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24 September 2020

MEMORANDUM

TO : The Regional Executive Director
DENR Region III- Central Luzon

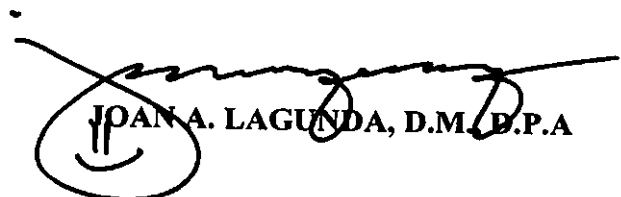
The Directors
Environmental Management Bureau
Land Management Bureau
Policy and Planning Service
Legal Affairs Service

FROM : The Assistant Secretary
Field Operations-Mindanao and Legislative Affairs

SUBJECT : **INVITATION FROM THE COMMITTEE ON GOVERNMENT
CORPORATIONS AND PUBLIC ENTERPRISE**

This pertains to the letter dated 23 September 2020, received by this Office 24 September 2020, from Senator Richard J. Gordon, Chair, Committee on Government Corporations and Public Enterprise inviting the DENR to a TWG meeting **via WebEx Cisco on September 25, 2020 (Friday) at 10:00am**, to deliberate **Senate Bill No. 1549**, entitled "*An Act Creating the Regional Investment and Infrastructure Coordinating Hub of Central Luzon (RICH), and For Other Purposes.*"

Kindly inform this office of your attendance before the scheduled date of the meeting and submit presentation, comments and/or position papers or proposed provision with respect to the bill in hard and soft copy at the Legislative Liaison Office at telephone number 8920-1761 and email denrlegislative@yahoo.com for consolidation. Also, you can confirm your participation and position paper prior to the meeting to the Committee Secretariat Eleuteria L. Mirasol at 552-68-20, 0918-7649633 or with the Committee Assistant at 552-6601 local 3304 or at this email gcpecommittees@gmail.com.


JOANA A. LAGUNDA, D.M., E.P.A

MEMO NO. 2020-467

RE: REGIONAL INVESTMENT AND INFRASTRUCTURE HUB MEETING ON SEPTEMBER 25, 2020

From: legis lative (denrlegislative@yahoo.com)

To: oredr3@yahoo.com; r3@denr.gov.ph; emb.co.od@gmail.com; oad.emb@gmail.com; aimerodaje18@gmail.com; denrlmb@yahoo.com; lmb.oad@yahoo.com; lmblegaldivision@gmail.com; las.denr@gmail.com; odpps@yahoo.com

Date: Thursday, September 24, 2020, 03:54 PM GMT+8

Dear Sir/Ma'am,

Good day!

Please see the attached files for your perusal. Kindly acknowledge receipt and **inform us via reply to this email as regards the name of the participants or attendees in this meeting.**

Thank you.

Department of Environment and Natural Resources
Legislative Liaison Office

Visayas Avenue, Diliman, 1100 Quezon City, Philippines
denr.gov.ph
Tel: 9201761



118. Regional Investment and Infrastructure Hub.pdf
163.1kB



Sept 25 Regional Investment & Infra Hub.jpg
46.1kB



Office of the Secretary <osec@denr.gov.ph>

Invitation to the Technical Working Group (TWG) Meeting on September 25, 2020
re: RICH Bill

1 message

Therry Mirasol <gcpecommittee@gmail.com>

To: ohea.denr@gmail.com, oredr3@yahoo.com, r3@denr.gov.ph, osec@denr.gov.ph, penrozambales@denr.gov.ph

Wed, Sep 23, 2020 at 8:31 PM

Dear Sec. Cimatu,

The Senate Committee on Government Corporations and Public Enterprises (GCPE) extends its appreciation for your participation in its virtual public hearing yesterday. As stated by the Honorable Chairman, Sen. Gordon, a **Virtual Technical Working Group (TWG) Meeting will be held on Friday, September 25, 2020, 10:00 a.m.** to further discuss Senate Bill No. 1549 entitled "*An Act Creating The Regional Investment and Infrastructure Coordinating Hub of Central Luzon (RICH), and For Other Purposes.*"

Enclosed is the invitation letter to the TWG Meeting for your reference.

Kindly acknowledge receipt of this email and its attachments.

Thank you.

