

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-TAMBU, 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,  
26 force majeure or displacement by force, deceit, stealth, or as consequence of  
27 government projects and other voluntary dealings entered into by government and  
28 private individuals or corporations, including residential lots, rice terraces or  
29 paddies, 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  
33 Panay in the Western Visayas Region of the Philippines, and whose territory is  
34 comprised of all the islands and waters around it, including islets within two (2)  
35 kilometer radius of the islands, as well as the waters around, between, and  
36 connecting the islands, 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”  
40 area and setback observed in Boracay Island wherein no building or structures of  
41 any kind, neither commercial, business, recreational nor residential, whether

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19           **SEC. 8. Corporate Powers of the Authority.** – The Authority shall  
20 exercise the following powers and functions:

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

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

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

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

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

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

37           (g) Exercise the power of eminent domain within its jurisdiction insofar  
38 as it may be reasonably necessary for the efficient maintenance and operation of  
39 services, the preservation of biodiversity and environmental conditions of the

1 island, and to maximize public returns on government and private sector  
2 investments;

3 (h) Enter into, make, perform and carry out contracts of every class,  
4 kind, and description which are necessary or incidental to the realization of its  
5 purposes with any person, firm or corporation, private or public, and with foreign  
6 government entities;

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

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

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

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

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

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

37 (o) Authorize or undertake on its own or through others, and regulate in  
38 coordination with the concerned government agencies, the establishment,  
39 operation, and maintenance of public utilities, waste management systems,  
40 services, and infrastructure in the Development Zone such as shipping, barging,  
41 stevedoring, cargo handling, hauling, warehousing, storage of cargo, port services  
42 or concessions, piers, wharves, bulkheads, bulk terminals, mooring areas, storage

1 areas, roads, bridges, terminals, conveyors, water supply and storage, sewerage,  
2 drainage, economic aspect of air transportation, electricity and power supply,  
3 telecommunications facilities, and such other services or concessions or  
4 infrastructure, necessary or incidental to the accomplishment of the objectives of  
5 this Act;

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

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

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

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

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

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

36 (v) Identify and endorse the licensing of tourism projects: leisure,  
37 amusement, recreational, entertainment, eco-farm tourism and learning sites,  
38 medical tourism, and sports related activities, subject to priorities and standards  
39 set by law as implemented by concerned government agencies: *Provided*, That  
40 gaming facilities shall continue to be licensed by the Philippine Amusement and  
41 Gaming Corporation (PAGCOR) upon recommendation of the Authority: *Provided*,  
42 *furthermore*, That accreditation of eco-farm tourism and learning sites shall  
43 continue to be under the authority of the Department of Agriculture (DA) upon

1 recommendation of the Authority: *Provided, finally,* That the designation and  
2 certification of hospitals and clinics for medical tourism purposes shall continue to  
3 be exercised by the DOH upon written endorsement of the Authority;

4 (w) Coordinate with the appropriate government agencies and the LGUs  
5 concerned in the enforcement of its policies, rules and regulations to ensure that  
6 plans, programs and projects of all stakeholders are aligned with the  
7 developmental, management, and protection plans of the Authority;

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

- 16 i. The Department of the Interior and Local Government (DILG) shall  
17 assign a composite team to the Authority from the Philippine National  
18 Police (PNP), including the PNP-Aviation Security Group and Bureau of  
19 Fire Protection (BFP), to act as support units: *Provided,* That they shall  
20 be under the direct control and supervision of the DILG Central Office for  
21 policy direction and coordination and not the regional and provincial  
22 directorate of their respective units;
- 23 ii. The Department of Justice (DOJ) shall provide a dedicated prosecution  
24 team and personnel from the Bureau of Immigration and National Bureau  
25 of Investigation to the Authority as support, who shall all be under the  
26 direct control and supervision of the DOJ Central Office for policy  
27 direction and coordination and not the regional and provincial directorate;
- 28 iii. The Philippine Coast Guard (PCG) shall provide a detailed service to the  
29 Authority as support: *Provided,* That such PCG unit shall be under the  
30 direct control and supervision of the PCG Central Office for policy  
31 direction and coordination, and not the regional and provincial  
32 directorate;
- 33 iv. The Department of Transportation (DOTr) shall provide a dedicated Land  
34 Transportation Office (LTO) Licensing and Registration Team to the  
35 Authority as support which shall be under the direct control and  
36 supervision of the DOTr Central Office and not the regional and  
37 provincial directorate; and
- 38 v. The DENR shall provide a dedicated team to the Authority as support,  
39 that shall be under the direct control and supervision of the DENR-  
40 Central Office for policy direction and coordination and not the regional  
41 and provincial offices.



