement on or conflict with other agencies' mandates and authorities". This proposed measure now includes safeguards and provisions to address the concerns aired by the President in his veto message.

In view of the foregoing, early passage of this bill is earnestly sought.

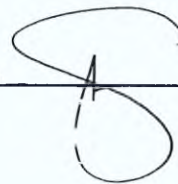

JUAN MIGUEL F. ZUBIRI

SENATE

23 MAY 30 P9:00

S.B. No. 2266

RECEIVED BY:



Introduced by Senator Juan Miguel F. Zubiri

AN ACT
ESTABLISHING THE BULACAN AIRPORT CITY SPECIAL ECONOMIC ZONE AND
FREEPORT, PROVINCE OF BULACAN, AND APPROPRIATING FUNDS THEREFOR

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

CHAPTER 1
GENERAL PROVISIONS

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “Bulacan Airport City
2 Special Economic Zone and Freeport Act”.

3 **SEC. 2. *Declaration of Policy.*** – It is declared the policy of the State to
4 encourage, promote, and accelerate the sound and balanced industrial, economic and
5 social development of the country. The establishment of a strategically-located, master-
6 planned, and value-creation-oriented special economic zone shall attract legitimate and
7 productive foreign investments that generate employment and increase productivity and
8 individual, as well as family incomes, thereby enhancing the quality of life of the Filipino
9 people.

CHAPTER II
CREATION OF THE ECONOMIC ZONE AND FREEPORT

10 **SEC. 3. *Creation of the Bulacan Airport City Special Economic Zone and***
11 ***Freeport.*** – In accordance with declared State policy and subject to the concurrence of
12 the affected local government units (LGUs) of Bulacan, there is hereby established a
13 Special Economic Zone and Freeport, hereinafter referred to as the Bulacan Ecozone. The
14 Bulacan Ecozone shall cover the domestic and international airport, the Airport City to be
15 developed pursuant to Section 6 of Republic Act No. 11506, and lands adjacent to the
16 Airport City within the territorial jurisdiction of the Municipality of Bulakan: *Provided,* That
17 the lands embraced therein shall be contiguous to one another: *Provided further,* that
18 subsequent expansions of the territorial coverage of the Bulacan Ecozone shall be made
19 through a Presidential Proclamation: *Provided finally,* that the acquisition of land by the
20 Bulacan Ecozone in areas outside of its territorial coverage shall not automatically expand
21 the same.

22 **SEC. 4. *Creation of the Bulacan Airport City Special Economic Zone and***
23 ***Freeport Authority.*** – There is hereby created a body corporate to be known as the
24 “Bulacan Airport City Special Economic Zone and Freeport Authority” hereinafter referred
25 to as the BACSEZFA or the Authority, which shall manage and operate the Bulacan
26 Ecozone, in accordance with the provisions of this Act. The corporate life of the Authority
27 shall expire in fifty (50) years counted from the first year after the effectivity of this Act,

1 unless otherwise extended by Congress. It shall be organized within one hundred eighty
2 (180) days after the effectivity of this Act.

3 **SEC. 5. Governing Principles.** – The BACSEZFA, created under Section 4 of this
4 Act, shall manage and operate the Bulacan Ecozone under the following principles:

5 (a) Within the framework and limitations of the Constitution and applicable
6 provisions of the Local Government Code, the Bulacan Ecozone shall have a domestic and
7 international airport and be developed into and operated as a decentralized, self-reliant
8 and self-sustaining industrial, commercial/trading, agro-industrial, tourist, banking,
9 financial and investment center with suitable residential areas under the Airport City;

10 (b) The Bulacan Ecozone shall be equipped with transportation,
11 telecommunications and other facilities needed to attract legitimate and productive
12 investments, generate linkage industries and employment opportunities for the people of
13 the Municipality of Bulakan and its neighboring towns and cities;

14 (c) The Bulacan Ecozone may establish mutually beneficial economic relations with
15 other entities or enterprises within the country or, subject to the administrative guidance
16 of the Department of Foreign Affairs (DFA), the Philippine Economic Zone Authority
17 (PEZA), and/or the Department of Trade and Industry (DTI), with foreign entities or
18 enterprises;

19 (d) Subject to existing laws, rules, and regulations, foreign citizens and companies
20 owned by non-Filipinos in whatever proportion may set up enterprises in the Bulacan
21 Ecozone, either by themselves or in a joint venture with Filipinos in any sector of industry,
22 international trade and commerce within the Bulacan Ecozone;