Respectfully,

Joshel Regodon (Ms.)
Committee Secretariat
Mobile No. 0916-3630348

2 attachments

MATRIX RICH (1).docx
34K

invite.TWG.DENR.pdf
307K

Senate Bill No. 1549
"An Act Creating The Regional Investment and Infrastructure Coordinating Hub of Central Luzon (RICH), and For Other Purposes. (Authored by Sen. Richard J. Gordon)"

SBN 1549 Provisions	Amendments	Remarks
<p><i>Section 1. Short Title.</i> - This Act shall be known as the "Regional Investment and Infrastructure Coordinating Hub of Central Luzon."</p>		
<p><i>Sec. 2. Policy.</i> - It is hereby declared the policy of the State to promote enabling policies and programs that encourage entrepreneurship and investments in tourism, agriculture, and commercial enterprises that create jobs and business opportunities, increase capital flow, release dormant capital, and create inclusive wealth.</p>		
<p>The State recognizes the indispensable role of the private sector and the importance of establishing Special Economic or Freeport Zones in suitable and strategic locations and the further strengthening of the Bases Conversion Development Authority (BCDA), the Subic Bay Metropolitan Authority (SBMA), the Clark Development Corporation (CDC), the Aurora Pacific Economic Zone and Freeport Authority (APECO), the Authority of the Freeport Area of Bataan (AFAB), the Philippine Economic Zone Authority (PEZA), and the Tourism Infrastructure and Enterprise Zone Authority (TIEZA) through measures that effectively attract foreign and domestic investments.</p>		
<p>Pursuant to this policy, infrastructure development and optimization of the interconnecting highways, railways, seaports, and airports in Central Luzon must be maximized for the benefit of capital flow, to effectively address bottlenecks, and decongest Metro Manila, lay the</p>		

<p>foundation for long-term growth of Central Luzon, and increase the productivity of the people and their individual and family incomes, thereby improving the quality of life.</p>		
<p>Sec. 3. Purposes. - This Act shall have the following purposes:</p> <p>(a) To develop policies and programs that promote entrepreneurship and attract investments, thus creating more jobs and business opportunities for the people;</p> <p>(b) To decongest Metro Manila by dispersing industries and population to Central Luzon;</p> <p>(c) To improve the quality of life by developing sustainable communities where residents live near where they work, and where institutions such as schools and universities, hospitals, utilities, among others, are within close proximity;</p>		
<p>(d) To optimize the use of the interconnecting highways and railways in Central Luzon; seaports in Subic, Mariveles, Aurora, and Manila; and airports in Subic, Clark, and Manila to serve as an investment corridor for Central Luzon and eventually, the whole country;</p> <p>(e) To act as a catalyst for unleashing dormant capital into productive investments in infrastructure and industries within Central Luzon;</p> <p>(f) To establish a platform that will encourage the local government units (LGUs) to partner with existing special economic or Freeport zones in Central Luzon, that shall encourage the private and public sectors to establish other special economic or Freeport zones and provide incentives to attract and maximize investments in infrastructure, from local and foreign business investors, resulting in numerous economic livelihood and employment opportunities for the people;</p> <p>(g) To be pioneers of orderly change to strengthen the culture of cooperation and improve coordination among</p>		

<p>the National Government, LGUs, and private sectors;</p> <p>(h) To promote, locally and internationally, and spearhead the integration of the BCDA, SBMA, CDC, AFAB, APECO, PEZA, TIEZA, and thereafter RICH, adhering to the principle of global competitiveness which encourages business investments that are focused, fast, friendly, flexible, and forward-looking, thus ensuring them to be self-sustaining, income-generating, and revenue-contributing entities;</p> <p>(i) To create sustainable industrial cities and communities that balance economic growth and expansion, having regard to environmental protection and preservation, thereby balancing economic progress and future developments; and</p> <p>j) To create updated, and thereby continue updating, comprehensive land use plans, in coordination with the LGUs within Central Luzon, and incorporating the plans already created for the Subic - Clark and Tarlac Area for a more cohesive and harmonious Central Luzon Master Development Plan.</p>		
<p>Sec. 4. Regional Investment and Infrastructure Coordinating Hub. - There is hereby created a Regional Investment and Infrastructure Coordinating Hub of Central Luzon, hereinafter referred to as the "RICH", which shall replace the Subic-Clark Alliance for Development Council (SCADC). The powers of the RICH, as mentioned in Section 5 of this Act, shall be vested in and exercised by the Board of Directors, hereinafter referred to as the Board, which shall be composed, as follows:</p> <p>(i) The President of BCDA;</p>		
<p>(ii) The Chairperson and Administrator of SBMA;</p> <p>(iii) The President of CDC;</p> <p>(iv) The President of APECO;</p> <p>(v) The Chairperson and Administrator of AFAB;</p> <p>(vi) The Chairperson of the Regional Development Council</p>		