- 1           (y)       Create its own security force and firefighting capability or hire others  
2 to provide the same;
- 3           (z)       Adopt, amend, enforce, and rescind its rules and regulations to  
4 conform with national laws and impose reasonable fines to effectively implement  
5 the provisions of this Act;
- 6           (aa)      Issue rules and regulations consistent with the provisions of this Act  
7 as may be necessary to implement and accomplish the purposes, objectives and  
8 policies herein provided;
- 9           (bb)      Exercise such powers as may be essential, necessary, or incidental  
10 to the powers granted to it hereunder as well as those that shall enable it to carry  
11 out, implement and accomplish the purposes, objective and policies of this Act;
- 12          (cc)      Adopt and implement measures and standards for environmental  
13 pollution control of all areas within its territory, including all bodies of water and to  
14 enforce the same, for which purpose the Authority shall create an ecology center  
15 that shall undertake studies and recommend programs and projects to improve the  
16 health and determine the environmental impacts of residents and guests in  
17 Boracay Island;
- 18          (dd)      Impose environmentally related conditions on investments and  
19 enterprises within its jurisdiction in addition to conditions already required by law;
- 20          (ee)      Order the demolition or removal of structures illegally constructed in  
21 public areas, including road and beach easements, wetlands and forest land  
22 areas. Such demolition or removal shall be carried out by the Department of Public  
23 Works and Highways (DPWH) upon the recommendation of the Authority;
- 24          (ff)      Order the closure, cessation of operations, suspension, or stoppage  
25 of development or construction of establishments for non-compliance with the  
26 terms and conditions of permits and licenses issued to them, or violations of any  
27 provision of this Act, or the rules and regulations issued by the Authority and  
28 existing laws;
- 29          (gg)      Regulate and control the entry of people, especially informal settlers,  
30 vehicles, supplies and materials to the island consistent with the prevailing  
31 carrying capacity study;
- 32          (hh)      Adopt, amend, and rescind such rules and regulations and impose  
33 reasonable fines and penalties for the effective implementation of the provisions of  
34 the Act;
- 35          (ii)      Formulate and implement innovative management techniques and  
36 strategies for the enforcement of a land use scheme and zoning plan, buffer zone  
37 management for multiple use and protection, habitat conservation and  
38 rehabilitation, diversity management, community organizing, socioeconomic and  
39 scientific researches, site-specific policy development, pest management, fire  
40 control, and such other aspects incidental and necessary to the lawful  
41 implementation of the Authority's mandate;

1 (jj) Authorize the establishment of appropriate educational and medical  
2 institutions;

3 (kk) Promulgate rules and regulations, set policies and standards  
4 governing the delivery of basic services, and prescribe and collect service and  
5 regulatory fees;

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

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

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

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

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

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

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

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

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

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

- 1           1. Chairperson of the Board to be appointed by the President of the  
2           Philippines;
- 3           2. Administrator and Chief Executive Officer of the Authority, as ex officio  
4           Vice Chairperson;
- 5           3. Secretary of the DENR as ex officio member;
- 6           4. Secretary of the DOT as ex officio member;
- 7           5. Secretary of the DTI as ex officio member;
- 8           6. Secretary of the DILG as ex officio member;
- 9           7. Governor of the Province of Aklan as ex officio member;
- 10          8. Mayor of the Municipality of Malay, Aklan, as ex officio member; and
- 11          9. Three (3) representatives from the business sector.

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

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

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

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

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

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

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

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

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

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

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

24           The Administrator and all officials and employees of the Authority shall be  
25 entitled to compensation and benefits in accordance with the Salary  
26 Standardization Law.

27           **SEC. 16. Powers and Functions of the Administrator and Chief**  
28 **Executive Officer.** – The Administrator of the BIDA shall have the following  
29 powers and duties:

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

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

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

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

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

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

3 **SEC. 17. Supervision, Capitalization, and Operating Start-up Capital. –**

4 The Authority shall be under the direct control and supervision of the Office of the  
5 President of the Philippines for purposes of policy direction and coordination and  
6 shall execute the powers and functions herein vested and conferred upon, in such  
7 manner as will, in its judgement, aid to the fullest possible extent the fulfillment of  
8 the goals and purposes set forth in this Act.

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

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

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

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

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

25 **SEC. 19. Research and Development Division. –** The Authority, in  
26 coordination with the DOST, Ecosystems Research and Development Bureau of  
27 the DENR (DENR-ERDB), concerned government agencies, and academic  
28 research institutions may establish a research and development division for the  
29 prevention and control of environmental and resource degradation. The Authority  
30 shall conduct and promote the coordination and acceleration of research,  
31 investigation, studies, investment, trainings, and surveys relating to the causes,  
32 extent, prevention, and control of environmental degradation of the natural  
33 resources of the Development Zone.

34 **SEC. 20. Relationship of the Authority and the Local Government**  
35 **Units. –**

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

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

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

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

- 12 a. Obstructing or impeding the execution of demolition orders;  
13 b. Disobeying cease and desist, closure, or suspension orders;  
14 c. Operating business establishments without the necessary permits  
15 and licenses from the Authority and other concerned government offices;  
16 d. Violating the conditions stipulated in the clearances or permits  
17 issued by the Authority; and  
18 e. Violating any of the provisions of this Act or any rules or regulations  
19 promulgated by the Authority.

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

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

25 **SEC. 22. Implementing Rules and Regulations.** – Within ninety (90) days  
26 after the passage of this Act, the Board shall, after consultation with the  
27 stakeholders of the Authority and concerned government agencies promulgate the  
28 rules and regulations for the effective implementation of this Act.

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

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

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

Approved,