



HOUSE OF REPRESENTATIVES

H. No. 8841

BY REPRESENTATIVES SALCEDA, VALMAYOR, MARIÑO, CRUZ (A.), LOYOLA, PANCHO, VILLARICA, PLEYTO, SILVERIO, ROBES, SINGSON-MEEHAN, ESPINA, VILLA, YAP (C.), YAP (C.T.), GORRICETA, CO-PILAR, TARRIELA, RODRIGUEZ (R.), MACEDA, DEL MAR, HARESCO, PADIERNOS, SALI, TAMAYO, LIMKAICHONG, CHAN, BASCUG, MARIANO-HERNANDEZ, GARCIA (D.), GUINTU, ABALOS, VELOSO-TUAZON, EUDELA, MATIBAG, VIOLAGO, SOLON, GO (M.), ESCUDERO, CRUZ (R.), BONDOC, REGENCIA, CHATTO, OAMINAL, SUANSING (M.A.), DIONISIO, DAYANGHIRANG, LAGON (S.), BRIONES, TY, YAP (ERIC), FERRER (J.M.), FUENTEBELLA, PALMA, BERNOS, CAGAS, VARGAS-ALFONSO, ORDANES, CAJAYON-UY, SUAN, CUARESMA, DAGOOC, LEE, VERZOSA, MACAPAGAL-ARROYO, LUISTRO, CUA, ALVAREZ (J.), SALO, REYES, CAMPOS, COLLANTES, AQUINO-MAGSAYSAY, ANG, GUTIERREZ, PADUANO, SALIMBANGON, LACSON-NOEL, PUMAREN, NOEL, SUANSING (H.), RECTO, BARBERS, TAMBUNTING, CHUNGALAO, TEVES (J.), MENDOZA, CALDERON, VERGARA, TAN (S.J.), TAN (R.M.), PANOTES, BOLILIA, ALVAREZ (M.), NOGRALES (M.), LEGARDA, DOMINGO, UNABIA, SACDALAN, HORIBATA AND MARQUEZ

AN ACT
ESTABLISHING THE BULACAN AIRPORT CITY
SPECIAL ECONOMIC ZONE AND FREEPORT IN THE PROVINCE OF
BULACAN, CREATING FOR THE PURPOSE THE BULACAN AIRPORT
CITY SPECIAL ECONOMIC ZONE AND FREEPORT AUTHORITY,
AND APPROPRIATING FUNDS THEREFOR

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

CHAPTER 1

GENERAL PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as the “Bulacan Airport City Special Economic Zone and Freeport 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 a strategically-located, master-planned, and value-creation-oriented special economic zone shall attract legitimate and productive foreign investments that generate employment and increase productivity and individual, as well as family incomes, thereby enhancing the quality of life of the Filipino people.

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CHAPTER II

CREATION OF THE ECONOMIC ZONE AND FREEPORT

SEC. 3. Creation of the Bulacan Airport City Special Economic Zone and Freeport. – In accordance with the foregoing declared State policy, there is hereby established a Special Economic Zone and Freeport, hereinafter referred to as the “Bulacan Ecozone.”

The Bulacan Ecozone shall cover:

(a) the Airport Project and the Airport City Project, as defined under, and to be developed pursuant to Sections 1 and 6 of Republic Act (RA) No. 11506, otherwise known as “An Act Granting San Miguel Aerocity Inc. A Franchise to Construct, Develop, Establish, Operate and Maintain a Domestic and International Airport in the Municipality of Bulakan, Province of Bulacan, and to Construct, Develop, Establish, Operate, and Maintain an Adjacent Airport City,” respectively;

(b) the remaining land territories of the cities of Malolos and Meycauayan, and of the municipalities of Bulakan, Paombong, Guiguinto, Balagtas, Bocaue, Marilao, Obando, and Sta. Maria, in the Province of Bulacan, that are not yet included as component parts of the Airport Project and the Airport City Project; and

(c) all other expansion areas or municipalities, whose metes and bounds shall be clearly defined through a Presidential Proclamation, within the Province of Bulacan and surrounding areas which may be declared as part of the Bulacan Ecozone in compliance with Section 7(e) of this Act.

