



## HOUSE OF REPRESENTATIVES

H. No. 9826

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BY REPRESENTATIVES DUTERTE, YAP (E.), BAUTISTA, NOLASCO, OLIVAREZ, VILLAFUERTE, TAMBUNTING, RODRIGUEZ, GARCIA (J.E.), ARROYO, GONZALEZ, SALCEDA, SINSUAT, TADURAN, TEVES (J.), SINGSON-MEEHAN, ABAYA, ABU, ABUNDA, ACOSTA-ALBA, ADIONG, ADVINCULA, AGABAS, ALBANO (A.), ALMARIO, ALONTE, ALVAREZ (F.), ANGARA, ARAGONES, ARBISON, ARENAS, MACAPAGAL ARROYO, BABASA, BAGATSING, AGUINALDO, BALINDONG, BARBA, BARBERS, BASCUG, BAUTISTA-BANDIGAN, BOLILIA, BONDOC, BORDADO, BRAVO, BUSTOS, CAGAS, CAMPOS, CAOAGDAN, CELESTE, CHATTO, CHIPECO, COLLANTES, CRISOLOGO, CUA, CUARESMA, CUEVA, DAGOOC, DALOG, DEFENSOR (M.), DELOS SANTOS, DELOSO-MONTALLA, DIMAPORO (M.K.), DY (F.M.C.), DY (I.P.), EBCAS, ECLEO, ENVERGA, ERICE, ERIGUEL, ERMITA-BUHAIN, ESCUDERO, ESPINO, ESTRELLA, FARIÑAS (R.C.), FERNANDEZ, FERRER (L.), FLORES, FORTUN, FORTUNO, FRASCO, FUENTEBELLA, GARCIA (V.), GARIN (J.), GASATAYA, GATO, GO (E.C.), GO (M.), GONZALES (A.), GONZALES (N.), GUICO, GUYA, HATAMAN, HERNANDEZ, HOFER, JALOSJOS, JAVIER, JIMENEZ, KHO (E.), KHO (W.), KHONGHUN, LACSON-NOEL, LAZATIN, LEACHON, LIM, LIMKAICHONG, LOPEZ, LOYOLA, LUSOTAN, MADRONA, MALAPITAN, MANGAOANG, MANGUDADATU, MARIANO-HERNANDEZ, MATUGAS, MERCADO, MOMO, NATIVIDAD-NAGAÑO, NAVA, NIETO, NOEL, NUÑEZ-MALANYAON, OAMINAL, ONG (J.), ONG (R.), OUANO-DIZON, PACQUIAO (R.), PADIERNOS, PADUANO, PANCHO, PEÑA, PIMENTEL, PLAZA, PUNO, RADAZA, RAMIREZ-SATO, REVILLA, REYES, RIVERA, ROMAN, ROBES, ROQUE, SACDALAN, SAGARBARRIA, SAKALURAN, SALIMBANGON, SALO, SANCHEZ, SANGCOPAN, SANTOS-RECTO, SAULOG, SAVELLANO, SIAO, SUAREZ (A.), SUNTAY, SY-ALVARADO, TAN (A.S.), TAN (S.), TAN-TAMBUT, TEJADA, TEVES (A.), TOLENTINO, TUPAS, TUTOR, TY (D.), UY (R.), VALERIANO, VALMAYOR, VARGAS, VARGAS ALFONSO, VELOSO, VERGARA, VILLA, VILLANUEVA (E.), VILLAR, VILLARAZA-SUAREZ, VIOLAGO, YAP (V.), ZUBIRI, CALDERON, REMULLA, SILVERIO, ROMUALDEZ (F.M.), ROMUALDEZ (Y.M.), UMALI (A.), SUANSING (E.), QUIMBO, LACSON, GARIN (S.), BIAZON, GARCIA (P.J.), SUANSING (H.), ROMERO, CO (A.N.), DE VENECIA, TULFO, AGLIPAY, HERRERA-DY, ORDANES, LAGON, VELASCO AND ABANTE, PER COMMITTEE REPORT NO. 1084

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### AN ACT CREATING THE BORACAY ISLAND DEVELOPMENT AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS, AND PROVIDING FUNDS THEREFOR

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

- 1           **SECTION 1. Short Title.** - This Act shall be known as the “Boracay Island  
2   Development Authority (BIDA) Act.”
- 3           **SEC. 2. Declaration of Policy.** - It is hereby declared the policy of the State  
4   to promote and accelerate the sustainable development and balanced growth of

1 Boracay Island consistent with the necessity of maintaining a sound ecological  
2 balance and protecting and enhancing the quality of the environment.