23 (e) The Bulacan Ecozone shall be managed and operated as a separate customs
24 territory thereby ensuring the free flow or movement of goods and capital within, into,
25 and out of its territory, and shall likewise provide incentives such as tax and duty-free
26 importations of raw materials, capital and equipment to registered enterprises located
27 therein. However, exportation or removal of goods from the territory of the Bulacan
28 Ecozone to the other parts of the Philippine territory shall be subject to customs duties
29 and taxes under the Customs Modernization and Tariff Act and other relevant tax laws of
30 the Philippines;

31 (f) The areas comprising the Bulacan Ecozone may be expanded or reduced when
32 necessary through a presidential proclamation issued for the said purpose. For this
33 purpose, the BACSEZFA, in consultation with the LGUs, shall have the power to acquire
34 either by purchase, negotiation or condemnation proceedings, any private land within or
35 adjacent to the Bulacan Ecozone for the following purposes: (1) consolidation of lands
36 for zone development; (2) acquisition of right of way to the Bulacan Ecozone; and (3)
37 expansion of the Bulacan Ecozone: *Provided*, that the acquisition by the BACSEZFA of
38 lands distributed under the Comprehensive Agrarian Reform Program shall be subject to
39 clearance from the Secretary of Agrarian Reform, after a process of obtaining and
40 certifying to the existence of Free, Prior, and Informed Consent process from agrarian
41 reform beneficiaries. The Secretary of Agrarian Reform shall issue implementing rules and
42 regulations on the process of acquiring agrarian reform lands under this paragraph;

43 (g) Goods manufactured by a Bulacan Ecozone enterprise shall be made available
44 for immediate retail sale in the domestic market, subject to the payment of corresponding
45 taxes on raw materials and other regulations that may be formulated by the BACSEZFA
46 together with the PEZA, the Bureau of Customs (BOC) and the DTI. However, in order to
47 protect domestic industries, a Negative List of industries shall be drawn up and regularly
48 updated by the Interagency Investment Promotion Coordination Committee (IIPCC),

1 pursuant to the Foreign Investments Act, as amended, and other relevant laws, rules,
2 and regulations. Enterprises engaged in industries included in such Negative List shall not
3 be allowed to sell their products locally;

4 (h) The defense of the Bulacan Ecozone and the security of its perimeter fence
5 shall be the responsibility of the National Government in coordination with the BACSEZFA
6 and the LGUs: *Provided*, that, for the costs of securing the Bulacan Ecozone, the Office
7 of the President, upon the recommendation of the Department of Finance, shall establish
8 a cost-sharing scheme between the BACSEZFA and the relevant National Government
9 agencies.

10 **SEC. 6. *Development Goals of the Bulacan Ecozone.*** – The BACSEZFA shall
11 include in its development goals for the Bulacan Ecozone the construction and operation
12 of a domestic and international airport and allied businesses within the framework of
13 national development plans, policies and goals. The Chairperson-Administrator shall,
14 upon approval by the Board, submit the Bulacan Ecozone plans, programs and projects
15 to the Regional Development Council for inclusion and inputs to the overall regional
16 development plan.

17 **SEC. 7. *Capitalization.*** – The capital of the Authority shall consist of:

18 (a) its assets and such other properties as may be contributed to the Authority by
19 the Government to form part of capital;

20 (b) all capitalized surplus;

21 (c) any cash contribution by the Government; and

22 (d) any budgetary outlay allocated and released in favor of the Authority.

23 Thereafter, any sum as may be necessary to augment its capital outlay shall be
24 included in the General Appropriations Act to be treated as an equity of the National
25 Government. Additional funding shall come from the following:

26 (i) The annual subsidies, appropriations and/or other assets of the Bulacan
27 Ecozone;

28 (ii) The proceeds from the rent of lands, buildings, and other properties of the
29 Bulacan Ecozone;

30 (iii) The proceeds from fees, charges and other revenue-generating instruments
31 which the Bulacan Ecozone is authorized to impose and collect under this Act;

32 (iv) The proceeds from bonds which the Bulacan Ecozone is authorized to float
33 both domestic and abroad; and

34 (v) The advance rentals, license fees, and other charges which the Bulacan
35 Ecozone is authorized to impose under this Act and which an investor is willing to advance
36 payment for.