SEC. 4. Creation of the Bulacan Airport City Special Economic Zone and Freeport Authority. – There is hereby created a body corporate to be known as the “Bulacan Airport City Special Economic Zone and Freeport Authority,” hereinafter referred to as the BACSEZFA, which shall manage and operate the Bulacan Ecozone, in accordance with the provisions of this Act: *Provided*, That the management and operations of any existing PEZA-supervised economic zones in the Bulacan Ecozone shall remain with PEZA: *Provided, further*, That existing PEZA-registered locators within the Bulacan Ecozone shall have the option to register with PEZA or the BACSEZFA: *Provided, finally*, That the management and operations of the Airport Project and the Airport City Project shall be in accordance with RA 11506.

It shall be organized within one hundred eighty (180) days upon the effectivity of this Act.

SEC. 5. Land Use, Planning, and Development. – Any provision of existing laws, ordinances, executive orders, rules or regulations to the contrary notwithstanding, lands located in Barangay San Nicolas in the Municipality of Bulakan, in Barangay Ubihan and Barangay Liputan, in the City of Meycauayan,

1 in Barangay Abangan Norte, Barangay Abangan Sur, and Barangay Nagbalon, in
2 the Municipality of Marilao, and in Barangay Salambao, Barangay Binuangan,
3 Barangay Tawiran, Barangay Paco, Barangay Lawa, Barangay San Pascual,
4 Barangay Paliwas, Barangay Pag-Asa (Poblacion), Barangay Catanghalan,
5 Barangay Panghulo, in the Municipality of Obando, are hereby declared as
6 alienable and disposable, and may be used for industrial, commercial, or other
7 lawful uses.

8
9 To ensure the efficient and sustainable development of areas covered,
10 and proper inter-local development and coordination, the BACSEZFA shall
11 establish the general framework for land use, planning, and development for
12 the area covered by the Bulacan Ecozone. The framework shall abide by the
13 following principles:

14 (a) The general framework shall maintain an optimal balance between
15 economic maximization and ecological protection;

16
17 (b) The framework shall provide for the development of necessary
18 transport, sanitation, waste management, flood control, and support
19 infrastructure; and

20
21 (c) The framework shall include criteria for the designation or subdivision of
22 the area covered into various zones for commercial, industrial, residential, or
23 other uses;

24 The BACSEZFA shall establish under it a land use, planning, and
25 development office or unit to craft, revise, and implement the framework.

26 Local, regional, and national plans for the uses and development of the areas
27 covered by the Bulacan Ecozone shall be consistent with the framework
28 established by the BACSEZFA. The BACSEZFA shall also be involved in the
29 crafting of local, regional, and national land use, zoning, and development plans
30 which partially or fully cover the area of the Bulacan Ecozone, or which cover
31 means of access to the Bulacan Ecozone.

32 **SEC. 6. Registration with the BACSEZFA.** – Prospective locators within
33 the Bulacan Ecozone may register with the BACSEZFA and qualify for business
34 incentives in accordance with RA 11534 or the CREATE law: *Provided*, That the
35 Airport Project and the Airport City Project shall remain covered by RA 11506,
36 including the incentives and regulatory regime provided therefor.

37 **SEC. 7. Governing Principles.** – The BACSEZFA, created under
38 Section 4 of this Act, shall manage and operate the Bulacan Ecozone under the
39 following principles:

40 (a) Within the framework and limitations of the Constitution and applicable
41 provisions of RA 7160, or the “Local Government Code of 1991,” as amended, the

1 Bulacan Ecozone shall be developed into and operated as a decentralized,
2 self-reliant and self-sustaining aviation hub, industrial, commercial, trading,
3 agro-industrial, tourism, retirement, banking, financial and investment center,
4 emerging and future technologies, with suitable residential areas;