3 Towards this end, the State shall formulate policies, plans, programs, and  
4 projects for the management, rehabilitation, preservation, and enhancement of  
5 Boracay Island, ensure adequate provision for environmental management and  
6 control, the preservation of the quality of human life and ecological systems, and  
7 the prevention of undue ecological disturbances, degradation, and pollution.

8 The State shall likewise ensure fair, orderly, and environmentally sound  
9 manner of utilizing the wealth and natural resources of Boracay Island, promote and  
10 encourage the involvement of all sectors of society, and maximize people  
11 participation in natural resource management, conservation, and protection.

12 **SEC. 3. Objectives.** - To carry out the declared policy for the sustainable  
13 development of Boracay Island, the utilization of its natural resources and all  
14 development activities therein shall be in strict conformity with all the laws on the  
15 utilization, conservation, preservation, and protection of natural resources and the  
16 environment.

17 The development framework for Boracay Island shall translate into:

- 18 (a) Sustainable and balanced development;
- 19 (b) Sustainable domestic and foreign investments;
- 20 (c) Sustainable employment; and
- 21 (d) Sustainable growth with environmental protection.

22 **SEC. 4. Strategies.** - In order to facilitate, supervise, unify, and oversee the  
23 development plans in Boracay Island, the following shall be pursued:

- 24 (a) Establishment of the legal framework and mechanism for the administration  
25 and management of Boracay Island for its development and promotion as a world-  
26 class and eco-friendly smart island community tourist destination;
- 27 (b) Formulation of a comprehensive long-term Boracay Action Plan (BAP) for  
28 adoption and implementation in coordination with concerned National Government  
29 Agencies;
- 30 (c) Development of responsible tourism through the participation of local  
31 communities including indigenous peoples in conserving biophysical and cultural  
32 diversity;
- 33 (d) Protection, conservation, and restoration of the environment to ensure a  
34 balanced and healthful ecology;
- 35 (e) Ensure prompt and accurate collection, analysis, and dissemination of all  
36 data that will provide environmental protection and management;

1 (f) Maintain international standards of excellence in all tourism facilities and  
2 services, and promote the country, more particularly Boracay Island as an  
3 environmentally sustainable and safety-conscious tourism destination;

4 (g) Enhance international business relations to support tourism projects and  
5 environmental protection through partnership and joint venture undertaking  
6 involving local and foreign investors;

7 (h) Promote programs and activities such as on eco-farm tourism, lifestyle,  
8 medical and wellness, local arts and crafts, outdoor recreation, and other social  
9 activities like family reunions and celebrations, corporate conferences, and those  
10 with environmental preservation and conservation themes;

11 (i) Encourage the active participation of the private sector in transforming  
12 Boracay Island into an environmentally sustainable and safety conscious tourism  
13 destination;

14 (j) Ensure sustainable funding mechanism for the implementation of  
15 environment and tourism policies, plans, programs, projects, and activities; and

16 (k) Encourage and safeguard investments, both foreign and local, which will  
17 generate revenues to sustain the environmental and developmental objectives of  
18 the State through the pursuit of world-class and environmentally-sustainable  
19 tourism that can compete with other international premier tourist destinations.

20 **SEC. 5. Definition of Terms.** – As used in this Act,

21 (a) Ancestral Lands refer to land occupied, possessed, and utilized by  
22 individuals, families, and clans who are members of the Indigenous Cultural  
23 Communities/Indigenous People (ICCs/IPs) since time immemorial, by themselves  
24 or through their predecessors-in-interest, under claims of individual or traditional  
25 group ownership, continuously, to the present except when interrupted by war, force  
26 majeure or displacement by force, deceit, stealth, or as consequence of government  
27 projects and other voluntary dealings entered into by government and private  
28 individuals or corporations, including residential lots, rice terraces or paddies,  
29 private forests, swidden farms, and tree lots;

30 (b) Boracay Island refers to the most popular tourist destination in the  
31 country, located approximately three hundred fifteen kilometers (315 km) south of  
32 Manila, by plane, and two (2) kilometers off the Northwest tip of the Island of Panay  
33 in the Western Visayas Region of the Philippines, and whose territory is comprised  
34 of all the islands and waters around it, including islets within two (2) kilometer radius  
35 of the islands, as well as the waters around, between, and connecting the islands,  
36 regardless of breadth and dimension;

37 (c) Conservation refers to the wise use of natural resources that assures  
38 regeneration and replenishment for continuous benefit;

