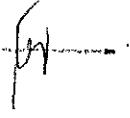


FOURTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

7 JUL -2 1981

SENATE

RECEIVED BY: 

Senate Bill No. 491

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INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

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### EXPLANATORY NOTE

*Tourism has been regarded as an important growth industry throughout the world. Travel and tourism is one of the world's largest industry and one of the fastest growing sectors of the service economy. Vibrant tourism activity is known to result to economic growth, as it serves as a major source of foreign exchange and domestic incomes, generating employment and government revenues, as well as serving as a medium for opening new markets abroad for domestic products.*

The Philippines, with its verdant forests, white sand beaches, rich culture and heritage, scenic tourist attractions, and highly-educated and hospitable service personnel, evidently has the potential to become a prime tourist destination in Asia. In previous years, the tourism industry has already proven to be a viable financial contributor to the Philippine economy, generating millions of jobs nationwide.

In recognition of the continuing development of Philippine tourism, and its contributions to our economy, this bill seeks to establish a National Policy on Tourism to effectively direct the development, promotion and advancement of Philippine tourism as a major national activity, pursued in accordance with the policies, strategies and programs enunciated by the government.

In particular, the proposed National Tourism Policy Act seeks to ensure that ours is a kind of tourism that (1) *conserves and promotes* our culture and heritage, national identity and unity; (2) receives appropriate attention and financial support; (3) promotes ecological sustainability by striking a balance between economic development on one hand, and environment and natural resource protection and conservation on the other; (4) promotes culture and gender sensitivity while working for reciprocity between hosts and guests; and (5) creates a favorable image for our country in the international community, thus strengthening the country's thrust to be a prime tourist destination.

Thus, this policy outlines the parameters and sets the guidelines for Philippine tourism, and shall be the foundation from which a strategic and long-term framework on tourism shall be built.

To carry out this mandate, the bill proposes the creation of a Tourism Development Advisory Council which shall institutionalize the participation and support of both the government and the private sector, with the Department of Tourism at the helm. This is in cognizance of the fact that effective tourism development is an undertaking that must be embarked on by all concerned

agencies of government and interest groups, since it includes not just tourism promotion but environmental conservation and protection, infrastructure development, investment promotion, cultural preservation, peace and order, among others.

The potential of the Philippines as a primary tourist destination is vast and full of promise. But the direction of its development and the key players that shall see this through must be forthright, and this is what the proposed National Tourism Policy Act seeks to ensure. For it is only with a clear policy of government that efforts to advance Philippine tourism can be guided accordingly.

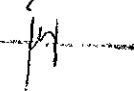
In view of the foregoing, the immediate passage of this bill is earnestly sought.

  
JINGGOY EJERCITO ESTRADA  
Senator

FOURTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
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AN ACT  
ESTABLISHING A NATIONAL TOURISM POLICY, CREATING THE TOURISM  
DEVELOPMENT ADVISORY COUNCIL, AND APPROPRIATING FUNDS  
THEREFOR

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

**SECTION 1. Short Title.** – This Act shall be known as the “*The National  
Tourism Act of 2007*”.

**SECTION 2. Objectives.**– The development, promotion and advancement  
of tourism as a major national activity shall be pursued in accordance with the  
policies, strategies and programs enunciated by the government. The State shall  
seek to:

- (a) Ensure the development of Philippine tourism that is for and by the  
Filipino people, conserving and promoting our culture and heritage,  
national identity and sense of unity;
- (b) Recognize tourism development as integral to the national socio-  
economic development efforts to improve the quality of life of the  
Filipino people, receiving the appropriate attention and financial  
support necessary for the growth of this industry;
- (c) Promote a tourism industry that is ecologically sustainable by  
maintaining a balance between economic development, and  
environment and natural resource protection and conservation;
- (d) Promote a tourism industry that is culture and gender sensitive and will  
work for reciprocity between hosts and guests; and
- (e) Create a favorable image of the Philippines within the international  
community of nations, thereby strengthening the country’s attraction as  
a tourism destination and eventually paving the way for other benefits  
that may result from a positive global view of the country.

