

REPUBLIC OF THE PHILIPPINES
House of Representatives
Quezon City

SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1078



INTRODUCED BY REP. NANCY A. CATAMCO

EXPLANATORY NOTE

The 1987 Constitution has very wisely given the highest priority to the protection and promotion of the rights of indigenous cultural communities to ensure their economic, social, and cultural well-being.

It is therefore the intent of this bill to recognize the rights of Indigenous Peoples to take their proper place in society and to give full support to the improvement of their total well-being and their full participation in the community and to nation building considering that they are an integral part of Philippine society.

Hence, approval of this bill is earnestly requested.


NANCY A. CATAMCO
Representative
2nd District, North Cotabato

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**AN ACT TO MAXIMIZE THE CONTRIBUTION OF INDIGENOUS PEOPLES TO NATION BUILDING,
GRANT BENEFITS AND SPECIAL PRIVILEGES, AND FOR OTHER PURPOSES.**

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

SECTION 1. Declaration of Policies and Objectives. — Pursuant to Article I, Section 22 of the Constitution, the State recognizes and promotes the rights of Indigenous Cultural Communities within the framework of national unity and development. In addition to this, Section 10 in the Declaration of Principles and State Policies provides: "The State shall provide social justice in all phases of national development." Furthermore, Article XIII, Section 11 provides: "The State shall adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. There shall be priority for the needs of the underprivileged, sick, elderly, disabled, women and children." It is also provided in Section 21 of Republic Act No. 8371: "The State shall, with due recognition of their distinct characteristics and identity, accord to the members of the ICCs/IPs the rights, protections and privileges enjoyed by the rest of the citizenry. It shall extend to them the same employment rights, opportunities, basic services, educational and other rights and privileges available to every member of the society." Consonant with these constitutional principles the following are the declared policies of this Act:

- (a) To motivate and encourage the Indigenous Peoples to contribute to nation building;
- (b) To establish mechanisms whereby the contribution of the Indigenous Peoples are maximized;
- (c) To adopt measures whereby the Indigenous Peoples are assisted and appreciated by the community as a whole;

- (d) To establish a program beneficial to the Indigenous Peoples, their families and the rest of the community that they serve.

SECTION 2. Definition of Terms. — As used in this Act, the term “*Indigenous Cultural Communities/Indigenous Peoples*” shall mean a group of people or homogenous societies identified by self-ascription and ascription by other, who have continuously lived as organized community on communally bounded and defined territory, and who have, under claims of ownership since time immemorial, occupied, possessed customs, tradition and other distinctive cultural traits, or who have, through resistance to political, social and cultural inroads of colonization, non-indigenous religions and culture, became historically differentiated from the majority of Filipinos. ICCs/IPs shall likewise include peoples who are regarded as indigenous on account of their descent from the populations which inhabited the country, at the time of conquest or colonization, or at the time of inroads of non-indigenous religions and cultures, or the establishment of present state boundaries, who retain some or all of their own social, economic, cultural and political institutions, but who may have been displaced from their traditional domains or who may have resettled outside their ancestral domains;

The term “Qualified Indigenous Person” shall mean any person who

- (a) is a bona fide member of the Indigenous Cultural Communities/Indigenous Peoples;
- (b) is at least eighteen (18) years old; and
- (c) is either
 - i. an indigent as determined by the Department of Social Welfare and development (DSWD); or
 - ii. earning an income which is not more than the prescribed regional daily minimum wage rate by the National Wages and Productivity Commission of the Department of Labor and Employment (DOLE).

SECTION 3. Contribution to the Community. — Any Qualified Indigenous Person as determined by the Office for Indigenous Peoples Affairs may render his/her services to the community which shall consist of, but not limited to, any of the following:

- (a) Tutorial and/or consultancy services; and
- (b) Lectures on specialized fields like agriculture, cultures, traditions, histories, and the like;

SECTION 4. Privileges for the Qualified Indigenous Persons. — The Qualified Indigenous Person shall be entitled to the following:

- (a) the grant of twenty percent (20%) discount and exemption from the value -added tax (VAT), if applicable, on the sale of the following goods and services from all establishments, for the exclusive use and enjoyment or availment of the Qualified Indigenous Person:

(1) on the purchase of medicines, including the purchase of influenza and pneumococcal vaccines, and such other essential medical supplies, accessories and equipment to be determined by the Department of Health (DOH).