39 (d) Easement refers to the twenty-five (25) plus five (5) meters “no-build” area  
40 and setback observed in Boracay Island wherein no building or structures of any  
41 kind, neither commercial, business, recreational nor residential, whether permanent

1 or temporary, is allowed to be constructed or allowed to operate, particularly on the  
2 beaches around the island including the offshore waters with the exception of  
3 government facilities for the purpose of safety and security of the general public,  
4 such as lifeguard stations and communications and surveillance installations;

5 (e) Ecology refers to the life-sustaining interrelationships and interactions of  
6 organisms with each other and with their physical surroundings;

7 (f) Forest lands refer to the public forests, the permanent forest or forest  
8 reserves, and forest reservations;

9 (g) Forest reservations refer to forest lands which have been reserved by the  
10 President of the Philippines for any specific purpose or purposes;

11 (h) Graded system of protection refers to a system similar to zoning, where  
12 different areas are subjected to different levels of protection and development, as  
13 appropriate;

14 (i) Natural Resources refer to life-support systems such as the sea, coral  
15 reefs, soil, lakes, rivers, streams, and forests as well as useful products found  
16 therein such as minerals, wildlife, trees and other plants, including the aesthetic  
17 attributes of scenic sites that are not man-made;

18 (j) Permanent forest or forest reserve refers to those lands of the public  
19 domain which have been the subject of the present system of classification and  
20 have been determined to be needed for forest purposes;

21 (k) Public forest refers to lands of the public domain which have not been the  
22 subject of the present system of classification to determine which lands are needed  
23 for forest purposes and those which may be classified into other land classifications  
24 in accordance with the Constitution;

25 (l) Smart island community refers to a community where investments in  
26 human and social capital as well as traditional and modern infrastructure, the wise  
27 management of natural resources and the empowered participation of community  
28 thereto fuel sustainable economic growth and a high quality of life; and

29 (m) Sustainable development refers to the improvement in the quality of life  
30 of the present and future generations through the complementation of development  
31 and environmental protection activities and programs.

32 **SEC. 6. Creation of Boracay Island Development Authority (BIDA),**  
33 **Term, Coverage, and Jurisdiction.** - There is hereby created a government-  
34 owned and controlled corporation to be known as the Boracay Island Development  
35 Authority (BIDA), hereinafter known as the "Authority", to manage, develop, operate,  
36 preserve, and rehabilitate in accordance with the provisions of this Act the Boracay  
37 Island Development Zone, hereinafter referred to as the "Development Zone".

38 The Authority shall exist for fifty (50) years counted from the effectivity of this  
39 Act.

1 The metes and bounds of the Development Zone shall include the entirety of  
2 Boracay Island and surrounding islets including Barangay Caticlan and may be  
3 extended by the President of the Philippines through an Executive Order.

4 The Development Zone shall be transformed into a self-sustaining industrial,  
5 commercial, leisure, financial, and investment center to generate employment  
6 opportunities and attract and promote productive local and foreign investments,  
7 while strictly prioritizing the protection and preservation of the natural resources and  
8 biodiversity of Boracay Island: *Provided*, That the exercise of the Authority's powers  
9 and functions shall in no way diminish the autonomy of the local government units  
10 (LGUs) concerning purely local matters within the framework and subject to the  
11 mandate and limitations of the Constitution and the pertinent provisions of the Local  
12 Government Code of 1991.

13 **SEC. 7. Location of Principal Office.** - The Authority shall maintain its  
14 principal office in Boracay Island without prejudice to the establishment of branch  
15 or satellite offices in such other places as are deemed necessary for the proper  
16 conduct of its business.

17 **SEC. 8. Corporate Powers of the Authority.** - The Authority shall exercise  
18 the following powers and functions:

19 (a) Formulate and implement the Boracay Action Plan (BAP) geared  
20 towards investment sustainability and balanced development in Boracay;

21 (b) Ensure the preservation of the cultural heritage of the island;

22 (c) Regulate the maintenance of facilities, infrastructures, construction,  
23 and other services in the island, and pursuant thereof, fix fair and reasonable rates  
24 and charges;

25 (d) Adopt, alter, or use a corporate seal;

26 (e) Subject to existing laws, contract, lease, buy, sell, acquire, own, or  
27 dispose movable and immovable as well as personal and real property of whatever  
28 nature, including shares of stock or participation in private corporations or in limited  
29 partnerships, or in joint ventures with limited liability, bonds, precious metals,  
30 bullions, ingots, and easily convertible foreign exchange: *Provided*, That no real  
31 property thus acquired and any other real property shall be sold without the approval  
32 of the President of the Philippines;