5 (b) Notwithstanding the autonomy provided in Section 7(a) of this Act, the
6 Bulacan Ecozone may continue to be provided by the National Government (NG)
7 and local government and shall be equipped with transportation,
8 telecommunications, and other facilities needed to attract legitimate and
9 productive investments, generate linkage industries and employment
10 opportunities for the people of the Province of Bulacan, and its neighboring towns
11 and cities: *Provided*, That the development of the Bulacan Ecozone shall be
12 integrated and consistent with the plans of the National Government Agencies
13 (NGAs), Regional Development Council (RDC), and LGUs with respect to
14 transportation, telecommunications infrastructure and other facilities: *Provided*,
15 *further*, That access to the Bulacan Ecozone shall be incorporated in the planning,
16 construction, and operation of such infrastructure or expansions;

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

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

26 (e) The areas comprising the Bulacan Ecozone may be expanded or reduced
27 when necessary through a presidential proclamation with the concurrence
28 through local legislation by the concerned LGU;

29 (f) Goods manufactured by a Bulacan Ecozone enterprise shall be made
30 available for immediate retail sale in the domestic market, subject to the payment
31 of corresponding taxes on raw materials and other regulations that may be
32 formulated by the BACSEZFA, the Bureau of Customs (BOC) and the DTI.
33 However, in order to protect domestic industries, a Negative List of industries
34 shall be drawn up and regularly updated by the Interagency Investment
35 Promotion Coordination Committee (IIPCC), pursuant to RA 7042, or the "Foreign
36 Investments Act of 1991," as amended, and other relevant laws, rules, and
37 regulations. Enterprises engaged in industries included in such Negative List
38 shall not be allowed to sell their products locally; and

39 (g) The defense of the Bulacan Ecozone and the security of its perimeter,
40 peace and order, firefighting and disaster response, shall be the responsibility of
41 the NG in cooperation with the BACSEZFA and the LGUs: *Provided*, That, for the
42 costs of securing the Bulacan Ecozone, the Office of the President (OP) shall, upon

1 the recommendation of the Department of Finance (DOF), establish a cost-sharing
2 scheme between the BACSEZFA and the relevant NGAs.

3 **SEC. 8. *Separate Customs Territory.*** –

4 (a) The lands that shall comprise the New Manila International Airport and
5 the adjacent Airport City, and the right-of-way thereto, are hereby declared and
6 shall be managed and operated as a separate customs territory, thereby ensuring
7 the free flow or movement of goods and capital within, into, and out of the territory.

8 (b) The covered areas under Section 3 of this Act, but which have not been
9 covered by paragraph (a) of this Section shall also be declared, managed, and
10 operated as part of the separate customs territory declared under paragraph (a) to
11 the extent that customs enforcement and border protection can be ensured.
12 The BACSEZFA and the BOC shall set up the necessary infrastructure, border
13 protection, and security measures and arrangements to ensure customs
14 enforcement and border protection within and around the Bulacan Ecozone.

15 The BACSEZFA may likewise provide incentives such as tax and duty-free
16 importations of raw materials, capital, and equipment to qualified registered
17 enterprises located therein. However, exportation or removal of goods from the
18 territory of the Bulacan Ecozone to the other parts of the Philippine territory shall
19 be subject to customs duties under RA 10863, or the “Customs Modernization and
20 Tariff Act” and other relevant tax laws of the Philippines.

21 The BOC shall continue to exercise border protection and customs control
22 authority over the customs territory outside the Bulacan Ecozone: *Provided*, That
23 the BACSEZFA shall allow patrol or other law enforcement arrangements by the
24 BOC and other government agencies within the municipal waters covered by the
25 Bulacan Ecozone subject to coordination with the BACSEZFA to enhance its
26 protection and control capacity and ensure compliance with customs, fisheries, and
27 other laws and regulations.

28 **SEC. 9. *Development Goals of the Bulacan Ecozone.*** – The BACSEZFA
29 shall include in its development goals for the Bulacan Ecozone the construction
30 and operation of a domestic and international airport and allied businesses within
31 the framework of national development plans, policies and goals. The
32 Administrator shall, upon approval by the Board of Directors of the BACSEZFA,
33 submit the Bulacan Ecozone plans, programs and projects to the RDC for inclusion
34 and inputs to the overall regional development plan.

