EIGHTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

Third Regular Session

*22	JAN 31	P3:00
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SENATE

COMMITTEE REPORT No	576

Re: House Bill No. 10109

Recommending its approval with amendments

Sponsor: Senator Imee Marcos

MR. PRESIDENT:

The Committees on Economic Affairs; Local Government; Ways and Means; and Finance, to which were referred **House Bill No. 10109**, introduced by Representatives Josephine Ramirez-Sato, et al, entitled:

"AN ACT

ESTABLISHING A SPECIAL ECONOMIC ZONE IN THE MUNICIPALITIES OF SAN JOSE AND MAGSAYSAY, PROVINCE OF OCCIDENTAL MINDORO, CREATING FOR THE PURPOSE THE OCCIDENTAL MINDORO SPECIAL ECONOMIC ZONE AUTHORITY, AND APPROPRIATING FUNDS THEREFOR"

have considered the same and have the honor to report it back to the Senate with the recommendation House Bill No. 10109 be approved with the following amendments:

- 1. On page 5, line 24, sub-section "d)", delete the words "light and power".
- 2. On page 5, line 31, insert a new paragraph to read as follows:

"IN CASES OF LIGHT AND ELECTRIFICATION, THE OCCIMINSEZA MAY UNDERTAKE THE ESTABLISHMENT, REGULATION, CONSTRUCTION, OPERATION AND MAINTENANCE LIGHTING AND ELECTRIFICATION STRUCTURES AND SERVICES WITHIN THE SPECIAL ECONOMIC ZONE; PROVIDED, THAT THE SUPERVISION, OPERATION AND MAINTENANCE OF DISTRIBUTION UTILITIES AND THEIR CORRESPONDING SERVICES OR STRUCTURES WITHIN THE ECONOMIC ZONE SHALL **BE RETAINED IN CONFORMITY WITH PRESIDENTIAL DECREE 269** AND OTHER RELEVANT LAWS."

3. On page 6, lines 7 to 10, delete the entire sub-section "g)" and renumber accordingly.

Respectfully submitted:

Chairpersons

SENATOR INEE MARCOS

Committee on Economic Affairs Vice-Chairperson, Local Government Vice-Chairperson, Committee on Finance Member, Committee on Ways and Means

SENATOR FRANCIS "TOL" N. TOLENTINO

Committee on Local Government Member, Committee on Economic Affairs Member, Committee on Finance

SENATOR PIA SICAYETANO

Committee on Ways and Means Vice-Chairperson, Committee on Finance Member, Committee on Economic Affairs

SENATOR SONNY ANGARA

Committee on Finance Vice-Chairperson, Committee on Economic Affairs Vice-Chairperson, Committee on Ways and Means

Vice-Chairpersons

SENATOR WIN GATCHALIAN

Committee on Economic Affairs Vice-Chairperson, Committee on Finance Member, Committee on Ways and Means

SENATOR CYNTHI

Committee on Finance Member, Committee on Local Government

SENATOR RONALD "BATO"M. DILLA ROSA

Committee on Finance Member, Committee on Local Government Member, Committee on Ways and Means

SENATOR JOE√ VILLANUEVA

Committee on Finance Member, Committee on Local Government

SENATOR RICHARD J. GORDON

Committee on Finance Member, Committee on Ways and Means

LAWRENCE CBONG " GO Committee on Finance

Committee on Ways and Means Member, Committee on Local Government

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SENATOR RISA HONTIVEROS

Committee on Finance Member, Committee on Economic Affairs Member, Committee on Local Government Member, Committee on Ways and Means

SEN. GRACE POE

Committee on Finance Member, Committee on Ways and Means

Members:

SENATOR WANUEL "LITO" M. LAPID

Committee on Economic Affairs Committee on Finance Committee on Ways and Means SENATOR RAMON BONG REVILLA, JR.