The DOH shall establish guidelines and mechanism of compulsory rebates in the sharing of burden of discounts among retailers, manufacturers and distributors, taking into consideration their respective margins;

(2) on the professional fees of attending physician/s in all private hospitals, medical facilities, outpatient clinics and home health care services;

(3) on the professional fees of licensed professional health providing home health care services as endorsed by private hospitals or employed through home health care employment agencies;

(4) on medical and dental services, diagnostic and laboratory fees in all private hospitals, medical facilities, outpatient clinics, and home health care services, in accordance with the rules and regulations to be issued by the DOH, in coordination with the Philippine Health Insurance Corporation (PhilHealth);

(5) in actual fare for land transportation travel in public utility buses (PUBs), public utility jeepneys (PUJs), taxis, Asian utility vehicles (AUVs), shuttle services and public railways, including Light Rail Transit (LRT), Mass Rail Transit (MRT), and Philippine National Railways (PNR);

(6) in actual transportation fare for domestic air transport services and sea shipping vessels and the like, based on the actual fare and advanced booking;

(7) on the utilization of services in hotels and similar lodging establishments, restaurants and recreation centers;

(8) on admission fees charged by theaters, cinema houses and concert halls, circuses, leisure and amusement; and

(9) on funeral and burial services for the death of Qualified Indigenous Persons;

(b) the grant of a minimum of five percent (5%) discount relative to the monthly utilization of water and electricity supplied by the public utilities: Provided, That the individual meters for the foregoing utilities are registered in the name of the Qualified Indigenous Person residing therein: Provided, further, That the monthly consumption does not exceed one hundred kilowatt hours (100 kWh) of electricity and thirty cubic meters (30 m³) of water: Provided, furthermore, That the privilege is granted per household regardless of the number of Qualified Indigenous Persons residing therein;

(c) exemption from training fees for socioeconomic programs;

(e) free medical and dental services, diagnostic and laboratory fees such as, but not limited to, x-rays, computerized tomography scans and blood tests, in all government facilities, subject to the guidelines to be issued by the DOH in coordination with the PhilHealth;

(f) the DOH shall administer free vaccination against the influenza virus and pneumococcal disease for Qualified Indigenous patients;

(g) educational assistance to Qualified Indigenous Persons to pursue post secondary, tertiary, post tertiary, vocational and technical education, as well as short-term courses for retooling in both public and private schools through provision of scholarships, grants, financial aids, subsidies and other incentives to Qualified Indigenous Persons, including support for books, learning materials, and uniform allowances, to the extent feasible: Provided, That Qualified Indigenous Persons shall meet minimum admission requirements;

(h) to the extent practicable and feasible, the continuance of the same benefits and privileges given by the Government Service Insurance System (GSIS), the Social Security System (SSS) and the PAG-IBIG, as the case may be, as are enjoyed by those in actual service;

(i) to the extent possible, the government may grant special discounts in special programs for Qualified Indigenous Person on purchase of basic commodities, subject to the guidelines to be issued for the purpose by the Department of Trade and Industry (DTI) and the Department of Agriculture (DA); and

(j) death benefit assistance of a minimum of Two thousand pesos (Php2,000.00) shall be given to the nearest surviving relative of a deceased Qualified Indigenous Person which amount shall be subject to adjustments due to inflation in accordance with the guidelines to be issued by the DSWD.

In the availment of the privileges mentioned above, the Qualified Indigenous Persons, or his/her duly authorized representative, may submit as proof of his/her entitled thereto any of the following:

(1) an identification card issued by the Office of the Indigenous Peoples Affairs (OIPA) of the place where the Qualified Indigenous Person resides: Provided, That the identification card issued by the particular OIPA shall be honored nationwide; and

(2) other documents that establish that the Qualified Indigenous Person is a citizen of the Republic as further provided in the implementing rules and regulations.

In the purchase of goods and services which are on promotional discount, the Qualified Indigenous Person can avail of the promotional discount or the discount provided herein, whichever is higher.

The establishment may claim the discounts granted under subsections (a) and (b) of this section as tax deduction based on the cost of the goods sold or services rendered: Provided,

(a) To plan, develop, implement, consolidate, and monitor yearly work programs in pursuance of the objectives of the Act and its Rules in consultation with the City or Municipal Social Work and Development Officer, the NCIP and Indigenous Cultural Communities in their respective areas;

(b) To draw up a list of available and required services, which can be provided by the Qualified Indigenous Persons;

(c) To maintain and regularly update on a quarterly basis the list of Qualified Indigenous Persons and to issue Nationally Uniform Individual Identification Cards which shall be valid anywhere in the country;

(d) To service as a general information and liaison center to serve the needs of all Indigenous Peoples;