35 **SEC. 10. *Capitalization.*** – The BACSEZFA shall have an authorized capital
36 stock of two billion (2,000,000,000.00) no par shares at a minimum issue of Ten Pesos
37 (P10.00) each, the majority shares of which shall be subscribed and paid for by the
38 National Government and the local government units (LGUs) embracing the Bulacan
39 Ecozone. The Board of Directors of the BACSEZFA may, with the written concurrence of
40 the Secretary of Finance, sell shares representing not more than Twenty Per Centum
41 (20%) of the capital stock of the BACSEZFA to the general public under such policy as the

1 Board and the Secretary of Finance may determine. The National Government and the
2 LGUs shall in no case own less than sixty per centum (60%) of the total issued and
3 outstanding capital of the BACSEZFA. The amount necessary to subscribe and pay for
4 the shares of the National Government to the capital stock of the BACSEZFA shall be
5 included in the General Appropriations Act. For the LGUs concerned, the funds shall be
6 taken from their National Tax Allotment and other local funds.

7 **SEC. 11. Revenue Sharing.** – To ensure sufficient funds, BACSEZFA and
8 the affected LGUs shall be entitled to a share in the special corporate income tax
9 (SCIT) or corporate income tax under the Enhanced Deduction regime under Title
10 XIII of the National Internal Revenue Code (NIRC) of 1997, as amended, from all
11 registered business enterprises registered with the BACSEZFA. For this matter,
12 the said corporate income tax collected shall be divided as follows:

13 (a) Forty percent (40%) to the NG, and which shall be directly remitted to the
14 NG: *Provided*, That the revenue sharing under this Section shall be considered
15 compliance with Section 284 of the Local Government Code of 1991, as amended,
16 and shall no longer be further divided for purposes of the National Tax Allotment;

17 (b) Twenty percent (20%) to the BACSEZFA, earmarked for infrastructure
18 development projects of the BACSEZFA as determined by its Board of Directors,
19 consistent with the principles and purposes of this Act; and

20 (c) Forty percent (40%) to the concerned local government: *Provided*, That
21 the local government share from revenues derived from BACSEZFA-registered
22 locators who availed of incentives under RA 11534, or the “Corporate Recovery and
23 Tax Incentives for Enterprises Act”, in component cities or municipalities shall be
24 allocated among the LGUs of the Bulacan Ecozone using the formula prescribed
25 under Section 285 of the Local Government Code of 1991, as amended.

26 The share of the NG shall be paid by the locator directly to the Bureau of
27 Internal Revenue (BIR). The share of the LGUs and the BACSEZFA shall be
28 collected by the latter. The BACSEZFA shall remit the local government share on
29 a quarterly basis.

30 The utilization shall be determined by the Board of Directors of the
31 BACSEZFA. The share of the LGUs shall be utilized for the construction of
32 infrastructure projects within its area of responsibility, with utilization reports
33 submitted to the BACSEZFA two (2) weeks after the end of each quarter and
34 before their share to said taxes are released and subject to audit by the
35 Commission on Audit (COA).

36 **SEC. 12. Principal Office of the BACSEZFA.** – The BACSEZFA shall
37 maintain its principal office at the Airport City, but it may establish liaison offices
38 within the Philippines as may be necessary for the proper conduct of its business.

39 **SEC. 13. Powers and Functions of the BACSEZFA.** – The BACSEZFA
40 shall have the following powers and functions:

1 (a) Operate, administer, manage and develop the Bulacan Ecozone
2 according to the principles and provisions set forth in this Act: *Provided*, That the
3 management and operations of the Airport Project and the Airport City Project
4 shall be in accordance with RA 11506;

5 (b) Register, regulate and supervise the enterprises in the Bulacan Ecozone
6 in an efficient and decentralized manner, subject to existing laws;