Committee on Economic Affairs
Committee on Finance
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SENATOR MARIA LOURDES
NANCY S. BINAY

Committee on Finance
Committee on Local Government

SENATOR EMMANUEL "MANNY"
D. PACQUIAO

Committee on Finance Committee on Ways and Means

SENATOR AQUILINO "KOKO"
PIMENTEL III

Committee on Finance
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SENATOR PANFILO M. LACSON

Committee on Finance Member, Committee on Ways and Means

SENATOR FRANCIS "KIKO" PANGILINAN

Committee on Economic Affairs
Committee on Finance
Committee on Ways and Means
Committee on Local Government

SENATOR LEILA M. DE LIMA

Committee on Finance Committee on Ways and Means

Ex Officio Members

SENATOR RALPH G. RECTO

President Pro Tempore

SENATOR JUAN MIGUEL F. ZUBIRI
Majority Leader

Minority Leader

SENATOR VICENTE C. SOTTO III

Senate President

CONGRESS OF THE PHILIPPINES EIGHTEENTH CONGRESS Third Regular Session

HOUSE OF REPRESENTATIVES

H. No. 10109

By Representatives Ramirez-Sato, Garin (S.), Tiangco, Salceda, Yap (E.), Gatchalian, Vergara, Haresco, Cua, Nograles (J.J.) Suansing (E.), Benitez, Albano (A.), Aumentado, De Jesus, Chatto, Quimbo, Del Mar, Espina, Sangcopan, Gorriceta, Padiernos, Tan (A.S.), Baronda, Go (M.), Suntay, Reyes, Collantes, Babasa, Zubiri, Biron, Singson-Meehan, Garcia (J.E.), Castro (F.L.), Villar, Alvarez (F.), Ouano-Dizon, Ty (A.), Duavit, Campos, Sagarbarria, Lopez, Cueva, Revilla, Kho (E.), Olivarez, Martinez, Matugas, Pacquiao (R.), Panotes, Calinto, Espino, Garbin, Unabia, Villa, Bañas-Nograles, Canama, Mercado, Tan-Tambut, Bordado, Tan (A.), Tambunting, Mangaoang, Rodriguez, Crisologo, Nieto, Violago, Dagooc, Deloso-Montalla, Ong (J.), Geron, Fuentebella, Suansing (H.), Ong (R.), Escudero, Arenas, Bascug and Legarda, per Committee Report No. 1181

AN ACT

ESTABLISHING A SPECIAL ECONOMIC ZONE IN THE MUNICIPALITIES OF SAN JOSE AND MAGSAYSAY, PROVINCE OF OCCIDENTAL MINDORO, CREATING FOR THE PURPOSE THE OCCIDENTAL MINDORO SPECIAL ECONOMIC ZONE AUTHORITY, AND APPROPRIATING FUNDS THEREFOR

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

CHAPTER 1
GENERAL PROVISIONS

1 2 Section 1. Short Title. - This Act shall be known as the "Occidental Mindoro Special Economic Zone Act."

SEC. 2. Declaration of Policy. – It is declared the policy of the State to encourage, promote, and accelerate the sound and balanced industrial, economic, and social development of the country. The establishment of special economic zones shall attract legitimate and productive foreign investments in strategic locations in the country. It shall generate employment, enhance productivity, and increase individual and family incomes, thereby enhancing the quality of life of the Filipino people.

CHAPTER II CREATION OF THE ECONOMIC ZONE

 SEC. 3. Creation of the Occidental Mindoro Special Economic Zone. – In accordance with the foregoing declared policy and subject to the concurrence of the concerned local government units (LGUs) of the Province of Occidental Mindoro, there is hereby established a special economic zone, hereinafter referred to as the Occidental Mindoro Special Economic Zone or Occidental Mindoro Ecozone. The Occidental Mindoro Ecozone shall cover a particular area located in the Municipalities of San Jose and Magsaysay, Province of Occidental Mindoro. The specific metes and bounds of the Occidental Mindoro Ecozone shall be more particularly defined in a presidential proclamation that shall be issued for this purpose: Provided, That the lands embraced therein shall be contiguous to one another.

SEC. 4. Creation of the Occidental Mindoro Special Economic Zone Authority. – There is hereby created a body corporate to be known as the Occidental Mindoro Special Economic Zone Authority, hereinafter referred to as the OCCIMINSEZA, which shall manage and operate the Occidental Mindoro Ecozone in accordance with the provisions of this Act. The corporate life of the OCCIMINSEZA shall expire in fifty (50) years, counted from the first year after the effectivity of this Act, unless otherwise extended by Congress. It shall be organized within one hundred eighty (180) days after the effectivity of this Act.