33 (f) Sue and be sued in order to carry out its duties, responsibilities,  
34 privileges, powers and functions as granted and provided for in this Act;

35 (g) Exercise the power of eminent domain within its jurisdiction insofar as  
36 it may be reasonably necessary for the efficient maintenance and operation of  
37 services, the preservation of biodiversity and environmental conditions of the island,  
38 and to maximize public returns on government and private sector investments;

39 (h) Enter into, make, perform and carry out contracts of every class, kind,  
40 and description which are necessary or incidental to the realization of its purposes

1 with any person, firm or corporation, private or public, and with foreign government  
2 entities;

3 (i) Within the limitation provided by law, raise or borrow adequate and  
4 necessary funds from local or foreign sources to finance its projects and programs  
5 under this Act, and for that purpose to issue bonds, promissory notes, and other  
6 forms of securities, and to secure the same by a guarantee, pledge, mortgage, deed  
7 of trust, or an assignment of all or part of its property or assets;

8 (j) Establish a mechanism for the sustainable development and use of  
9 the Development Zone, defining for the purpose the mode of acquisition for certain  
10 parcels of the public domain classified as land open to disposition: *Provided*, That  
11 the Authority may recommend to the President of the Philippines, in consultation  
12 with concerned agencies and local government authorities, the reclassification or  
13 subclassification of lands within its territorial jurisdiction to spur ecologically  
14 balanced economic growth and development;

15 (k) In coordination with concerned government agencies, establish a  
16 graded system of protection and development control over the entire area of the  
17 Development Zone, including its tribal lands, forests, mines, agricultural areas,  
18 settlement areas, biodiversity, coastal areas, mangroves, coral reefs, seagrass  
19 beds and the surrounding sea;

20 (l) Establish facilities on public domain classified as land open for  
21 disposition for the purpose of safety and security of the Development Zone, such as  
22 lifeguard stations and communications and surveillance installations;

23 (m) Accept any local or foreign grant, assistance, bequeath, and  
24 donations of all kinds from government and private sectors and utilize the same,  
25 subject to such rules and regulations to be promulgated by and in conformity with  
26 the internal policies of the Authority without prejudice to existing laws, rules and  
27 regulations;

28 (n) Coordinate with the Municipality of Malay to promote, approve,  
29 accept, accredit, and allow any local or foreign business, enterprise, or investment  
30 in the Development Zone subject only to the nationalization limits imposed by the  
31 Constitution, and to such rules and regulations as may be promulgated from time to  
32 time in conformity with the provisions of this Act;

33 (o) Authorize or undertake on its own or through others, and regulate in  
34 coordination with the concerned government agencies, the establishment,  
35 operation, and maintenance of public utilities, waste management systems,  
36 services, and infrastructure in the Development Zone such as shipping, barging,  
37 stevedoring, cargo handling, hauling, warehousing, storage of cargo, port services  
38 or concessions, piers, wharves, bulkheads, bulk terminals, mooring areas, storage  
39 areas, roads, bridges, terminals, conveyors, water supply and storage, sewerage,  
40 drainage, economic aspect of air transportation, electricity and power supply,  
41 telecommunications facilities, and such other services or concessions or  
42 infrastructure, necessary or incidental to the accomplishment of the objectives of  
43 this Act;

1 (p) Impose fees and charges for the protection and sustainability of the  
2 environment and surrounding islands;

3 (q) Manage and impose fees or charges on the utilization of lands  
4 acquired by the Authority and share income from the tenurial instruments issued by  
5 the DENR subject to existing laws, rules and regulations;

6 (r) Construct, acquire, own, lease, operate and maintain on its own or  
7 through others by virtue of contracts, franchises, licenses or permits under the Build-  
8 Operate-Transfer scheme or under a joint-venture with the private sector, any or all  
9 of the public utilities and infrastructure required or needed in the Development Zone,  
10 in coordination with the appropriate national government authorities and in  
11 conformity with applicable laws thereon;

12 (s) Recognize, protect, and promote the rights of the indigenous cultural  
13 communities or indigenous peoples ICCs/IPs to participate in decision making  
14 matters directly affecting their lives, beliefs, institutions, spiritual well-being, and the  
15 lands they own, occupy, or use in conformity to the framework of unity and  
16 development mandated by the Constitution and applicable norms and principles;