7 (c) Coordinate with LGUs and exercise general supervision over the
8 development plans, activities and operations of the Bulacan Ecozone; and adopt,
9 prepare, and implement a comprehensive and detailed development plan embodying
10 a list of projects for the sound and balanced conversion of the Bulacan Ecozone
11 consistent with ecological and environmental standards, proper waste management
12 practices, effective flood control and management, mandatory water impoundment,
13 and other productive uses to promote the economic and social development of the
14 Municipality of Bulakan and its extensions in particular and the country in general;

15 (d) Undertake the establishment, construction, operation and maintenance
16 of public utilities, other services, and infrastructure in the Bulacan Ecozone such
17 as light and power, shipping, barging, stevedoring, cargo handling, hauling,
18 warehousing, storage of cargo, port services or concessions, piers, wharves,
19 bulkheads, bulk terminals, mooring areas, storage areas, roads,
20 telecommunications, transport, bridges, terminals, conveyors, water supply and
21 storage, sewerage, and drainage: *Provided*, That such shall be in compliance and
22 coordination with the rules and regulations of the concerned departments and
23 agencies;

24 (e) Construct, acquire, own, lease, operate and maintain on its own or
25 through contracts, franchise, licenses, bulk purchase from the private sector or
26 permits under any of the schemes allowed in RA 6957, or the "Build-Operate-
27 Transfer Law," as amended, or joint venture, adequate facilities and
28 infrastructure required or needed for the operation and development of the
29 Bulacan Ecozone, in coordination with appropriate national and local government
30 authorities and in conformity with applicable laws thereon;

31 (f) Approve plans, programs and projects of the Bulacan Ecozone, to be
32 submitted to the RDC for inclusion and inputs to the overall regional development
33 plan;

34 (g) Operate on its own, either directly or through licenses to others, tourism-
35 related activities, including games, amusements, recreational and sports facilities;
36 *Provided*, That any and all businesses that host games of chance and/or accept
37 bets for monetary rewards, or any gambling or gaming-related activity that falls
38 under the mandate of the Philippine Amusement and Gaming Corporation
39 (PAGCOR) or otherwise, including but not limited to, animal fighting and racing,
40 numbers games and small-town lotteries, casinos, slot machines or bingo parlors,
41 and games that involve cards, roulette and dice, sports betting, offshore gaming
42 operations, or any activities that support gaming or gambling, even if the same is

1 regulated or licensed or allowed by Philippine laws cannot be registered with the
2 BACSEZFA;

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

10 (i) Protect, preserve, maintain, and develop the forests, beaches, coral and
11 coral reefs, and maintain ecological balance within the Bulacan Ecozone. The rules
12 and regulations of the Department of Environment and Natural Resources
13 (DENR) and other government agencies involved in the above functions shall be
14 implemented by the BACSEZFA;

15 (j) Create, operate or contract to operate such functional units or offices of
16 the BACSEZFA as it may deem necessary;

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

21 (l) Issue certificates of origin for products manufactured or processed in the
22 Bulacan Ecozone in accordance with prevailing rules of origin and the pertinent
23 regulations of the PEZA, the DTI and the DOF;

24 (m) Establish one-stop shops for the issuance of all necessary permits,
25 clearances, licenses, and other similar certifications to conduct such activities
26 intended to improve the ease of doing business within the Bulacan Ecozone, in
27 coordination with government agencies having jurisdiction over activities therein:
28 *Provided*, That all government agencies are directed to provide and extend
29 utmost and full cooperation to the Bulacan Ecozone in the establishment of such
30 one-stop shops;

31 (n) Provide internal security to the Bulacan Ecozone in coordination with
32 the NG and affected LGU. For this purpose, the BACSEZFA shall provide and
33 establish its own internal security and firefighting forces or hire others to provide
34 the same. Military forces to be assigned by the NG for national defense purposes
35 shall not interfere in the internal affairs of the Bulacan Ecozone and expenditures
36 for these military forces shall be borne by the NG;

37
38 (o) Exercise such powers, subject to existing laws, rules, and regulations, as
39 may be essential, necessary or incidental to the powers granted to it hereunder,
40 including imposition of necessary fees and penalties, that shall enable it to carry out,
41 implement and accomplish the purposes, objectives and policies of this Act; and

1 (p) Issue rules and regulations within the exercise of its powers under this
2 Section, subject to existing laws, rules, and regulations.