SEC. 5. Governing Principles. -- The OCCIMINSEZA shall manage and operate the Occidental Mindoro Ecozone, under the following principles:

a) Within the framework and limitations of the Constitution and applicable provisions of
 Republic Act No. 7160, or the Local Government Code, as amended, the Occidental
 Mindoro Ecozone shall be developed into and operated as a decentralized, self-reliant and self-sustaining industrial, commercial, trading, agro-industrial, tourist,
 banking, financial, and investment center with suitable residential areas;

 b) The Occidental Mindoro Ecozone shall be equipped with transportation, telecommunications, and other facilities needed to attract legitimate and productive investments, generate linkage industries and employment opportunities for the people of the municipalities of San Jose and Magsaysay, Province of Occidental Mindoro, and those in neighboring towns and cities;

The Occidental Mindoro Ecozone may establish mutually beneficial economic relations with other entities or enterprises within the country or, subject to the administrative guidance of the Department of Foreign Affairs, the Philippine Economic Zone Authority (PEZA), and the Department of Trade and Industry (DTI), with foreign entities or enterprises;

d) Foreign citizens and companies owned by non-Filipinos in whatever proportion may set up enterprises in the Occidental Mindoro Ecozone, either by themselves or in a joint venture with Filipinos in any sector of industry, international trade and commerce within the Occidental Mindoro Ecozone;

e) The Occidental Mindoro Ecozone shall be managed and operated as a separate customs territory thereby ensuring the free flow or movement of goods and capital within, into and out of its territory, and shall likewise provide incentives subject to Title XIII of the National Internal Revenue Code, as amended. However, exportation or removal of goods from the territory of the Occidental Mindoro Ecozone to the other parts of the Philippine territory shall be subject to customs duties and taxes under Republic Act No. 10863, otherwise known as the "Customs Modernization and Tariff Act" and other relevant tax laws of the Philippines;

f) The areas comprising the Occidental Mindoro Ecozone may be expanded or reduced when necessary through a presidential proclamation issued for the said purpose. For this purpose, the OCCIMINSEZA, in consultation with the LGUs, shall have the power to acquire either by purchase, negotiation or condemnation proceedings, any private land within or adjacent to the Occidental Mindoro Ecozone for the following purposes: (1) consolidation of lands for zone development; (2) acquisition of right of way to the Occidental Mindoro Ecozone; and (3) the protection of watershed areas and natural assets valuable to the prosperity of the Occidental Mindoro Ecozone:

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- g) Goods manufactured by a Occidental Mindoro Ecozone enterprise shall be made available for immediate retail sale in the domestic market, subject to the payment of corresponding taxes on raw materials and other regulations that may be formulated by the OCCIMINSEZA together with the PEZA, the Bureau of Customs, the Bureau of Internal Revenue, and the DTI. However, in order to protect domestic industries, a Negative List of industries shall be drawn up and regularly updated by the PEZA. Enterprises engaged in industries included in such Negative List shall not be allowed to sell their products locally; and
- h) The defense of the Occidental Mindoro Ecozone and the security of its perimeter fence shall be the responsibility of the national government in coordination with the OCCIMINSEZA and the concerned LGUs.

SEC. 6. Development Goals of the Occidental Mindoro Ecozone. — The OCCIMINSEZA shall determine the development goals of the Occidental Mindoro Ecozone within the framework of national development plans, policies, and goals. The Chairperson-Administrator shall, upon approval by the Board of the OCCIMINSEZA, submit the Occidental Mindoro Ecozone plans, programs, and projects to the Regional Development Council for inclusion in the regional development plan.

SEC. 7. Capitalization. – The OCCIMINSEZA shall have an authorized capital stock of two billion (2,000,000,000) no par shares with a minimum issue of Ten pesos (Php10.00) each, the majority shares of which shall be subscribed and paid for by the national government and the LGUs embracing the Occidental Mindoro Ecozone. The Board of Directors of the OCCIMINSEZA may, with the written concurrence of the Secretary of Finance, sell shares representing not more than forty per centum (40%) of the capital stock of the OCCIMINSEZA to the general public under such policy as the Board and the Secretary of Finance may determine. The national government and the LGUs shall in no case own less than sixty per centum (60%) of the total issued and outstanding capital of the OCCIMINSEZA.

The amount necessary to subscribe and pay for the shares of the national

government to the capital stock of the OCCIMINSEZA shall be included in the General Appropriations Act. For the LGUs concerned, the funds shall be taken from their internal revenue allotment and other local funds.