17 (t) Protect, maintain, and develop forestlands, protected areas, and  
18 wetlands in accordance with DENR rules and regulations and the pertinent laws and  
19 regulations implemented by other government agencies in order to conserve  
20 specific terrestrial and marine areas representative of the Philippine natural and  
21 cultural heritage for present and future generations;

22 (u) Adopt and implement measures and standards, following the ridge-to-  
23 reef approach to prevent or mitigate environmental pollution of all areas within the  
24 Development Zone. To this end, the Authority may enact and enforce  
25 environmental pollution control measures to maintain and improve the  
26 environmental quality of water sources, rivers, streams, creeks, wetlands, coastal  
27 areas: *Provided*, That these measures and standards shall not be lower than the  
28 minimum standards imposed by the DENR and its Environment Management  
29 Bureau, the Department of Health (DOH), and such other relevant government  
30 agencies;

31 (v) Identify and endorse the licensing of tourism projects: leisure,  
32 amusement, recreational, entertainment, eco-farm tourism and learning sites,  
33 medical tourism, and sports related activities, subject to priorities and standards set  
34 by law as implemented by concerned government agencies: *Provided*, That gaming  
35 facilities shall continue to be licensed by the Philippine Amusement and Gaming  
36 Corporation (PAGCOR) upon recommendation of the Authority: *Provided*,  
37 *furthermore*, That accreditation of eco-farm tourism and learning sites shall continue  
38 to be under the authority of the Department of Agriculture (DA) upon  
39 recommendation of the Authority: *Provided, finally*, That the designation and  
40 certification of hospitals and clinics for medical tourism purposes shall continue to  
41 be exercised by the DOH upon written endorsement of the Authority;

42 (w) Coordinate with the appropriate government agencies and the LGUs  
43 concerned in the enforcement of its policies, rules and regulations to ensure that

1 plans, programs and projects of all stakeholders are aligned with the developmental,  
2 management, and protection plans of the Authority;

3 (x) Ensure the existence of the basic components of the Philippine  
4 criminal justice system in the Development Zone in order to address crimes affecting  
5 local and foreign residents, tourists, and investors, in coordination with the relevant  
6 national government agencies including recommending to the Supreme Court the  
7 designation of special courts to hear and try such cases. For this purpose, the  
8 Authority may establish a Boracay Law Enforcement, Safety and Security Service  
9 (BLESSS) in coordination with the following agencies with regard to their respective  
10 jurisdictions and mandates:

11 i. The Department of the Interior and Local Government (DILG) shall assign  
12 a composite team to the Authority from the Philippine National Police  
13 (PNP), including the PNP-Aviation Security Group and Bureau of Fire  
14 Protection (BFP), to act as support units: *Provided*, That they shall be  
15 under the direct control and supervision of the DILG Central Office for  
16 policy direction and coordination and not the regional and provincial  
17 directorate of their respective units;

18 ii. The Department of Justice (DOJ) shall provide a dedicated prosecution  
19 team and personnel from the Bureau of Immigration and National Bureau  
20 of Investigation to the Authority as support, who shall all be under the  
21 direct control and supervision of the DOJ Central Office for policy direction  
22 and coordination and not the regional and provincial directorate;

23 iii. The Philippine Coast Guard (PCG) shall provide a detailed service to the  
24 Authority as support: *Provided*, That such PCG unit shall be under the  
25 direct control and supervision of the PCG Central Office for policy direction  
26 and coordination, and not the regional and provincial directorate;

27 iv. The Department of Transportation (DOTr) shall provide a dedicated Land  
28 Transportation Office (LTO) Licensing and Registration Team to the  
29 Authority as support which shall be under the direct control and  
30 supervision of the DOTr Central Office and not the regional and provincial  
31 directorate; and

32 v. The DENR shall provide a dedicated team to the Authority as support,  
33 that shall be under the direct control and supervision of the DENR-  
34 Central Office for policy direction and coordination and not the regional  
35 and provincial offices.