3 **SEC. 14. Board of Directors of the BACSEZFA.** – The powers of the
4 BACSEZFA shall be vested in and exercised by a Board of Directors, composed
5 of eleven (11) members, hereinafter referred to as the Board, which shall be
6 composed of the following:

7 (a) The Chairperson of the BACSEZFA, who shall be elected from among
8 the Members of the Board;

9 (b) The Administrator of the BACSEZFA, who shall be appointed by the
10 President of the Philippines and shall serve as the Vice-Chairperson;

11 (c) Members consisting of:

- 12 (1) A designated representative from the OP;
- 13 (2) The Secretary or a designated representative of the DOF;
- 14 (3) The Secretary or a designated representative of the DTI;
- 15 (4) The Secretary or a designated representative of the National
16 Economic and Development Authority (NEDA);
- 17 (5) The Governor, or a designated representative, of the Province of
18 Bulacan;
- 19 (6) The designated representative of the mayors of the cities and
20 municipalities covering the Bulacan Ecozone, to be elected from
21 among themselves.
- 22 (7) The Chairperson or a designated representative of the Regional
23 Development Council of Central Luzon.
- 24 (8) One (1) independent director representing the private sector who
25 has at least ten (10) years' experience in the following areas:
26 business, trade, port and logistics operations, and freeport or
27 economic zone operations;
- 28 (9) One (1) representative from the workers in the Bulacan Ecozone;
29 and
- 30 (10) One (1) independent director representing the Airport Project and
31 Airport City Project.

32 The Administrator and the members of the Board shall be appointed by the
33 President of the Philippines to serve for a term of six (6) years, unless sooner
34 separated from service due to death, voluntary resignation or removal for cause.
35 In case of death, resignation or removal for cause, their replacements shall serve
36 only the unexpired portion of the respective terms.

37 No person shall be appointed by the President of the Philippines as a
38 member of the Board unless one is a Filipino citizen, of good moral character, of
39 proven probity and integrity, and a degree-holder in any of the following fields:
40 economics, business, public administration, law, management or their equivalent,

1 and with at least ten (10) years relevant working experience preferably in the field
2 of management or public administration.

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

6 **SEC. 15. *Organization and Personnel.*** – The Board shall provide for its
7 organization and staff. The Board shall appoint and fix the remuneration and
8 other emoluments of its officers and employees in accordance with existing laws
9 on compensation and position classification. The Board shall have exclusive and
10 final authority to promote, transfer, assign, reassign, or remove officers of the
11 BACSEZFA, any provision of existing law to the contrary notwithstanding. The
12 Administrator shall execute the decisions of the Board.

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

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

19 **SEC. 16. *Powers and Duties of the Chairperson.*** – The Chairperson shall
20 have the following powers and duties:

21 (a) Direct and manage the affairs of the BACSEZFA in accordance with the
22 policies of the Board;

23 (b) Preside at all meetings of the Board;

24 (c) Ensure that all policies, directives, plans, and programs formulated by the
25 Board are faithfully carried out by the Administrator as Chief Executive Officer of
26 BACSEZFA; and

27 (d) Exercise such powers and perform such functions and duties as the
28 President may direct, or as may be assigned to him by the BACSEZFA.

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

31 (a) Act as Chief Executive Officer of the BACSEZFA;

32 (b) Establish the internal organization of the BACSEZFA under such
33 conditions that the Board may prescribe;

34 (c) Submit an annual budget and necessary supplemental budget to the
35 Board for its approval;

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

3 (e) Submit to the Board for its approval, policies, systems, procedures, rules
4 and regulations that are essential to the operation of the Bulacan Ecozone;

5 (f) Execute, administer, and implement the policies and measures approved
6 and adopted by the Board;

7 (g) Directly administer and supervise the operations and day-to-day business
8 activities of the BACSEZFA;