<p>of Region III;</p> <p>(vii) The Director General of PEZA;</p> <p>(viii) The General Manager/Chief Operating Officer of TIEZA;</p> <p>(ix) One (1) member from the private sector, appointed by the President of the Philippines</p> <p>The members mentioned in subparagraphs (i) to (viii) are considered as ex officio members of RICH. The Chairperson of RICH shall be appointed by the President, chosen among the members.</p> <p>A majority of the Board shall constitute a quorum to conduct day-to-day business. A member of the Board may appoint a duly authorized representative to attend and vote on behalf of the member. Provided that, it shall be in writing, duly signed by the member, and filed before the scheduled meeting. Provided, further, That such authority may extend beyond one (1) meeting, but shall be valid and effective for a period not longer than one (1) year at any one time.</p> <p>Regular meetings shall be conducted by the Board at least once a month. A written notice must be given three (3) days before the scheduled meeting.</p> <p>Members of the Board are entitled to receive commensurate and reasonable per diems, as may be determined by the Governance Commission for GOCCs (GCG): Provided, That the per diems collected per month shall not exceed the equivalent of four (4) meetings, except in cases of extraordinary circumstances.</p>		
<p>Sec. 5. Powers and Functions. - The RICH, through its Board, shall be vested with the following powers and functions:</p> <p>(a) To develop, structure, and facilitate infrastructure</p>		

projects, particularly those that enhance national competitiveness and create employment and business opportunities;

(b) To develop robust feasibility studies supported by necessary technical and engineering assessment and commercial viability assessment for regional infrastructure projects;

(c) To promote, locally and internationally. Central Luzon, the establishment of special economic or freeport zones, and other development programs and projects in Central Luzon;

(d) To mandate the submission by the LGUs of their respective recent or up to date Comprehensive Land Use Plans, as well as the Land Use Plans already existing for the Subic-Clark-Tarlac area, and in consultation with all stakeholders, to evaluate, formulate, coordinate, and communicate a Comprehensive and Integrated Master Plan for Central Luzon, in accordance with Section of this Act;

(e) To coordinate the grant and administer all fiscal and non-fiscal incentives provided in this Act and, including, but not limited to, the Foreign Investments Act, the Omnibus Investments Code, the Philippine Economic Zone Act of 1995, and the Bases Conversion and Development Act of 1992;

(f) To formulate clear, consistent, and predictable regulations, for the grant of Registration Agreements, permits/licenses or clearances for infrastructure projects, investments, business enterprises, sole proprietorships, and other endeavors. In accordance with this Act;

(g) To identify areas outside the jurisdiction of any special economic or freeport zone, and which cannot be placed within the ambit of the jurisdiction of any special economic or freeport zone, as certified by the special economic or freeport zone nearest to the identified areas, to

<p>consolidate/merge, purchase, develop and create the same, on its own or in cooperation with the affected LGUs, into special economic or freeport zones, new industrial townships, commercial and retail developments, agro-industrial zones, and the like;</p> <p>(h) To construct, acquire, own, lease, operate, and maintain on its own or through contract, franchise, license, permit, Public-Private partnership, Build-Operate-Transfer or Joint Venture the required utilities and infrastructure facilities, including additional roads, bridges, airports, seaport, railroads, subways, and to fix just and reasonable rates, fares, charges and other prices therefor;</p> <p>(i) To encourage earnest efforts and conciliation proceedings in cases of labor disputes where abuses of the management and/or labor will be discouraged and dealt with expeditiously and fairly;</p> <p>(j) To coordinate and assist existing Special Economic or Freeport Zones in the implementation of cross border projects along and within the Central Luzon economic corridor, pursuant to the objectives of RICH;</p> <p>(k) To generate its own revenues from among, but not limited to, license fees and/or application, filing and registration and administrative/regulatory fees, and invest its funds and other assets, as it may deem proper, to achieve its purpose;</p>		
<p>(l) To raise and borrow the necessary funds from local and international financial institutions and to issue bonds, promissory notes, and other securities for that purpose and to secure the same by guarantee, pledge, mortgage, deed of trust or assignment of properties;</p> <p>(m) To enter into, make, perform and carry out contracts of every class, kind, and description which are necessary or incidental to the realization of this Act with any person, firm</p>		