37 The Board of Directors of the BACSEZFA may, with the authorization of the
38 President, and subject to the concurrence and prescribed manner of disposition by the
39 Secretary of Finance, sell shares, representing not more than twenty per centum (20%)
40 of the capital stock of the BACSEZFA to the general public under such policy as the Board
41 and the Secretary of Finance may determine. The National Government shall in no case
42 own less than sixty per centum (60%) of the total issued and outstanding capital of the

1 BACSEZFA. *Provided*: that the sale of shares to the public shall, in no manner, alter the
2 composition of the BACSEZFA Board.

3 **SEC. 8. Principal Office of the BACSEZFA.** – The BACSEZFA shall maintain its
4 principal office at the Airport City, but it may establish liaison offices within the Philippines
5 as may be necessary for the proper conduct of its business.

6 **SEC. 9. Powers and Functions of the BACSEZFA.** – The BACSEZFA shall have
7 the following powers and functions:

8 (a) To operate, administer, manage and develop the Bulacan Ecozone according
9 to the principles and provisions set forth in this Act;

10 (b) To register, regulate and supervise the enterprises in the Bulacan Ecozone in
11 an efficient and decentralized manner, subject to existing laws;

12 (c) To coordinate with LGUs and exercise general supervision over the
13 development plans, activities and operations of the Bulacan Ecozone;

14 (d) To undertake, subject to the approval and regulation of relevant government
15 agencies wherever applicable, the establishment, construction, operation and
16 maintenance of public utilities, other services, and infrastructure in the Bulacan Ecozone
17 such as light and power, shipping, barging, stevedoring, cargo handling, hauling,
18 warehousing, storage of cargo, port services or concessions, piers, wharves, bulkheads,
19 bulk terminals, mooring areas, storage areas, roads, telecommunications, transport,
20 bridges, terminals, conveyors, water supply and storage, sewerage, drainage, airport
21 operations in coordination with the Civil Aviation Authority of the Philippines and such
22 other services or infrastructure necessary or incidental to the accomplishment of the
23 objectives of this Act: *Provided*, that prior to undertaking the establishment, construction,
24 or operation of infrastructure, utilities, or services that it will also regulate, supervise, or
25 oversee, the Ecozone Authority shall seek and abide by a plan for mitigating potential
26 conflicts of interest from the Governance Commission for Government-Owned and -
27 Operated Corporations: *Provided further*, that detailed and comprehensive reports on
28 compliance with the mitigation plan shall be submitted to the Commission, the Office of
29 the President, and the Congress;

30 (e) To construct, acquire, own, lease, operate and maintain on its own or through
31 contracts, franchise, licenses, bulk purchase from the private sector or permits under any
32 of the schemes allowed in Republic Act No. 6957, otherwise known as the Build-Operate-
33 Transfer Law, as amended, or joint venture, adequate facilities and infrastructure
34 required or needed for the operation and development of the Bulacan Ecozone, in
35 coordination with appropriate national and local government authorities and in conformity
36 with applicable laws thereon;

37 (f) To approve plans, programs and projects of the Bulacan Ecozone, to be
38 submitted to the Regional Development Council for inclusion and inputs to the overall
39 regional development plan;

40 (g) To operate on its own, either directly or through licenses to others, tourism-
41 related activities, including games, amusements, recreational and sports facilities;
42 *Provided*, that the operation of games and amusements covered by the charter of the
43 Philippine Amusement and Gaming Corporation (PAGCOR), under Presidential Decree No.
44 1869, as amended, shall require PAGCOR approval;

45 (h) To raise or borrow, within the limitation provided by law, and subject to the
46 approval of the Monetary Board of the Bangko Sentral ng Pilipinas (BSP), as the case may

1 be, adequate and necessary funds from local or foreign sources, to finance its projects
2 and programs under this Act and for this purpose, to issue bonds, promissory notes and
3 other forms of securities, and to secure the same by a guarantee, pledge, mortgage,
4 deed of trust or an assignment of all or part of its property or assets;

5 (i) To protect, preserve, maintain and develop the forests, beaches, coral and coral
6 reefs, and maintain ecological balance within the Bulacan Ecozone. The rules and
7 regulations of the Department of Environment and Natural Resources (DENR) and other
8 government agencies involved in the above functions shall be implemented by the
9 BACSEZFA;