9 (h) Represent the BACSEZFA in all dealings with offices, agencies, and
10 instrumentalities of the government and with all persons and entities, public or
11 private, domestic or foreign, unless otherwise directed by the President or by
12 the Board;

13 (i) Execute, on behalf of the BACSEZFA, all contracts, agreements, and other
14 instruments affecting the interests of the BACSEZFA duly approved by the Board;

15 (j) Direct and supervise the preparation of the agenda for the meetings of
16 the Board;

17 (k) Preside at the meetings of the Board in the absence of the Chairperson;

18 (l) Recommend to the Board the remuneration and other emoluments of its
19 officers and employees in accordance with existing laws on compensation and
20 position classification;

21 (m) Create a mechanism in coordination with relevant agencies for the
22 promotion of industrial peace, the protection of the environment, and the
23 advancement of the quality of life in the Bulacan Ecozone; and

24 (n) Perform such other duties as may be assigned by the Board or which are
25 necessary or incidental to the office.

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

31 **CHAPTER III**
32 **INCENTIVES TO ECOZONE ENTERPRISES/INVESTORS**

33 **SEC. 19. *Investors and other Special Visas.*** – Foreign nationals who
34 either intend to invest in the Bulacan Ecozone or possess highly specialized skills

1 can apply for a special resident visa in the Bulacan Ecozone. The special
2 resident visa shall be of two types: (a) The investor's visa; and (b) the special
3 skills visa.

4 (a) Special skills visa. – The BACSEZFA shall identify the highly specialized
5 skills deemed necessary or strategic for the development of the Bulacan Ecozone.
6 Managers and highly technical personnel required for the operation of the
7 enterprises registered with the BACSEZFA shall also qualify for the special skills
8 visa. Applications for the special skills visa shall be sponsored by registered
9 business enterprises that require the expertise of the applicants.

10 Foreign nationals who may serve as faculty members of Bulacan State
11 University campuses and other government and private higher educational
12 institutions within the Bulacan Ecozone shall also be eligible for the special
13 resident visa subject to the rule on reciprocity. The educational institution, with
14 concurrence from the Commission on Higher Education (CHED), shall sponsor the
15 application of the applicant. The CHED shall promulgate the guidelines and
16 eligibility requirements for applicants for the special skills visa who shall be
17 faculty members of educational institutions in the Bulacan Ecozone.

18 The BACSEZFA and the Bureau of Immigration (BI) shall formulate the
19 necessary guidelines for the submission and approval of applications, as well as
20 the monitoring of visa grantees under this paragraph.

21 (b) *Investors Visa.* – Any foreign national who invests an amount of one
22 hundred fifty thousand US dollars (US\$ 150,000.00), either in cash and/or
23 equipment, in a BACSEZFA-registered enterprise shall be entitled to an investor's
24 visa to be issued by the Bureau of Immigration subject to the recommendation of
25 the BACSEZFA and the endorsement of the Board of Investments: *Provided*, That
26 the foreign national:

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

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

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

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

33 (e) Must be financially capable as borne out by credible and verifiable
34 evidence.

35 A foreign national shall be granted permanent resident status within the
36 territorial coverage of the Bulacan Ecozone while the investment subsists. To
37 prove this, the foreign national should submit an annual report in the form duly
38 prescribed for the purpose. Should said investments be withdrawn from the

1 Philippines, the investor's visa issued to said foreign national shall automatically
2 expire or be withdrawn. The BACSEZFA may also recommend to the BI the grant
3 of visas providing more favorable terms of residency to a foreign national who
4 meets the criteria under this Section.

5 A foreign national, not categorized as "restricted" as determined by the DFA,
6 visiting the Bulacan Ecozone for business and/or tourism purposes may be allowed
7 to enter all ports of entry in the Bulacan Ecozone and stay therein without visa for
8 a maximum period of ninety (90) days: *Provided*, That, upon arrival, they present
9 their passports, Certificates of Identity or travel documents valid for at least six
10 (6) months beyond the intended stay in the Bulacan Ecozone and confirmed
11 onward flight or marine vessel tickets through the same port used as port of entry
12 in the Bulacan Ecozone. The determination of the identity and admissibility of the
13 foreign national seeking to enter the Bulacan Ecozone shall be the primary
14 responsibility of the BI.