<p>or corporation, private or public, or with foreign government entities, upon prior approval by the President of the Philippines;</p> <p>(n) To coordinate, formulate plans, programs and policies and provide assistance, and in coordination with the concerned department or agency, if necessary, on any matter of policy and ensure compliance therewith;</p> <p>(o) To promote RICH and Central Luzon Investment Corridor to local and International investors;</p> <p>(p) To create a Coordinating Council in each province to oversee the operations of the businesses and investments established within their respective provinces and such other functions, as may be delegated by a majority vote of the Board. Provided that, the Council shall submit a monthly report, in writing, to the Board containing the progress of the province and such other matters, as may be directed by the Board. Provided further, that the Council shall be composed of the Provincial Governor and two (2) private sector members who shall be appointed and chosen by the President, from among five (5) recommended individuals, upon majority vote of the Board;</p> <p>(q) To establish subsidiaries and serve as holding company of such subsidiaries, if necessary and as approved by the Board;</p> <p>(r) To exercise the right of eminent domain;</p> <p>(s) To adopt, implement, and enforce ecological and environmental standards and measures for environmental pollution control and management;</p>		
<p>(t) To strengthen and coordinate all existing security and firefighting forces already established within Central Luzon and are under existing special economic or freeport zones, and formulate and implement public safety measures to ensure the safety and preservation of law and order within Central Luzon;</p>		

<p>(u) To establish a "One-Stop Shop" in every province of Central Luzon to promote focused, fast, friendly, flexible, and forward-looking registration and operation of businesses and investments;</p> <p>(v) To encourage and assist in the use of Alternative Dispute Resolutions such as mediation, conciliation, arbitration, or any combination thereof as a means of achieving speedy and efficient means of resolving disputes in accordance with Republic Act No. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004";</p> <p>(w) To coordinate and regulate utilities within the existing special economic or freeport zones or those created under this Act, in accordance with existing laws; and</p> <p>(x) To promulgate rules and regulations and perform such other powers and functions as may be necessary, appropriate, or incidental to this Act.</p>		
<p>Sec. 6. Supervision. - RICH shall be under the general supervision of the Office of the President of the Philippines.</p>		
<p>Sec. 7. Chairperson and Chief Executive Officer (CEO). - A chairperson and CEO shall be appointed by the President, which shall be chosen from among a list of three (3) independent individuals upon a majority vote by the Board. Provided, That, the incumbent Executive Director of SCAD shall hold over until the Chairperson and CEO shall have been chosen and qualified: Provided, further, That, the recommended individuals chosen by the Board shall have at least five (5) years of work experience in infrastructure development, finance, administration and/or management.</p> <p>The chairperson and CEO shall have the following powers and functions:</p> <p>(a) To administer and manage the business affairs of RICH;</p> <p>(b) To lead in the development and improvement of RICH and the Central Luzon Investment and Infrastructure</p>		

<p>Corridor Master Plan, as approved by the Board;</p> <p>©To promote commercial, tourism, and agriculture enterprises within Central Luzon including existing Special Economic or Freeport Zones, to encourage more investments and production, for domestic and international markets;</p> <p>(d) To ensure that regulations established by RICH are enforced and implemented;</p> <p>(e) To coordinate primary dispute settlements and resolutions within the Special Economic or Freeport Zones, including labor disputes, in order to address local disputes and prevent strikes or lockouts;</p> <p>(f) To encourage LCDs to provide incentives to private sectors and entities who decide to relocate from Metro Manila to the Special Economic or Freeport Zones under the RICH;</p> <p>(g) To ensure that safety and security measures are properly maintained within Central Luzon; and</p> <p>(h) To exercise and perform such other powers, and/or functions as delegated or assigned by a majority vote of the Board.</p>		
<p>Sec. 8. Central Luzon Investment Corridor Master Plan. - Immediately within one hundred eighty (180) days upon the effectivity of this Act, the Board shall develop the Central Luzon Investment Corridor Master Plan (Master Plan) through the active participation of all stakeholders in planning and implementing the creation and continuous operation of an aggregation of Special Economic or Freeport Zones within Central Luzon.</p> <p>The Master Plan shall include the provision of adequate and affordable housing facilities within the Special Economic or Freeport Zones to provide comfortable and livable homes that are easily accessible by non-motorized means of</p>		