(e) To monitor compliance of the provisions of this Act particularly the grant of special discounts and privileges to Qualified Indigenous Persons;

(f) To report to the local government unit, any individual, establishments, business entity, institutions or agency found violating any provision of this Act; and

(g) To assist Indigenous Peoples in filing complaints or charges against any person, natural or judicial; establishment, institution, or agency refusing to comply with the privileges under the Act before the Department of Justice (DOJ), the Provincial Prosecutor's Office, the regional or the municipal trial court, the municipal trial court in cities, or the municipal circuit trial court;

(h) To assist and coordinate with the concerned person, natural or judicial, establishment, institution or agency in investigating fraudulent practices and abuses of the discount and privileges exclusively granted to Qualified Indigenous Persons;

SECTION 6. Municipal/City Responsibility. – It shall be the responsibility of the municipal/city through the mayor to require all establishments covered by this Act to prominently display posters, stickers, and other notices that will generate public awareness of the right and privileges of Qualified Indigenous Persons and to ensure that the provisions of this Act are implemented to its fullest.

SECTION 7. Penalties. — Any person who refuses to honor the individual identification cards issued or violates any provision of this Act shall suffer the following penalties:

(a) For the first violation, imprisonment of not less than six (6) months but not more than two (2) years and a fine of not less than Fifty thousand pesos (P50,000.00) but not exceeding One hundred thousand pesos (P100,000.00); and

That the cost of the discount shall be allowed as deduction from gross income for the same taxable year that the discount is granted: Provided, further, That the total amount of the claimed tax deduction net of VAT, if applicable, shall be included in their gross sales receipts for tax purposes and shall be subject to proper documentation and to the provisions of the National Internal Revenue Code (NIRC), as amended.

SECTION 5. The Office for Indigenous Peoples Affairs (OIPA). — There shall be established in all cities and municipalities an Office for Indigenous Peoples Affairs (OIPA) to be headed either by

- (a) the Indigenous Cultural Communities/Indigenous Peoples Mandatory Representative of the Policy-Making Body and Local Legislative Council of each City or Municipality or
- (b) in the absence of such representative, a member of the Indigenous Peoples living in the City or Municipality who is of good repute as determined by the Sanggunian or the National Commission on Indigenous Peoples (NCIP) who shall be appointed by the Sanggunian concerned, or
- (c) in the absence of such member, a Councilor who, in coordination with the National Commission on Indigenous Peoples (NCIP), shall be designated by the Sanggunian concerned.

The head of the OIPA shall be assisted by the Community Development Officer in coordination with the National Commission on Indigenous Peoples (NCIP) and Department of Social Welfare and Development (DSWD).

The head of the OIPA shall be appointed to serve the interest of all Indigenous Peoples in the City or Municipality and shall not be removed or replaced except for reasons of death permanent disability or ineffective performance of his duties to the detriment of fellow Indigenous Peoples.

The head of the OIPA shall be assisted by the City Social Welfare and Development officer or by the Municipal Social Welfare and Development Officer, in coordination with the Social Welfare and Development Office in coordination with the National Commission on Indigenous Peoples (NCIP).

The head of the OIPA shall be entitled to receive a reasonable and practicable honorarium to be determined and approved by the respective sanggunians of the local government unit concerned.

The Office of the Mayor shall exercise supervision over the OIPA relative to their plans, activities and programs for Indigenous Peoples. The OIPA shall work together and establish linkages with accredited NGOs, Peoples Organizations, and the Indigenous Cultural Communities/Indigenous Peoples in their respective areas.

The Office for Indigenous Peoples Affairs (OIPA) shall have the following functions:

(a) To plan, develop, implement, consolidate, and monitor yearly work programs in pursuance of the objectives of the Act and its Rules in consultation with the City or Municipal Social Work and Development Officer, the NCIP and Indigenous Cultural Communities in their respective areas;

(b) To draw up a list of available and required services, which can be provided by the Qualified Indigenous Persons;

(c) To maintain and regularly update on a quarterly basis the list of Qualified Indigenous Persons and to issue Nationally Uniform Individual Identification Cards which shall be valid anywhere in the country;

(d) To service as a general information and liaison center to serve the needs of all Indigenous Peoples;

(e) To monitor compliance of the provisions of this Act particularly the grant of special discounts and privileges to Qualified Indigenous Persons;

(f) To report to the local government unit, any individual, establishments, business entity, institutions or agency found violating any provision of this Act; and

(g) To assist Indigenous Peoples in filling complaints or charges against any person, natural or judicial; establishment, institution, or agency refusing to comply with the privileges under the Act before the Department of Justice (DOJ), the Provincial Prosecutor's Office, the regional or the municipal trial court, the municipal trial court in cities, or the municipal circuit trial court;

(h) To assist and coordinate with the concerned person, natural or judicial, establishment, institution or agency in investigating fraudulent practices and abuses of the discount and privileges exclusively granted to Qualified Indigenous Persons;

SECTION 6. Municipal/City Responsibility. – It shall be the responsibility of the municipal/city through the mayor to require all establishments covered by this Act to prominently display posters, stickers, and other notices that will generate public awareness of the right and privileges of Qualified Indigenous Persons and to ensure that the provisions of this Act are implemented to its fullest.