10 (j) To create, operate or contract to operate such functional units or offices of the
11 BACSEZFA as it may deem necessary;

12 (k) To adopt, alter and use a corporate seal; contract, lease, buy, acquire, own or
13 otherwise dispose of personal and/or real property of whatever nature; sue and be sued;
14 and otherwise carry out its functions and duties as provided for in this Act;

15 (l) To issue certificates of origin for products manufactured or processed in the
16 Bulacan Ecozone in accordance with prevailing rules of origin and the pertinent
17 regulations of the PEZA, the DTI and/or the Department of Finance (DOF);

18 (m) To establish one-stop shops for the issuance of all necessary permits,
19 clearances, licenses, and other similar certifications to conduct such activities intended to
20 improve the ease of doing business within the Bulacan Ecozone, in coordination with
21 government agencies having jurisdiction over activities therein: *Provided*, That all
22 government agencies are directed to provide and extend utmost and full cooperation to
23 the Bulacan Ecozone in the establishment of such one-stop shops;

24 (n) To provide internal security to the Bulacan Ecozone in coordination with the
25 National Government and affected LGU. For this purpose, the BACSEZFA shall provide
26 and establish its own internal security and firefighting forces or hire others to provide the
27 same. Military forces to be assigned by the National Government for national defense
28 purposes shall not interfere in the internal affairs of the Bulacan Ecozone and
29 expenditures for these military forces shall be borne by the National Government;

30 (o) To exercise such powers, subject to existing laws, rules, and regulations, as
31 may be essential, necessary or incidental to the powers granted to it hereunder, as well
32 as those that shall enable it to carry out, implement and accomplish the purposes,
33 objectives and policies of this Act; and

34 (p) To issue rules and regulations within the exercise of its powers under this
35 Section, subject to existing laws, rules, and regulations.

36 **SEC. 10. Board of Directors of the BACSEZFA.** – The powers of the BACSEZFA
37 shall be vested in and exercised by a Board of Directors, hereinafter referred to as the
38 Board, which shall be composed of the following:

39 (a) The Chairperson, who shall at the same time be the administrator of the
40 BACSEZFA;

41 (b) A Vice Chairperson who shall be elected from among the Members of the Board
42 of Directors;

43 (c) Members consisting of:

- 1 (1) The Socio-economic Planning Secretary or a designated representative of
2 the National Economic and Development Authority (NEDA);
- 3 (2) The Secretary or a designated representative of the DTI;
- 4 (3) The Secretary or a designated representative of the DOF;
- 5 (4) One (1) representative from the Province of Bulacan, who shall be a public
6 officer;
- 7 (5) One (1) representative from the Municipality of Bulakan, who shall be a
8 public officer;
- 9 (6) One (1) representative from investors in the Bulacan Ecozone;
- 10 (7) One (1) representative from the workers working in the Bulacan Ecozone.

11 The Chairperson and the members of the Board shall be appointed by the President
12 of the Philippines to serve for a term of six (6) years, unless sooner separated from
13 service due to death, voluntary resignation or removal for cause. In case of death,
14 resignation or removal for cause, their replacements shall serve only the unexpired
15 portion of the respective terms.

16 Except for the representatives from the business and labor sectors, no person shall
17 be appointed by the President of the Philippines as a member of the Board unless he is
18 a Filipino citizen, of good moral character, of proven probity and integrity, and a degree-
19 holder in any of the following fields: economics, business, public administration, law,
20 management or their equivalent, and with at least ten (10) years relevant working
21 experience preferably in the field of management or public administration.

22 All benefits and emoluments of the members of the Board shall be subject to
23 existing laws, rules, and regulations, including those prescribed by the Government
24 Commission for Government-Owned and -Controlled Corporations.

25 **SEC. 11. *Organization and Personnel.*** – The Board of Directors of the
26 BACSEZFA shall provide for its organization and staff. The Board shall appoint and fix the
27 remuneration and other emoluments of its officers and employees in accordance with
28 existing laws on compensation and position classification. The Board shall have exclusive
29 and final authority to promote, transfer, assign, reassign, or remove officers of the
30 BACSEZFA, any provision of existing law to the contrary notwithstanding. The
31 Chairperson-Administrator shall execute the decisions of the Board.