SEC. 8. Principal Office of the OCCIMINSEZA. – The OCCIMINSEZA shall maintain its principal office in the Municipality of San Jose, Province of Occidental Mindoro, but it may establish liaison offices within the Philippines as may be necessary for the proper conduct of its business.

SEC. 9. Powers and Functions of the OCCIMINSEZA. – The OCCIMINSEZA shall have the following powers and functions:

a) To operate, administer, manage, and develop the Occidental Mindoro Ecozone
 according to the principles and provisions set forth in this Act;

16 b) To register, regulate, and supervise the enterprises in the Occidental Mindoro Ecozone in an efficient and decentralized manner, subject to existing laws;

 c) To coordinate with LGUs and exercise general supervision over the development plans, activities, and operations of the Occidental Mindoro Ecozone;

d) To regulate and undertake the establishment, construction, operation, and maintenance of public utilities, other services, and infrastructure in the Occidental Mindoro Ecozone such as light and power, shipping, barging, stevedoring, cargo handling, hauling, warehousing, storage of cargo, port services or concessions, piers, wharves, bulkheads, bulk terminals, mooring areas, storage areas, roads, telecommunications, transport, bridges, terminals, conveyors, water supply and storage, sewerage, drainage, airport operations in coordination with the Civil Aviation Authority of the Philippines, and such other services or concessions or infrastructure necessary or incidental to the accomplishment of the objectives of this Act;

 e) To construct, acquire, own, lease, operate, and maintain on its own or through contracts, franchise, licenses, bulk purchase from the private sector or permits under any of the schemes allowed in Republic Act No. 6957, otherwise known as the "Build-Operate-Transfer Law", as amended, or joint venture, adequate facilities and infrastructure required or needed for the operation and development of the Occidental Mindoro Ecozone, in coordination with appropriate national and local

government authorities and in conformity with applicable laws thereon;

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To approve plans, programs, and projects of the Occidental Mindoro Ecozone to be submitted to the Regional Development Council for inclusion in the regional development plan;

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7 g) To operate on its own, either directly or through licenses to others, tourism-related activities, including games, amusements, recreational and sports facilities, subject to the approval and supervision of the Philippine Amusement and Gaming Corporation;

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12 h) To raise or borrow, within the limitation provided by law, and subject to the approval of the Monetary Board of the Bangko Sentral ng Pilipinas (BSP), as the case may be, adequate and necessary funds from local or foreign sources, to finance its projects and programs under this Act and for this purpose, to issue bonds, promissory notes, and other forms of securities, and to secure the same by a guarantee, pledge, mortgage, deed of trust or an assignment of all or part of its property or assets;

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20 i) To protect, preserve, maintain, and develop the forests, beaches, corals and coral reefs, and maintain ecological balance within the Occidental Mindoro Ecozone.

Notwithstanding the power of the OCCIMINSEZA to create rules for such purpose, the rules and regulations of the Department of Environment and Natural Resources and other government agencies involved in the above functions shall be implemented by the OCCIMINSEZA;

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

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

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To issue certificates of origin for products manufactured or processed in the Occidental Mindoro Ecozone in accordance with prevailing rules of origin and the pertinent regulations of the PEZA, the DTI, and the Department of Finance (DOF);

1 m) To establish one-stop shops for the issuance of all necessary permits, clearances,
2 licenses, and other similar certifications to conduct such activities intended to
3 improve the ease of doing business within the Occidental Mindoro Ecozone, in
4 coordination with government agencies having jurisdiction over activities therein:
5 Provided, That all government agencies are directed to provide and extend utmost
6 and full cooperation to the OCCIMINSEZA in the establishment of such one-stop
7 shops;

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n) To ensure that the area covered by the Occidental Mindoro Ecozone is secure at all times: *Provided*, That the Armed Forces of the Philippines (AFP) or the Philippine National Police (PNP) shall not interfere in the internal affairs of the OCCIMINSEZA except to provide the necessary security and defense, or law enforcement assistance, as the case may be: *Provided*, *finally*, That expenses of the AFP or the PNP in the Occidental Mindoro Ecozone shall be borne by the national government;

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16 o) To exercise such powers as may be essential, necessary or incidental to the powers
17 granted to it by this Act, as well as those that shall enable it to carry out, implement
18 and accomplish the purposes, objectives, and policies set forth in this Act; and

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p) To issue rules and regulations consistent with the provisions of this Act as may be necessary to accomplish and implement the purposes, objectives, and policies provided herein.