SECTION 7. Penalties. — Any person who refuses to honor the individual identification cards issued or violates any provision of this Act shall suffer the following penalties:

(a) For the first violation, imprisonment of not less than six (6) months but not more than two (2) years and a fine of not less than Fifty thousand pesos (P50,000.00) but not exceeding One hundred thousand pesos (P100,000.00); and

(b) For any subsequent violation, imprisonment for not less than two (2) years but not less than six (6) years and a fine of not less than One hundred thousand pesos (P100,000.00) but not exceeding Two hundred thousand pesos (P200,000.00).

(c) Any person who abuses the privileges granted herein shall be punished with a fine of not less than Five thousand pesos (P5,000.00) but not more than Fifty thousand pesos (P50,000.00), and imprisonment of not less than six (6) months.

If the offender is a corporation, partnership, organization or any similar entity, the officials thereof directly involved such as the president, general manager, managing partner, or such other officer charged with the management of the business affairs shall be liable therefor.

If the offender is an alien or a foreigner, he shall be deported immediately after service of sentence.

Upon filing an appropriate complaint, and after due notice and hearing, the proper authorities may also cause the cancellation or revocation of the business permit, permit to operate, franchise and other similar privileges granted to any business entity that fails to abide by the provisions of this Act.

SECTION 8. Monitoring and Coordinating Mechanism. - A National Indigenous Peoples Coordinating and Monitoring Board shall be established which shall be composed of the following:

(a) Chairperson - the Chairman of the National Commission on Indigenous Peoples (NCIP) or its authorized representative;

(b) Vice Chairperson - the Secretary of the Department of the Interior and Local Government (DILG) or its authorized representative; and

(c) Members:

(1) the Secretary of the DSWD or its authorized representative;

(2) the Secretary of the DOH or its authorized representative;

(3) the Secretary of the DTI or its authorized representative;

(4) the Secretary of the DOTC or its authorized representative;

(5) the Secretary of the DOF or its authorized representative; and

(6) representatives from three (3) NGOs for Indigenous Peoples and have service primarily for Indigenous Peoples. Representatives of NGOs shall serve a period of three (3) years.

SECTION 9. Implementing Rules and Regulations. — The National Commission on Indigenous Peoples jointly with the Department of Interior and Local Government and Department of Social Welfare and Development, within sixty (60) days from the approval of this Act, shall promulgate the implementing, rules and regulations for the effective implementation of the provisions of this Act. In consultation and coordination with the following agencies and offices:

- (a) Department of Health;
- (b) Department of Labor and Employment;
- (c) Department of Education;
- (d) Department of Transportation and Communications;
- (e) Department of Justice;
- (f) National Economic and Development Authority;
- (g) Department of Trade and Industry;
- (h) Department of Finance;
- (i) Commission of Higher Education;
- (j) Technical Education and Skills Development Authority;
- (k) Housing and Urban Development Coordinating Council; and
- (l) Three (3) non-governmental organizations for Indigenous Peoples.

SECTION 10. Appropriation. — The necessary appropriation for the operation and maintenance of the Office for Indigenous Peoples Affairs (OIPA) shall be appropriated and approved by the local government units concerned. The amount necessary to carry out the provisions of this Act upon its effectivity shall be charged out of the funds of the Department of the Interior and Local Government. Thereafter, any such sum as shall be needed for the regular implementation of this Act and for the respective budgets of national government agencies to implement the provisions of this Act shall be included in subsequent General Appropriations Act following its enactment into law.

SECTION 11. Repealing Clause. — All provisions of laws, orders, decrees, including rules and regulations inconsistent herewith are hereby repealed and/or modified accordingly.

SECTION 12. Separability Clause. — If any part or provision of this Act shall be held to be unconstitutional or invalid, other provisions hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 13. Effectivity. — This Act shall take effect fifteen (15) days its complete publication in the Official Gazette and in at least two (2) newspapers of general circulation, whichever comes earlier.

Approved,