32 The officers and employees of the BACSEZFA, including all members of the Board,
33 shall not engage directly or indirectly in partisan activities nor take part in any election,
34 except to vote.

35 No officer or employee of the BACSEZFA, subject to civil service laws and
36 regulations, shall be removed or suspended except for cause, as provided by Civil Service
37 Law and Regulations.

38 **SEC. 12. *Powers and Duties of the Chairperson-Administrator.*** – The
39 Chairperson-Administrator shall have the following powers and duties:

40 (a) To direct and manage the affairs of the BACSEZFA in accordance with the
41 policies of the Board;

1 (b) To establish the internal organization of the BACSEZFA under such conditions
2 that the Board may prescribe;

3 (c) To submit an annual budget and necessary supplemental budget to the Board
4 for its approval;

5 (d) To submit within thirty (30) days after the close of each fiscal year an annual
6 report to the Board and such other reports as may be required;

7 (e) To submit to the Board for its approval, policies, systems, procedures, rules
8 and regulations that are essential to the operation of the Bulacan Ecozone;

9 (f) To recommend to the Board the remuneration and other emoluments of its
10 officers and employees in accordance with existing laws on compensation and position
11 classification;

12 (g) To create a mechanism in coordination with relevant agencies for the
13 promotion of industrial peace, the protection of the environment, and the advancement
14 of the quality of life in the Bulacan Ecozone; and

15 (h) To perform such other duties as may be assigned by the Board or which are
16 necessary or incidental to the office.

17 **SEC. 13. Legal Counsel.** – The BACSEZFA shall have its own internal legal
18 counsel under the supervision of the government corporate counsel. When the exigencies
19 of its businesses and operations demand it, the BACSEZFA may engage the services of
20 an outside counsel either on a case to case or on a fixed retainer basis.

CHAPTER III INCENTIVES TO ECOZONE ENTERPRISES/INVESTORS

21 **SEC. 14. Investors Visa.** – Any foreign national who invests an amount of Two
22 Hundred Thousand US Dollars (US\$200,000.00), either in cash and/or equipment, in a
23 registered enterprise shall be entitled to an investor's visa: *Provided*, That the foreign
24 national:

25 (a) Must be at least eighteen (18) years of age;

26 (b) Must not have been convicted by final judgment of a crime involving moral
27 turpitude;

28 (c) Must not be afflicted with any loathsome, dangerous or contagious disease;

29 (d) Must not have been confined in an institution for any mental disorder or
30 disability; and

31 (e) Must be financial capable as borne out by credible and verifiable evidence.

32 A foreign national shall be granted permanent resident status within the territorial
33 coverage of the Bulacan Ecozone while the investment subsists. To prove this, the foreign
34 national shall submit an annual report in the form duly prescribed for the purpose. Should
35 said investments be withdrawn from the Philippines, the investor's visa issued to said
36 foreign national shall automatically expire or be withdrawn. The Bulacan Ecozone may
37 also recommend to the Bureau of Immigration the grant of visas providing more favorable
38 terms of residency to a foreign national who meets the criteria under this Section.

1 The authority to issue visas and work permits shall remain with the Bureau of
2 Immigration (BI) and the Department of Labor and Employment (DOLE), respectively:
3 *Provided*, That the BI and the DOLE shall implement measures to expedite the processing
4 of such visas and permits for workers in the Bulacan Ecozone and coordinate with the
5 BACSEZFA for the purpose of improving ease of doing business.

6 **SEC. 15. *Fiscal Incentives.*** – Registered enterprises operating within the
7 Bulacan Ecozone may apply for pertinent fiscal incentives granted under Title XIII of the
8 National Internal Revenue Code, as amended, and for such other fiscal incentives as may
9 be provided by law: *Provided*, that the grant of fiscal incentives shall be subject to Section
10 292 of the National Internal Revenue Code, as amended.

11 **SEC. 16. *Administration, Implementation and Monitoring of Incentives.***
12 – In the interest of enhancing transparency in the management and accounting of tax
13 incentives in the Bulacan Ecozone, and ensuring the proper administration, management,
14 enforcement, implementation and monitoring of tax incentives, the BACSEZFA shall
15 comply with the provisions of Republic Act No. 10708, otherwise known as the “Tax
16 Incentives Management and Transparency Act (TIMTA) and its implementing rules and
17 regulations; and other rules, regulations, and issuances made by the Fiscal Incentives
18 Review Board, pursuant to Chapter III, Title XIII of the National Internal Revenue Code,
19 as amended.