15 Foreign nationals who enter visa-free as mentioned above shall leave or
16 depart from the Philippines only through the New Manila International Airport
17 or Seaport.

18 The DFA, BI, and BACSEZFA, in consultation with the National Intelligence
19 Coordinating Agency, shall ensure that there will be no detriment to national
20 security in the implementation of this visa free provision. The authority to issue
21 visas and work permits shall remain with the BI and the Department of Labor and
22 Employment (DOLE), respectively: *Provided*, That the BI and the DOLE shall
23 implement measures to expedite the processing of such visas and permits for
24 workers in the Bulacan Ecozone and coordinate with the BACSEZFA for the
25 purpose of improving ease of doing business.

26 **SEC. 20. *Fiscal Incentives.*** – Registered enterprises operating within the
27 Bulacan Ecozone may apply for pertinent fiscal incentives granted under Title XIII
28 of the NIRC of 1997, as amended, and for such other fiscal incentives as may be
29 provided by law: *Provided*, That the grant of fiscal incentives shall be subject to
30 Section 292 of the NIRC of 1997, as amended.

31 **SEC. 21. *Administration, Implementation and Monitoring of***
32 ***Incentives.*** – In the interest of enhancing transparency in the management and
33 accounting of tax incentives in the Bulacan Ecozone, and ensuring the proper
34 administration, management, enforcement, implementation and monitoring of tax
35 incentives, the BACSEZFA shall comply with the provisions of RA 11534, otherwise
36 known as the "Corporate Recovery and Tax Incentives for Enterprises Act," and its
37 implementing rules and regulations; and other rules, regulations, and issuances
38 made by the Fiscal Incentives Review Board, pursuant to Chapter III, Title XIII
39 of the NIRC of 1997, as amended.

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CHAPTER V
MISCELLANEOUS PROVISIONS

3 **SEC. 27. Appropriations.** – The amount necessary to subscribe and pay for
4 the shares of the national government to the capital stock of the BACSEZFA shall
5 be included in the General Appropriations Act. For the LGUs concerned, the funds
6 shall be taken from their national tax allotment and other local funds.

7 **SEC. 28. Interpretation and Construction.** – The powers, authorities
8 and functions that are vested in the BACSEZFA are intended to establish national
9 self-sufficiency and self-reliance in the advancement of and protection of national
10 integrity, enhancement of national security, decentralization of governmental
11 functions and authority, and promote an efficient and effective working
12 relationship among the BACSEZFA, the NG and the LGUs. Any interpretation of
13 this Act shall consider such intentions. In the event of conflict of interpretation
14 and provided the intentions cannot be harmonized, the provisions of this Act shall
15 be construed in favor of an interpretation that would tend to protect national
16 security.

17 **SEC. 29. Applicability Clause.** – Insofar as these are consistent with
18 the provisions of this Act, the provisions of Sections 30 to 41 of Republic Act
19 No. 7916 or “The Special Economic Zone Act of 1995” shall likewise apply to the
20 Bulacan Ecozone.

21 **SEC. 30. Implementing Rules and Regulations.** – The DTI shall
22 formulate the implementing rules and regulations of this Act, in consultation with
23 DOF, NEDA, the Province of Bulacan, and a representative from the Airport
24 Project and the Airport City Project within ninety (90) days after the effectivity of
25 this Act. Such rules and regulations shall take effect fifteen (15) days after their
26 publication in a newspaper of general circulation in the Philippines.

27 **SEC. 31. Separability Clause.** – If any provision of this Act shall be held
28 unconstitutional or invalid, the other provisions not otherwise affected shall
29 remain in full force and effect.

30 **SEC. 32. Repealing Clause.** – All laws, executive orders or issuances or
31 any part thereof, which are inconsistent herewith, are hereby repealed or
32 amended accordingly.

33 **SEC. 33. Effectivity.** – This Act shall take effect fifteen (15) days after its
34 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