36 (y) Create its own security force and firefighting capability or hire others  
37 to provide the same;

38 (z) Adopt, amend, enforce, and rescind its rules and regulations to  
39 conform with national laws and impose reasonable fines to effectively implement  
40 the provisions of this Act;



1 (aa) Issue rules and regulations consistent with the provisions of this Act  
2 as may be necessary to implement and accomplish the purposes, objectives and  
3 policies herein provided;

4 (bb) Exercise such powers as may be essential, necessary, or incidental  
5 to the powers granted to it hereunder as well as those that shall enable it to carry  
6 out, implement and accomplish the purposes, objective and policies of this Act;

7 (cc) Adopt and implement measures and standards for environmental  
8 pollution control of all areas within its territory, including all bodies of water and to  
9 enforce the same, for which purpose the Authority shall create an ecology center  
10 that shall undertake studies and recommend programs and projects to improve the  
11 health and determine the environmental impacts of residents and guests in Boracay  
12 Island;

13 (dd) Impose environmentally related conditions on investments and  
14 enterprises within its jurisdiction in addition to conditions already required by law;

15 (ee) Order the demolition or removal of structures illegally constructed in  
16 public areas, including road and beach easements, wetlands and forest land areas.  
17 Such demolition or removal shall be carried out by the Department of Public Works  
18 and Highways (DPWH) upon the recommendation of the Authority;

19 (ff) Order the closure, cessation of operations, suspension, or stoppage  
20 of development or construction of establishments for non-compliance with the terms  
21 and conditions of permits and licenses issued to them, or violations of any provision  
22 of this Act, or the rules and regulations issued by the Authority and existing laws;

23 (gg) Regulate and control the entry of people, especially informal settlers,  
24 vehicles, supplies and materials to the island consistent with the prevailing carrying  
25 capacity study;

26 (hh) Adopt, amend, and rescind such rules and regulations and impose  
27 reasonable fines and penalties for the effective implementation of the provisions of  
28 the Act;

29 (ii) Formulate and implement innovative management techniques and  
30 strategies for the enforcement of a land use scheme and zoning plan, buffer zone  
31 management for multiple use and protection, habitat conservation and  
32 rehabilitation, diversity management, community organizing, socioeconomic and  
33 scientific researches, site-specific policy development, pest management, fire  
34 control, and such other aspects incidental and necessary to the lawful  
35 implementation of the Authority's mandate;

36 (jj) Authorize the establishment of appropriate educational and medical  
37 institutions;

38 (kk) Promulgate rules and regulations, set policies and standards  
39 governing the delivery of basic services, and prescribe and collect service and  
40 regulatory fees;

1 (ll) Endorse to the Bureau of Immigration for approval the issuance of  
2 working visas to foreign executives and other aliens working within the Development  
3 Zone as long as their roles are managerial, technical, or advisory in nature. In  
4 addition, the Authority may also recommend to the Bureau of Immigration the  
5 issuance of special non-immigrant visas with multiple entry privileges to non-  
6 resident foreign nationals: *Provided*, That they are investors, supervisors, or  
7 advisers. This privilege shall extend to their spouses and unmarried children below  
8 twenty-one (21) years old; and

9 (mm) Perform such other powers as may be necessary under existing laws  
10 to carry out the purposes of this Act.

11 **SEC. 9. Functions of Other Government Agencies.** - For purposes of  
12 implementing and facilitating paragraphs (n) and (o) of the preceding Section, the  
13 following agencies shall undertake the following:

14 (a) The Department of Finance shall provide a Revenue District Office  
15 (RDO) and a Customs District Office for BIDA and nearby municipalities;

16 (b) The Department of Trade and Industry (DTI) shall establish a satellite  
17 office to handle all matters related to international marketing of investments and  
18 trade opportunities, as well as other functions of the DTI in support of and that do  
19 not conflict with BIDA; and

20 (c) The Securities and Exchange Commission shall establish a satellite  
21 office in the Development Zone for the registration and regulation of all corporations  
22 domiciled therein.

23 **SEC. 10. Taxes and Fees of the Boracay Island Development Zone. –**

24 (a) Any provision of existing law, rules or regulations to the contrary  
25 notwithstanding, all local and national taxes shall be imposed on business  
26 establishments operating and registered within the Development Zone: *Provided*,  
27 That the power to impose and collect real estate taxes shall be retained by the  
28 Provincial Government of Aklan and the Local Government of Malay, respectively;  
29 and

30 (b) The Authority may also impose fees, imposts, and assessments as  
31 may be deemed necessary for the sustainability of its operations.

32 **SEC. 11. Board of Directors.** - The powers of the Authority shall be vested  
33 in and exercised by a Board of Directors, hereinafter referred to as the Board, which  
34 shall be composed of eleven (11) members, as follows:

- 35 1. Chairperson of the Board to be appointed by the President of the  
36 Philippines;
- 37 2. Administrator and Chief Executive Officer of the Authority, as ex officio  
38 Vice Chairperson;
- 39 3. Secretary of the DENR as ex officio member;

- 1 4. Secretary of the DOT as ex officio member;
- 2 5. Secretary of the DTI as ex officio member;
- 3 6. Secretary of the DILG as ex officio member;
- 4 7. Governor of the Province of Aklan as ex officio member;
- 5 8. Mayor of the Municipality of Malay, Aklan, as ex officio member; and
- 6 9. Three (3) representatives from the business sector.