<p>transportation.</p> <p>The Master Plan shall be approved upon a majority vote of the Board, which shall contain a long-term strategy and their concomitant commitment to implement the Master Plan. The Master Plan shall not be subject to frequent policy changes unless for key changes essential to further improve the productivity within the area.</p>		
<p>Sec. 9. Responsibilities of the Local Government Units and Other Stakeholders. - The Master Plan shall be implemented by RICH, through its Board, and it shall be the overall coordinating body in the implementation of the Master Plan, specifically for projects with cross border locations in established Special Economic or Freeport Zones. RICH shall coordinate and partner with LGUs in formulating, implementing, and promoting the Master Plan. THE LGUs shall be responsible in coordinating with the Department of Environment and Natural Resources (DENR) for providing the zoning and the Comprehensive Land Use Plan for the Region.</p> <p>The LGUs shall assist in the identification and conversion of lands in Central Luzon and shall be encouraged to provide incentives to entities such as local tax incentives and streamlining of business permits applications, processing, and approval.</p> <p>LGUs, in coordination with the Department of Public Works and Highways (DPWH) and other concerned Departments, shall ensure all highways, railways, airports, and seaports are in good condition and properly maintained.</p> <p>LGUs, in coordination with registered entities, and in partnership with the Home Development Mutual Fund,</p>		

<p>otherwise known as Pag-IBIG Fund, within Central Luzon to provide housing facilities with access to power, clean water and sewerage systems to workers and their families, in order to afford them a comfortable and livable work-life balance, at the same time decongesting Metro Manila and improving the traffic condition.</p> <p>Private entities shall be responsible for investing and building infrastructure within Central Luzon which shall observe international best practices in industrial operations while complying with existing laws, rules and regulations, including those intended for environmental preservation and protection, and protection to labor legislations. Private entities may propose their own Plan, as long as it is in accordance with the Master Plan, as described in Section 8 of this Act. The entities shall construct adequate and affordable housing or condominium facilities with access to electric power, clean water and sewerage systems to provide housing facilities to the workers and their families, which may be in partnership with the Pag-IBIG Fund.</p>		
<p>Sec. 10. Registration and Availment of Incentives. - Upon the effectivity of this Act, any person, firm, association, partnership, corporation, or any other form of business organization, regardless of nationality, control and/or ownership of the working capital thereof, that wishes to be a registered entity under RICH may apply for registration, in accordance with Section 18 of this Act and such other rules and regulations as may be determined by the RICH, and in accordance with the Constitution.</p> <p>All export activities and investments under the Investment Priorities Plan (IPP), whether located inside or outside Special Economic or Freeport Zones, including tourism-</p>		

related activities, may only be granted incentives under this Act.

Sec. 11. Income Tax Holiday.- An Income Tax Holiday (ITH) maybe administered for RICH-Registered Entities. An ITH of one hundred percent (100%) of corporate income tax for the first ten (10) years from its operations, may be granted to any registered entity if the entity constructs adequate and affordable housing with recreational facilities and either a school, which provides Basic Education, university, or hospital for employees and/or the immediate community: Provided, That "Basic Education" shall mean an education intended to meet basic learning needs which lay the foundation on which subsequent learning can be based. It encompasses early childhood, elementary, and high school education: Provided, further, That the adequate and affordable housing facilities must have a minimum floor area of twenty-two square meters (22 sqm.) with sufficient electrical power, clean water and sewerage systems in accordance with Batas Pambansa Big. 220, otherwise known as "An Act Authorizing the Ministry of Human Settlements to Establish and Promuigate Different Levels of Standards and Technical Requirements for Economic and Socialized Housing Projects in Urban and Rural Areas from Those Provided Under Presidential Decrees Numbered Nine Hundred Fifty-Seven, Twelve Hundred Sixteen, Ten Hundred Ninety-Six and Eleven Hundred Eighty-Five", Republic Act No. 6541 or otherwise known as the "National Building Code of the Piiiippines", Housing and Land Use Regulatory Board (HLURB) Guidelines, and other existing laws.

Upon expiry of the ITH, a five percent (5%) special tax on gross income earned in lieu of all national and local taxes shall be applied and distributed, as follows:

<p>(a) Three percent (3%) to the RICH; (b) One percent (1%) shall be directly remitted by the entity to the treasurer's office of the municipality or city where such is located; and (c) One-half percent (1%) shall be remitted to the National Government.</p> <p>In addition, registered entities shall avail themselves of the following incentives: tax and duty free importation of raw materials, capital equipment, machineries, and spare parts; exemption from wharfage dues and export tax; impost or fees; VAT zero-rating of local purchases subject to BIR and RICH requirements; exemption from payment of local government imposts, fees, licenses, or taxes; and other incentives as provided under Presidential Decree No. 66 and Book VI of Executive Order No. 226, otherwise known as the "Omnibus Investment Code of 1987."</p>		
<p>The BIR shall require a registered entity availing of the ITH to secure a Certificate of Eligibility from the RICH and any other requirement, as mandated by the BIR and RICH, before submitting its Income Tax Return (ITR) for validation. Failure to secure the Certification and/or to file the ITH availment for validation within thirty (30) days from the last day of each statutory filing date for the ITR shall cause the forfeiture of the ITH availment for the taxable period.</p>		
<p>Sec. 12. Tax Credits for Eligible Infrastructure Projects. - Subject to the requirements under this section and additional guidelines prescribed by the Board, any person, partnership or corporation, whether for profit or non-profit, that incurs expenses associated with the construction of new, renovation or replacement of existing, infrastructure projects, as certified by the RICH to be eligible under this Section, is entitled to a credit against the tax imposed on</p>		

such person or corporation, in an amount equivalent to thirty percent (30%) of the expenses incurred for the project, as approved by the Board. The tax credit is earned one (1) year upon completion of the construction of the infrastructure project. The tax credit may be applied to all national taxes including duties, value-added taxes, excise taxes, and income taxes, which may be due.

(a) Qualified Taxpayers. - The tax credit shall be given to persons, partnerships and corporations who: (1) are duly-registered with the RICH; and (2) incur expenses associated with the construction of infrastructure projects, as certified by the RICH.

(b) Eligible Infrastructure Projects. - Apart from the standards to be set by the RICH, infrastructure projects must meet the following qualifications in order to be eligible for tax credit: (1) there must be a public need for the infrastructure project; (2) at least fifty percent (50%) of the infrastructure project must be located and primarily dedicated for use within Central Luzon; (3) the infrastructure project has significant financial, technical, economic, social and/or environmental merits and is valuable to the government from the perspective of service delivery, cost effectiveness, and risk transfer, among others; (4) the infrastructure project will not compete or interfere with other existing or planned government projects, consistent with the achievement of the government's strategic priorities and the Master Plan, and can complement existing government assets or projects; and (5) must comply with the standards according to pertinent law, rules and regulations set by the DPWH and RICH, and as approved by the DPWH within a reasonable amount of time.

<p>(c) Maximum Project Tax Credit - The tax credit allowed pursuant to this section shall not exceed Three Billion Pesos (PhP3,000,000,000.00) for any approved project. No project to be completed in phases or in multiple projects shall exceed this maximum amount for all phases of the project involved.</p> <p>(d) Carry-over. - The amount of the tax credit may be carried forward and applied to the tax liability for ten (10) taxable years following the date the tax credit is awarded.</p> <p>(e) Guarantee by the RICH. - Upon the availability of the RICH may guarantee, on its own account, monetary obligations incurred in relation to the construction of infrastructure projects under this Section.</p>		
<p>Sec. 13. Additional Deduction for Training and Research and Development Programs. - Subject to the requirements thereafter established by the RICH, and in coordination with the BIR, any person, partnership or corporation, whether for profit or non-profit, that incurs expenses associated with training programs and viable research and development programs certified by an appropriate authority that develops capabilities assessed to be industry critical and are approved by the Board, is entitled to a deduction against the five percent (5%) special tax due from such person or corporation, in an amount equal to fifty percent (50%) of the expenses incurred for said training and research and development program.</p>		
<p>Sec. 14. Sovereign Guarantee. - In accordance with pertinent laws, rules and regulations, the Republic of the Philippines, through filing an application with RICH, shall answer for the payment of guarantee obligations by RICH-registered entities who place capital investments in the Region under the provisions of this Act: Provided, however, that the entity's assets shall have been first fully exhausted to satisfy its guarantee obligations. Provided that, at no</p>		

<p>time shall the Republic shall guarantee for an accumulated amount of Five Billion Pesos (PhP5,000,000,000.00) for investments contemplated under this Act.</p>		
<p>Sec. 15. General Principles on the Grant of Incentives. - The incentive schemes set forth in this Act shall be in effect for a period of fifty (50) years from its effectivity. The incentives scheme shall be applicable only to the new areas identified and qualified, as may be approved by the RICH, that are not otherwise within the jurisdiction of an existing investment promotions agency: Provided, That, in cases where an entity is qualified to register with the RICH and either PEZA, TIEZA, CDC, SBMA, APECO, AFAB, or such other investment promotions agency, the entity may choose which scheme to apply: Provided further, That, the period of fifty (50) years may be extended for a non-extendible period of fifty (50) years or less, in cases where there is a need for further investment and infrastructure development in the region, as may be determined by the RICH, in coordination with the Department of Trade and Industry (DTI).</p>		
<p>Sec. 16. Existing Registered Entities. - Entities registered with PEZA, TIEZA, CDC, SBMA, APECO, and AFAB under existing laws, rules and regulations shall continue to be entitled to the incentives under the similar terms and conditions provided therein. However, in cases where the registered entity constructs adequate and affordable housing facilities, in accordance with Section 11 of this Act, the entity may register with the RICH and shall be qualified to avail itself of the incentives provided herein, in accordance with existing laws, rules and regulations as may be approved by the RICH.</p>		
<p>Sec. 17. Revocation of Registration Agreement. -The Board may automatically revoke the Registration Agreement of any entity which violates any of RICH rules and regulations,</p>		