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

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- a) A Chairperson, who shall at the same time be the administrator of the
 OCCIMINSEZA;
- 30 b) A Vice-Chairperson who shall be elected from among the members of the Board of Directors;
- 32 c) Members consisting of:
- 1) The Governor of the Province of Occidental Mindoro or a duly-authorized representative from the Provincial Government of Occidental Mindoro;
- One (1) of the mayors of the municipalities covered by the ecozone;
- One (1) representative from the investors' group; and
- 37 4) One (1) representative from among the workers in the Occidental Mindoro

Ecozone,

The Governor or the Governor's duly authorized representative and the mayors of the municipalities within the ecozone shall serve as ex officio members of the Board, whose terms in the Board shall correspond to their terms as elected officials.

 The Chairperson-Administrator and the members of the Board, except for the representatives of the investors and workers groups and the ex officio members, shall be appointed by the President of the Philippines to serve for a term of six (6) years, unless sooner separated from service due to death, voluntary resignation or removal for cause. In case of death, resignation or removal for cause, their replacements shall serve only the unexpired portion of the respective terms. No person shall be appointed as a member of the Board unless the person is a Filipino citizen, of good moral character, of proven probity and integrity, and a degree holder in any of the following fields: economics, business, public administration, law, management or their equivalent, and with at least ten (10) years relevant working experience, preferably in the field of management or public administration.

The members of the Board, except the ex officio members, shall each receive per diem allowance at rates to be determined by the Department of Budget and Management in accordance with existing rules and regulations: Provided, however, That the total per diem allowance collected each month shall not exceed the equivalent of four (4) meetings. Unless and until the President of the Philippines has fixed a higher rate for the per diem allowance for the members of the Board, such allowance shall not be more than Ten thousand pesos (Php10,000.00) for every Board meeting.

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

1		The officers and employees of the OCCIMINSEZA, including all members of the
2	Board	, shall not engage directly or indirectly in partisan activities nor take part in any
3	electio	on, except to vote.
4		
5		No officer or employee of the OCCIMINSEZA, shall be removed or suspended
6	excep	t for cause, as provided by civil service rules and regulations.
7		SEC. 12. Powers and Dutles of the Chairperson-Administrator The
8	Chairp	person-Administrator shall have the following powers and duties:
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10	a)	To direct and manage the affairs of the OCCIMINSEZA in accordance with the
11		policies of the Board;
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13	b)	To establish the internal organization of the OCCIMINSEZA under such conditions
14		that the Board may prescribe;
15		
16	C)	To submit an annual budget and necessary supplemental budget to the Board for
17		its approval;
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19	d)	To submit within thirty (30) days after the close of each fiscal year an annual report
20		to the Board and such other reports as may be required;
21		
22	e)	To submit to the Board for its approval, policies, systems, procedures, rules, and
23		regulations that are essential to the operation of the Occidental Mindoro Ecozone;
24		
25	f)	To recommend to the Board the remuneration and other emoluments of its officers
26		and employees in accordance with existing laws on compensation and position
27		classification;
28		
29	g)	To create a mechanism in coordination with relevant agencies for the promotion of
30		industrial peace, the protection of the environment, and the advancement of the
31		quality of life in the Occidental Mindoro Ecozone; and
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33	h)	To perform such other duties as may be assigned by the Board or which are
34		necessary or incidental to the office.
35		
36		Sec. 13. Legal Counsel The OCCIMINSEZA shall have its own internal legal

counsel who shall be under the supervision of the Government Corporate Counsel. When the exigencies of business and operations demand it, the OCCIMINSEZA may engage the services of an outside counsel either on a case to case or on a fixed retainer basis.

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CHAPTER III INCENTIVES TO ECOZONE ENTERPRISES AND INVESTORS

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SEC. 14. *Investors Visa.* – Any foreign national who invests an amount of Two hundred thousand US dollars (US\$200,000.00) in a registered enterprise, either in cash or equipment, shall be entitled to an investor's visa: *Provided*, That the foreign national has the following qualifications:

- a) Must be at least eighteen (18) years of age;
- 14 b) Must not have been convicted by final judgment of a crime involving moral turpitude;
- 15 c) Must not be afflicted with any dangerous or contagious disease;
- 16 d) Must not have been confined in an institution for any mental disorder or disability;17 and
 - e) Must be financially capable as borne out by credible and verifiable evidence.