7 The ex officio board members of the Authority may designate their respective  
8 alternates whose acts shall be considered the acts of their principals: *Provided*, That  
9 these alternates shall either be an Undersecretary of a cabinet secretary or a  
10 department head of the LGU.

11 A member of the Board shall be a Filipino citizen, of good moral character,  
12 and of recognized competence in relevant fields including business, economics,  
13 environment, tourism, engineering, or law. Appointees to the Board shall observe  
14 and undergo the process of appointment in accordance with Chapter IV of Republic  
15 Act No. 10149 or the GOCC Governance Act of 2011.

16 **SEC. 12. Functions of the Board.** – The Board shall have the following  
17 powers and functions:

18 (a) Determine the organizational structure of the Authority and define the  
19 duties and responsibilities of all officials and employees in accordance with civil  
20 service laws, rules and regulations and evaluation and approval of the Department  
21 of Budget and Management (DBM);

22 (b) Create such divisions and positions as may be deemed necessary for  
23 the efficient, economical and effective conduct of the activities of the Authority;

24 (c) Appoint all officials down to the third level and authorize the  
25 Administrator to appoint all other officials and employees of lower rank: *Provided*,  
26 That all appointments shall be on the basis of merit and fitness and all personnel  
27 action shall be in accordance with Civil Service laws, rules and regulations;

28 (d) Prepare the annual budget of the Authority, and a supplemental  
29 budget when necessary; and

30 (e) Submit to the President of the Philippines and the Senate and the  
31 House of Representatives of the Philippines an annual report and such other reports  
32 as may be required.

33 **SEC.13. Board Meetings.** - The Board shall meet at least once every three  
34 (3) months, and its meetings shall be called by the Chairperson or upon written  
35 request signed by majority of the members. The Chairperson and the members of  
36 the Board, except ex officio members, shall be entitled to allowances and per diem  
37 in accordance with existing policies, rules and regulations.

1           **SEC. 14. Administrator of BIDA.** - The President of the Philippines shall  
2 appoint a full-time professional and competent Administrator for the Authority who  
3 shall also act as the Chief Executive Officer of the BIDA. The Administrator shall  
4 have a term of office in accordance with Section 17 of Republic Act No. 10149 or  
5 the GOCC Governance Act of 2011. In case the Administrator is removed for cause,  
6 any one appointed to the position shall serve only the unexpired portion of term of  
7 the Administrator. The Administrator shall be responsible to the Board and the  
8 President of the Philippines for the efficient administration and management of the  
9 Development Zone.

10           **SEC. 15. Qualifications of the Administrator.** - No person shall be  
11 appointed as Administrator unless one is a natural-born Filipino citizen, a  
12 stakeholder or resident of the Development Zone for at least ten (10) years, of good  
13 moral character and unquestionable integrity, has not participated in the preceding  
14 three (3) local elections for government office, with relevant ten (10) years of  
15 experience, and of recognized competence in the areas of business administration,  
16 economics, hotel and restaurant management, tourism promotions, tourism  
17 management, investment promotions, real estate development, real estate  
18 management, or law.

19           The Administrator and all officials and employees of the Authority shall be  
20 entitled to compensation and benefits in accordance with the Salary Standardization  
21 Law.

22           **SEC. 16. Powers and Functions of the Administrator and Chief**  
23 **Executive Officer.** - The Administrator of the BIDA shall have the following powers  
24 and duties:

25           (a)     Submit for consideration of the Board the policies and measures  
26 deemed necessary to carry out the purposes and provisions of this Act;

27           (b)     Execute and administer the policies, plans, programs, and projects  
28 approved by the Board;

29           (c)     Direct and supervise the operation and internal administration of the  
30 Authority and delegate certain administrative responsibilities to other officers,  
31 subject to the rules and regulations of the Board;

32           (d)     Develop and submit its organizational structure and staffing pattern,  
33 as approved by the Board, to the Civil Service Commission (CSC) and the DBM for  
34 consideration and approval;

35           (e)     Appoint officials and employees below the rank of division heads to  
36 positions in the approved organizational chart; and

37           (f)     Exercise such other powers and duties as may be vested by the Board  
38 from time to time.