**SECTION 3. National Tourism Policy.** - In pursuance of the above  
objectives, the State hereby adopts the following policies:

- (a) Encourage activities and programs which promote tourism awareness  
while at the same time encouraging the preservation of the country’s  
diverse cultures and heritage, and instilling a sense of history and  
pride among the youth and populace in general;

- (b) Promote the preservation of traditional crafts, skills, products, and indigenous activities such as, but not limited to, sports and games, and the production of handicrafts and folk arts by private artisans in the regions;
- (c) Encourage the use of indigenous architectural designs and materials in the construction of tourism facilities to the greatest extent possible;
- (d) All things being equal, grant preferential treatment to the employment of Filipino nationals in tourism-related enterprises;
- (e) Provide full government assistance by way of competitive tourism investment incentives, long-term development funds made available by government financing institutions and other financing schemes extended to the Filipino-owned enterprises;
- (f) Ensure that tourism development protects and promotes the general wellbeing of the Filipino people, particularly in the area of investments, to include the monitoring and prevention of any act of profiteering or speculation to the detriment of local residents;
- (g) Encourage competition in the tourism industry and maximize consumer choice by enhancing their continued viability and other tourism-oriented establishments;
- (h) Enhance the collection, analysis, and dissemination of data which accurately measure the economic and social impact of tourism in the country to facilitate planning in the public and private sectors;
- (i) Develop ecotourism as strategy for low-impact, environmentally-sound and community-participatory tourism programs enlisting the participation of local communities, including indigenous peoples, in conserving biophysical and cultural diversity, promoting environmental understanding and education, and ensuring full enjoyment of the benefits thereof by the concerned communities;
- (j) Rationalize existing civil aviation, land and sea transportation policies as they relate to tourism, inconsonance with existing bilateral agreements and interagency pronouncements; and
- (k) As stated in the Manila Declaration on World Tourism, the right to use of leisure, and in particular the right to access to holidays and to freedom of travel and tourism, a natural consequence of the right to work, is recognized as an aspect of the fulfillment of the human being by the Universal Declaration of Human Rights as well as by the legislation of many States. Thus, it entails for society the duty of providing for its citizens the best practical, effective and non-discriminatory access to this type of activity. Such an effort must be in harmony with the priorities, institutions and traditions of each individual country.

**SECTION 4. *Creation of a Tourism Development Advisory Council.*** –

To carry out the provisions of this Act, the Tourism Development Advisory Council is hereby created, hereinafter referred to as the "Council" , to formulate programs in accordance with the provisions of this Act, and to review, integrate, and synchronize the policies, plans, programs and services of government and private agencies related to tourism. The Council shall serve as a recommendatory body to the Department of Tourism, which shall continue to be the primary government agency tasked with tourism program formulation and implementation, strategic and marketing planning, legislative liaison, inter-agency and intra-governmental coordination, regulatory control of the tourism industry sectors, and delivery of support services for domestic and international tourism promotion.

**SECTION 5. Composition.** - The Council shall be composed of the heads of the following agencies in their ex-officio capacity or those who they may designate to attend the meetings:

- (a) Department of Tourism (DOT);
- (b) Department of Environment and Natural Resources (DENR);
- (c) Department of Transportation and Communications (DOTC);
- (d) Department of Public Works and Highways (DPWH);
- (e) Department of Trade and Industry (DTI);
- (f) Department of the Interior and Local Government (DILG);
- (g) Department of Agriculture (DA);
- (h) Philippine Tourism Association (PTA);
- (i) Philippine Convention and Visitors Corporation (PCVC);
- (j) Intramuros Administration (IA);
- (k) National Parks Development Committee (PNDC); and
- (l) University of the Philippines -Asian Institute of Tourism (UP-AIT).