With an investor's visa, an alien shall be entitled to reside in the Philippines while the investment subsists. The alien investor shall submit an annual report, in the form duly prescribed for the purpose, to prove that the investment in the country subsists. Should said alien investor withdraw the investments from the Philippines, then the investor's visa issued to said alien shall automatically expire and be withdrawn.

The authority to issue visas and work permits shall remain with the Bureau of Immigration (BI) and the Department of Labor and Employment (DOLE), respectively: *Provided*, That the BI and the DOLE shall implement measures to expedite the processing of such visas and permits for workers in the Occidental Mindoro Ecozone and coordinate closely with the OCCIMINSEZA to facilitate the conduct of business operations.

SEC. 15. Fiscal Incentives. – Registered enterprises of the Occidental Mindoro Ecozone may be entitled to pertinent fiscal incentives granted under Title XIII (Tax Incentives) of the National Internal Revenue Code, as amended.

SEC. 16. Rules and Regulations Governing Banks and Other Financial Institutions. — Banks and other BSP-supervised financial institutions to be established in

1	the Occidental Mindoro Ecozone shall be under the supervision of the BSP and subject to
2	existing banking laws, rules and regulations.
3	
4	Sec. 17. Remittances In the case of foreign investments, a duly registered
5	entity or enterprise within the Occidental Mindoro Ecozone shall have the right to remit
6	earnings to its investors in the currency in which the investment was originally made and
7	at the exchange rate prevailing at the time of remittance, subject to the provisions of
8	Republic Act No. 7653, otherwise known as the "New Central Bank Act" as amended.
9	
10	CHAPTER IV
11	NATIONAL GOVERNMENT AND OTHER ENTITIES
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13	SEC. 18. Supervision and Control For purposes of policy direction and
14	coordination, the OCCIMINSEZA shall be under the direct control and supervision of the
15	Office of the President of the Philippines.
16	
17	SEC. 19. Relationship with Local Government Units Except as herein
18	provided, the LGUs comprising the Occidental Mindoro Ecozone shall retain their basic
19	autonomy and identity. The Municipalities of San Jose and Magsaysay, Province of
20	Occidental Mindoro, shall operate and function in accordance with the framework of the
21	Constitution, the Local Government Code of 1991, as amended, and this Act.
22	
23	In case of any conflict among the OCCIMINSEZA, the LGUs and the national
24	government on matters affecting the Occidental Mindoro Ecozone, other than national
25	defense and security matters, the decision of the OCCIMINSEZA shall prevail.
26	
27	SEC. 20. Audit The Commission on Audit shall appoint a full-time auditor for the
28	OCCIMINSEZA and may assign such number of personnel as may be necessary to assist
29	the auditor in the performance of the auditor's functions.
30	
31	CHAPTER V
32	MISCELLANEOUS
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34	SEC. 21. Interpretation and Construction. — The powers, authorities and
35	functions that are vested in the OCCIMINSEZA are intended to establish national self-
36	sufficiency and self-reliance in the advancement of and protection of the national integrity,

enhancement of national security, decentralization of governmental functions and

authority, and promotion of an efficient and effective working relationship among the		
OCCIMINSEZA, the national government and the LGUs. Any interpretation of this Act shall		
consider such intentions. In the event of conflict of interpretation and provided the		
intentions cannot be harmonized, the provisions of this Act shall be construed in favor of		
an interpretation that shall protect national security.		

SEC. 22. Applicability Clause. – Insofar as they are consistent with the provisions of this Act, the provisions of Sections 30 to 41 of Republic Act No. 7916, otherwise known as "The Special Economic Zone Act of 1995", as amended, shall likewise apply to the Occidental Mindoro Ecozone.

SEC. 23. Implementing Rules and Regulations. — Within sixty (60) days from effectivity of this Act, the DTI shall, in coordination with the DOF and the National Economic and Development Authority, formulate rules and regulations for the effective implementation of the provisions of this Act.

SEC. 24. Separability Clause. — If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 25. Repealing Clause. — All laws, executive orders or issuances or any part thereof, which are inconsistent herewith, are hereby repealed or amended accordingly.

 SEC. 26. Effectivity. — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,