39           **SEC. 17. Supervision, Capitalization, and Operating Start-up Capital.** -  
40 The Authority shall be under the direct control and supervision of the Office of the  
41 President of the Philippines for purposes of policy direction and coordination and

1 shall execute the powers and functions herein vested and conferred upon, in such  
2 manner as will, in its judgement, aid to the fullest possible extent the fulfillment of  
3 the goals and purposes set forth in this Act.

4 It shall have an authorized capital of One billion pesos (P1,000,000,000.00)  
5 representing no par shares with a minimum issue value of Ten pesos (10.00) each.

6 The initial amount necessary to subscribe and pay for the shares of stock  
7 shall be included in the annual General Appropriations Act of the year following its  
8 enactment into law and thereafter.

9 The Board may, from time to time, and with the written concurrence of the  
10 Secretary of Finance, increase the value of the shares representing the capital stock  
11 of the Authority. The national government shall own one hundred per centum  
12 (100%) of the total shares issued and outstanding capital stock of the Authority.

13 **SEC. 18. Auditing and Corporate Governance.** - The Commission on Audit  
14 shall appoint a representative who shall serve as a full-time auditor for the Authority.

15 The performance of the Authority in terms of its social and environmental  
16 impact shall also be audited.

17 **SEC. 19. Research and Development Division.** - The Authority, in  
18 coordination with the DOST, Ecosystems Research and Development Bureau of  
19 the DENR (DENR-ERDB), concerned government agencies, and academic  
20 research institutions may establish a research and development division for the  
21 prevention and control of environmental and resource degradation. The Authority  
22 shall conduct and promote the coordination and acceleration of research,  
23 investigation, studies, investment, trainings, and surveys relating to the causes,  
24 extent, prevention, and control of environmental degradation of the natural  
25 resources of the Development Zone.

26 **SEC. 20. Relationship of the Authority and the Local Government Units.**  
27 -

28 (a) The provisions of existing laws, rules and regulations to the contrary  
29 notwithstanding, the Authority shall exercise administrative powers, rulemaking  
30 powers, and shall be authorized to disburse funds, and to require the accreditation  
31 of enterprises to ensure compliance with the developmental, management, and  
32 protection plans in the Development Zone;

33 (b) In no case shall any provision of this Act result in the diminution of  
34 local taxing authority, which shall be limited to real property taxation, to which only  
35 fair, reasonable, and just rates, charges, and fees shall be imposed; and

36 (c) Basic social services to the general community, such as health and  
37 medical services, family planning, child care, school services, education, and  
38 disaster recovery services shall be under the authority of the LGUs concerned and  
39 to the extent that it can, shall be supported by the Authority.

1           **SEC. 21. Penal and Civil Liability.** - Any person, natural or juridical, shall  
2 be liable for imprisonment not exceeding five (5) years or a fine not exceeding One  
3 hundred thousand pesos (P100,000.00) or both at the discretion of the Court for:

- 4           a.     Obstructing or impeding the execution of demolition orders;
- 5           b.     Disobeying cease and desist, closure, or suspension orders;
- 6           c.     Operating business establishments without the necessary permits  
7 and licenses from the Authority and other concerned government offices;
- 8           d.     Violating the conditions stipulated in the clearances or permits issued  
9 by the Authority; and
- 10          e.     Violating any of the provisions of this Act or any rules or regulations  
11 promulgated by the Authority.

12           If the violator is found to be a corporation, partnership, or association, the  
13 officer or officers of the organization concerned shall be liable thereof.

14           The Authority may file criminal charges and pursue separate civil actions for  
15 damages resulting from infractions of the provisions of this Act and rules and  
16 regulations issued pursuant thereto.

17           **SEC. 22. Implementing Rules and Regulations.** - Within ninety (90) days  
18 after the passage of this Act, the Board shall, after consultation with the  
19 stakeholders of the Authority and concerned government agencies promulgate the  
20 rules and regulations for the effective implementation of this Act.

21           **SEC. 23. Separability Clause.** - If any provision of this Act is declared invalid  
22 or unconstitutional, the other provisions not affected thereby shall remain valid and  
23 subsisting.

24           **SEC. 24. Repealing Clause.** - All laws, executive orders, memorandum  
25 circulars, guidelines, and other issuances or parts thereof, which are inconsistent  
26 with this Act, are hereby repealed or modified accordingly.

27           **SEC. 25. Effectivity.** - This Act shall take effect fifteen (15) days after its  
28 publication in the Official Gazette or in newspaper of general circulation.

29           *Approved,*