

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
First Regular Session

HOUSE OF REPRESENTATIVES
RECEIVED
DATE: <u>30 JUN 2016</u>
TIME: <u>12:09 PM</u>
BY: <u>[Signature]</u>
REGISTRATION UNIT
BILLS AND INDEX SERVICE

RESOLUTION OF BOTH HOUSES NO. 02

Introduced by Representative Feliciano Belmonte, Jr.

**RESOLUTION OF BOTH HOUSES
PROPOSING AMENDMENTS TO CERTAIN ECONOMIC PROVISIONS
OF THE 1987 CONSTITUTION OF THE REPUBLIC OF THE PHILIPPINES
PARTICULARLY ON ARTICLES XII, XIV & XVI**

WHEREAS, the Constitution is the fundamental law of the land which defines, establishes and confers powers to the State and provides for the correlative obligation of the people to abide by it;

WHEREAS, the Constitution, as a covenant between the State and the people, vests on the government the duty to provide decent living conditions to its people;

WHEREAS, the mandate given to current leaders who advocated for change signifies renewed trust in the government and immense optimism in its ability and commitment to bring about improvement in the quality of life of Filipinos;

WHEREAS, the trust reposed by the people upon the country's leaders has encouraged more investments which have led to economic growth, earning for the Philippines the reputation as the fastest growing economy in Asia;

WHEREAS, growing global interest in Asia provides an opportunity for the Philippines to compete for more investments;

WHEREAS, statistics show that despite the economic growth, poverty incidence remained constant for the past six (6) years, thus the need to urgently address the issue;

WHEREAS, in order to realize the full benefit of inclusive growth, the restrictive economic provisions in the Philippine Constitution which hamper the flow of foreign capital investments must be lifted; Now, therefore, be it

RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES, by a vote of three-fourths (3/4) of all its Members, each House voting separately, and pursuant to Article XVII of the Constitution, to propose amendments to Articles XII, XIV & XVI of the 1987 Constitution of the Republic of the Philippines, with the following proposals:

1. On paragraph 1, Section 2 of Article XII (National Patrimony and Economy), insert the phrase *unless otherwise provided by law* after the fourth sentence and add a comma before the phrase, to read as follows:

“Section 2. All lands of the public domain, waters, minerals, coal, petroleum, and other mineral oils, all forces of potential energy, fisheries, forests or timber, wildlife, flora and fauna, and other natural resources are owned by the State. With the exception of agricultural lands, all other natural resources shall not be alienated. The exploration, development, and utilization of natural resources shall be under the full control and supervision of the State. The State may directly undertake such activities, or it may enter into co-production, joint venture, or production-sharing agreements with Filipino citizens, or corporations or associations at least 60 per centum of whose capital is owned by such citizens, **UNLESS OTHERWISE PROVIDED BY LAW.** Such agreements may be for a period not exceeding twenty-five years, renewable for not more than twenty-five years, and under such terms and conditions as may provided by law. In cases of water rights for irrigation, water supply, fisheries, or industrial uses other than the development of waterpower, beneficial use may be the measure and limit of the grant.”

2. On paragraph 1, Section 3 of Article XII (National Patrimony and Economy), insert the phrase *unless otherwise provided by law* after the fourth sentence and add a comma before the phrase, to read as follows:

“Section 3. Lands of the public domain are classified into agricultural, forest or timber, mineral lands and national parks. Agricultural lands of the public domain may be further classified by law according to the uses to which they may be devoted. Alienable lands of the public domain shall be limited to agricultural lands. Private corporations or associations may not hold such alienable lands of the public domain except by lease, for a

period not exceeding twenty-five years, renewable for not more than twenty-five years, and not to exceed one thousand hectares in area, **UNLESS OTHERWISE PROVIDED BY LAW.** Citizens of the Philippines may lease not more than five hundred hectares, or acquire not more than twelve hectares thereof, by purchase, homestead, or grant."

3. On Section 7 of Article XII (National Patrimony and Economy), insert the phrase *unless otherwise provided by law* after the word "succession" and add a comma before the phrase, to read as follows:

"**Section 7.** Save in cases of hereditary succession, **UNLESS OTHERWISE PROVIDED BY LAW,** no private lands shall be transferred or conveyed except to individuals, corporations, or associations qualified to acquire or hold lands of the public domain."

4. On paragraph 1, Section 10 of Article XII (National Patrimony and Economy), insert the phrase *unless otherwise provided by law* after the first sentence with a comma before the phrase, to read as follows:

"**Section 10.** The Congress shall, upon recommendation of the economic and planning agency, when the national interest dictates, reserve to citizens of the Philippines or to corporations or associations at least sixty per centum of whose capital is owned by such citizens, or such higher percentage as Congress may prescribe, certain areas of investments, **UNLESS OTHERWISE PROVIDED BY LAW.** The Congress shall enact measures that will encourage the formation and operation of enterprises whose capital is wholly owned by Filipinos."

5. On Section 11 of Article XII (National Patrimony and Economy), insert the phrase *unless otherwise provided by law* between the word "citizens" and the symbol ";" in the first sentence and add a comma before the said phrase; also, insert the phrase *unless otherwise provided by law* before the last sentence thereof, , to read as follows:

“Section 11. No franchise, certificate, or any other form of authorization for the operation of a public utility shall be granted except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines, at least sixty per centum of whose capital is owned by such citizens, **UNLESS OTHERWISE PROVIDED BY LAW**; nor shall such franchise, certificate, or authorization be exclusive in character or for a longer period than fifty years. Neither shall any such franchise or right be granted except under the condition that it shall be subject to amendment, alteration, or repeal by the Congress when the common good so requires. The State shall encourage equity participation in public utilities by the general public. **UNLESS OTHERWISE PROVIDED BY LAW, [T]**the participation of foreign investors in the governing body of any public utility enterprise shall be limited to their proportionate share in its capital, and all the executive and managing officers of such corporation or association must be citizens of the Philippines.”

6. On paragraph 1, no. 2, Section 4 of Article XIV (Education, Science and Technology, Arts, Culture, and Sports), insert the phrase *unless otherwise provided by law* at the end of the first sentence and insert a comma before the phrase. On paragraph 2, no. 2, add the phrase *unless otherwise provided by law* at the end of the sentence thereof and insert a comma before the phrase, to read as follows:

“Section 4. (2) Educational institutions, other than those established by religious groups and mission boards, shall be owned solely by citizens of the Philippines or corporations or associations at least sixty per centum of the capital of which is owned by such citizens, **UNLESS OTHERWISE PROVIDED BY LAW**. The Congress may, however, require increased Filipino equity participation in all educational institutions.

The control and administration of educational institutions shall be vested in citizens of the Philippines, **UNLESS OTHERWISE PROVIDED BY LAW.**”

7. On paragraph 1, no. 1, Section 11 of Article XVI (General Provisions), add the phrase *unless otherwise provided by law* after the sentence and insert a