Three (3) members representing the respective heads of the following private sector organizations:

1. Hotel and Restaurant Association of the Philippines (HFWP);
2. Philippine Tour Operators Association (PHILTOA); and
3. Philippine Travel Agencies Association (PTAA);

Three (3) members representing the respective heads of the following transport organizations:

1. The sea transport sector.
2. Board of Airline Representatives;
3. The land transport sector, and

One (1) member representing the regional Tourism Councils,

One (1) member representing the indigenous peoples, and

One (1) member representing the women's sector.

The Secretary of Tourism shall be the Chairperson and shall appoint the respective representatives to the Council from the nominees of the land and sea transportation sector, the Regional Tourism councils, the indigenous peoples and the women's sector. The council shall elect the Vice-Chairperson from among the representatives of the private sector.

**SECTION 6. Meetings.** - The Council shall meet at least six (6) times a year. Special meetings shall be held upon the call of the Chairperson or a majority of its members. A member who is unable to attend a session of the Council may designate an alternate who must be of sufficient rank and properly authorized to make decisions on behalf of the agency that is represented.

**SECTION 7. Powers and Functions.** - The Council shall have the following powers and functions:

- (a) To formulate programs in accordance with the provisions of this Act;
- (b) To determine, monitor and review the participation of all concerned agencies in tourism development and coordinate the policies and programs affecting tourism, national heritage, and environmental and natural resource preservation;

- (c) To closely coordinate and work with all government agencies concerned, local government units (LGUs) and the private sector to ensure the smooth implementation of tourism plans and programs;
- (d) To encourage the maximum participation of the private sector in tourism development and to support the activities of local tourism councils;
- (e) To formulate and enforce a system of accountability for the short and long term adverse environmental impact of tourism projects; programs or activities, which shall include the setting up of a funding of guarantee mechanism for clean-up and environmental rehabilitation and compensation for personal damages;
- (f) To prepare a national ecotourism strategy or program which shall guide the development, promotion and management of sustainable ecotourism in the country, incorporating as among its main features the identification of ecotourism sites, involvement of local communities, protection of the rights of indigenous peoples, environmental education and information campaign, and provision of technical and financial assistance to communities which are included in the network of tourism sites;
- (g) To call upon any government or private entity for assistance or support whenever deemed necessary to carry out the provision of this Act;
- (h) Whenever necessary, to create such committees to conduct studies for the formulation of plans, programs and activities for the attainment of the purpose of this Act;
- (i) To organize an Annual National Tourism Summit through the auspices of the Department of Tourism, as a means of ensuring wide and collective participation of all sectors involved in the sustainable development of tourism, as well as to carry out the provisions of this Act;
- (j) To exercise or perform such other powers and functions as may be deemed necessary, proper or incidental to the attainment of its objectives.

**SECTION 8. Annual Reports.** - The Council shall submit an annual report for the preceding fiscal year to the President of the Philippines for transmittal to Congress on or before the thirty-first day of December of each year, which shall include a comprehensive and detailed report of the activities and accomplishment of the Council and its committees, results of efforts to coordinate the plans, programs, and projects of member agencies affecting tourism and recreation.

**SECTION 9. Secretariat.** - The Secretariat of the Council shall be composed of the support staff from the DOT, as appointed by the Secretary.

**SECTION 10. Rules and Regulations.** - The Secretary of Tourism, in collaboration with other government agencies concerned, shall promulgate the rules and regulations necessary for the effective implementation of this Act.

**SECTION 11. Appropriations.** - The amount of Five Million Pesos (P5,000,000.00) necessary for the implementation of this Act shall be included in the General Appropriations Act of the year following its enactment into law. Thereafter, the annual funding of Five Million Pesos (P5,000,000.00) shall be charged against the travel tax collections accruing to the national government.

**SECTION 12. *Repealing Clause.*** - All laws, decrees and executive order inconsistent with this provisions of this Act are hereby repealed or modified accordingly.

**SECTION 13. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in the official Gazette or in at least two (2) national newspapers of general circulation, whichever comes earlier.

Approved.