<p>including, but not limited to, submitting false or fraudulent documents, declaring any false material information in connection with its application, or any other act as may be determined by the Board, and upon substantial proof. For purposes of this Act, "Registration Agreement" shall refer to the final agreement executed by RICH and the registered entity setting forth the terms and conditions for the latter's operation of business or engagement in economic activity.</p>		
<p>Sec. 18. One-Stop Shop. - Upon the effectivity of this this Act, a "One- Stop Shop" shall be established for entities that wish to be registered and/or are registered with PEZA, TIEZA, CDC, SBMA, APECO, AFAB, and RICH. The "One-Stop Shop" shall facilitate the registration, operation, and maintenance of entities in Central Luzon. The RICH, PEZA, TIEZA, CDC, SBMA, APECO, AFAB, and other appropriate government agencies which are involved in registering, licensing, or issuing Registration Agreements and other permits to investors shall coordinate and, if necessary, assign a representative in every "One-Stop Shop" to attend to investor's requirements and applications. The "One-Stop Shop", in coordination with the agencies, shall maintain database and fully interactive website for online transactions and shall act upon all applications within three (3) business days upon completion and submission of requirements.</p>		
<p>For this purpose, a "One-Stop Shop" refers to a center established, in accordance with this Act, where a single common site or location is designated for all concerned agencies in the registration, licensure, and issuance of permits to entities that wish to register and operate within Central Luzon: Provided, That each province shall establish its own "One-Stop Shop" to facilitate the ease of doing</p>		

<p>business in the Region.</p> <p>Sec. 19. Eminent Domain. - The areas comprising the Special Economic or Freeport Zones may be expanded or reduced when necessary. For this purpose, RICH shall have the power to acquire, either by purchase, negotiation or condemnation proceedings, any private lands within or adjacent to the Zones for:</p> <p>(a) Consolidation of lands for zone development purposes and infrastructure projects;</p> <p>(b) Acquisition of right of way to the zones; and</p> <p>(c) The protection of watershed areas and natural assets valuable to the prosperity of the zones.</p> <p>In the establishment of a publicly-owned Special Economic or Freeport Zone, any person or group of persons who has been occupying a parcel of land within the Zone has to be evicted, RICH shall provide the person or group of persons concerned with just compensation: Provided that, in the case of displaced agrarian reform beneficiaries, they shall be entitled to the benefits under the Comprehensive Agrarian Reform Law, including but not limited to Section 3 of Republic Act No. 3844, in addition to a home lot in the relocation site and preferential employment in the project being undertaken.</p>		
<p>Sec. 20. Land Reclassification and Conversion. - Agricultural lands may be reclassified and converted for residential, commercial, industrial, and other non-agricultural purposes, subject to the comprehensive land use plans and the Master Plan, as approved by RICH.</p>		
<p>Sec. 21. Presidential Land Grant - The provisions of any existing law to the contrary notwithstanding, the President may, upon the recommendation of the DENR Secretary,</p>		