20 The BOC shall set up and establish a customs-controlled area outside the premises
21 of the Bulacan Ecozone to facilitate payment of duties and taxes on goods entering the
22 Philippine customs territory: *Provided*, That notwithstanding the limitations on this Act,
23 the BACSEZFA and BOC may coordinate and jointly implement measures on border
24 protection.

25 **SEC. 17. *Banking Rules and Regulations.*** – Banks and financial institutions to
26 be established in the Bulacan Ecozone shall be under the supervision of the BSP and
27 subject to existing banking laws, rules and regulations.

28 **SEC. 18. *Remittances.*** – In the case of foreign investments, a duly registered
29 entity or enterprise within the Bulacan Ecozone shall have the right to remit earnings
30 from the investment in the currency in which the investment was originally made and at
31 the exchange rate prevailing at the time of remittance, subject to the provisions of
32 Republic Act No. 7653, otherwise known as “The New Central Bank Act” as amended,
33 and other relevant laws, rules, and regulations.

CHAPTER IV NATIONAL GOVERNMENT AND OTHER ENTITIES

34 **SEC. 19. *Supervision and Control.*** – For purposes of policy direction and
35 coordination, the BACSEZFA shall be under the direct supervision and control of the Office
36 of the President of the Philippines.

37 **SEC. 20. *Relationship with Local Government Units and the National***
38 ***Government.*** – Except as herein provided, the LGUs comprising the Bulacan Ecozone
39 shall retain their basic autonomy and identity. The Municipality of Bulakan, and the
40 Province of Bulacan, shall operate and function in accordance with the framework of the
41 Constitution, Local Government Code of 1991, and this Act.

42 Subject to existing laws, rules, and regulations, in case of conflict among the
43 BACSEZFA and the LGUs on matters directly and inextricably affecting the Bulacan
44 Ecozone, other than taxation, national defense and security matters, the decision of the

1 BACSEZFA shall prevail. In case of any conflict between a National Government agency
2 within the Executive Branch and the BACSEZFA on matters directly and inextricably
3 affecting the Bulacan Ecozone, other than taxation, national defense, or security, the
4 decision of the Office of the President shall prevail.

5 **SEC. 21. *Audit.*** – The Commission on Audit shall appoint a full-time auditor in
6 the BACSEZFA or may assign such number of personnel as may be necessary in the
7 performance of their functions. The BACSEZFA shall be subject to the audit mechanisms
8 under Sections 24, 25, and 26 of Republic Act No. 10149 or the GOCC Governance Act.
9 The BACSEZFA shall not be exempt from relevant laws, rules, and regulations on
10 evaluation by the Commission on Audit.

CHAPTER V MISCELLANEOUS PROVISIONS

11 **SEC. 22. *Interpretation and Construction.*** – The powers, authorities and
12 functions that are vested in the BACSEZFA are intended to establish national self-
13 sufficiency and self-reliance in the advancement of and protection of the national
14 integrity, enhancement of national security, decentralization of governmental functions
15 and authority, and promote an efficient and effective working relationship among the
16 BACSEZFA, the National Government and the LGUs. Any interpretation of this Act shall
17 consider such intentions. In the event of conflict of interpretation and provided the
18 intentions cannot be harmonized, the provisions of this Act shall be construed in favor of
19 an interpretation that would tend to protect national security.

20 **SEC. 23. *Applicability Clause.*** – Insofar as these are consistent with the
21 provisions of this Act, the provisions of Sections 30 to 41 of Republic Act No. 7916
22 otherwise known as "The Special Economic Zone Act of 1995" shall likewise apply to the
23 Bulacan Ecozone.

24 **SEC. 24. *Implementing Rules and Regulations.*** – The DTI, DOF and the
25 NEDA shall formulate the implementing rules and regulations of this Act.

26 **SEC. 25. *Separability Clause.*** – If any provision of this Act shall be held
27 unconstitutional or invalid, the other provisions not otherwise affected shall remain in full
28 force and effect.

29 **SEC. 26. *Repealing Clause.*** – All laws, executive orders or issuances or any part
30 thereof, which are inconsistent herewith, are hereby repealed or amended accordingly.

31 **SEC. 27. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
32 publication in the Official Gazette or in a newspaper of general circulation.

Approved,