<p>grant by donation, sale, lease or otherwise, to RICH portions of land of the public domain as may be necessary for utilization or expansion of Special Economic or Freeport Zones in Central Luzon for the increased efficiency of its performance and the accomplishment of its purpose which is to become the "Engine of Growth for Central Luzon and the Philippines".</p>		
<p>Sec. 22. Coordination. - The BCDA, SBMA, CDC, APECO, AFAB, PEZA, TIEZA, and the Board of Investments (BOI), as well as the special economic or freeport zones which may thereafter be established in Central Luzon, shall be in close coordination with RICH, for purposes of domestic and foreign promotion, policy direction, and ease of doing business.</p>		
<p>Sec. 23. Utilities and Other Services. - RICH may undertake and regulate the establishment, operation, and maintenance of utilities, such as electric power supply and such other services within Central Luzon and fix just and reasonable fees, rates and charges, and other forms of pricing in connection thereof, in accordance with existing laws, rules and regulations.</p>		
<p>Sec.24. Appropriation. - The amount equivalent to Six Hundred Million Pes(^P600,000,000.00), for the first three (3) years of its operations, at Two 'Hundred Million (P200,000,000.00) per year, is appropriated for the organization, operation, and management of RICH which shall be included in the annual General Appropriation Act (GAA). Thereafter, RICH may, on its own, maintain its operation and management through its acquired earnings from the first three (3) years of its operations.</p>		
<p>Sec. 25. Personnel. - The Board shall provide for an organizational chart of officers and employees, as may be deemed necessary, in coordination with the Department of Trade and Industry (DTI), and fix a compensation plan</p>		

<p>consisting of the salaries and benefits thereof. Provided, that the compensation plan shall be comparable with the prevailing compensation plans in CDC, SBMA, APECO, AFAB, TIEZA, and PEZA. Provided further, that the compensation plan shall be subject to review by the Board in no more than once every two (2) years.</p> <p>RICH shall be exempt from existing laws, rules, and regulations on compensation, position classification, and qualification standards.</p>		
<p>Sec. 26. Legal Counsel. - Without prejudice to the hiring of an outside counsel, the Office of the Government Corporate Counsel (OGCC) shall be the ex officio legal counsel of RICH. In the event that highly specialized legal services cannot be provided for by OGCC, as may be required, the services of an outside counsel, whose compensation shall be approved by the Board, may be engaged and no further consent or approval of OGCC shall be required.</p>		
<p>Sec. 27. Injunctions or Restraining Orders. - The implementation of the provisions of this Act is of national interest. Thus, no project, bidding, and undertaking in implementation of the provisions of this Act shall be restrained or enjoined by an injunction or restraining order except by the Supreme Court of the Philippines.</p>		
<p>Sec. 28. Implementing Rules and Regulations. - The Secretaries of the Department of Finance (DOF) and the DTI, in coordination with the Secretaries of DPWH, DENR, National Economic and Development Authority (NEDA) Director-General, Commissioners of the BIR and Bureau of Customs (BOC), and heads of SBMA, CDC, BCDA, PEZA, APECO, AFAB, and TIEZA, shall, within one hundred twenty (120) days from the effectivity of this Act, promulgate rules and regulations to faithfully implement the intent and provisions of this Act: Provided, That the failure of the</p>		

Secretaries of the DOF and DTI to promulgate the rules and regulations shall not prevent the implementation of this Act upon its effectivity.		
Sec. 29. Repealing Clause. - All laws, decrees, executive orders, rules and regulations or other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.		
Sec. 30. Separability Clause. - If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in full force and effect.		
Sec. 31. Effectivity. - This Act shall take effect fifteen (15) days after the completion of its publication either in the Official Gazette or in a newspaper of general circulation in the Philippines.		
Approved,		



Republic of the Philippines
Congress of the Philippines
Senate
Pasay City

**COMMITTEE ON GOVERNMENT CORPORATIONS
AND PUBLIC ENTERPRISES**

HON. ROY CIMATU
Secretary
Department of Environment and Natural Resources (DENR)

Attention: MS. MARIFE CASTILLO
DENR Region III, PENRO Zambales

Dear *Sec. Cimat*:

The Committee on Government Corporations and Public Enterprises chaired by **Honorable Richard J. Gordon** will hold a **Technical Working Group Meeting through Videoconferencing on Friday, September 25, 2020, 10:00 a.m. via Webex Cisco**, to further discuss the provisions of Senate Bill No. 1549 entitled "**AN ACT CREATING THE REGIONAL INVESTMENT AND INFRASTRUCTURE COORDINATING HUB OF CENTRAL LUZON (RICH), AND FOR OTHER PURPOSES**", (authored by Sen. Gordon).

Once again, the Committee is inviting you or your authorized representative to participate and help the Committee draft the final version of the bill. Attached is the matrix form of the bill where you can put your amendments.


For clarification, please get in touch with the undersigned Legislative Committee Secretary at 8552-6820, 0918-7649633 or with the Committee's assistant, Ms. Joshel Regodon at 8552-6601 local 3303, 0916-3630348 or at this email gcpecommittee@gmail.com

Thank you and regards. 23 September 2020. Pasay City.

Very truly yours,

RICHARD J. GORDON

By:


ELEUTERIA L. MIRASOL
Legislative Committee Secretary