

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Seventeenth Congress
First Regular Session

HOUSE BILL NO. **5016**



Introduced by Honorable Mark O. Go

EXPLANATORY NOTE

This bill seeks to establish the Baguio City, La Trinidad, Itogon, Sablan, Tuba and Tublay Special Economic Zone (BLISTT Ecozone) in the Province of Benguet to be located within the BLISTT area.

Baguio City, approximately 242 kilometers north of Manila is situated in the Province of Benguet accessible through three (3) national roads namely: Quirino Highway (*Naguilian Road*), Kennon Road and Marcos Highway. The city is bounded by the municipalities of La Trinidad on the North, Itogon on the East and Tuba on the South and West.

Based on 2010 census, the Province of Benguet reached the population of 403,944 excluding Baguio City which has 350,000 inhabitants. Among its most populated municipalities includes La Trinidad, Itogon and Tuba.

As of April 2014, the unemployment rate in Benguet is at 2.9%. The creation of BLISTT Ecozone will be a conducive avenue for direct foreign investment, allowing manageable trade, generating more employment and producing goods and services making it more globally competitive. This will totally transform the BLISTT area into an emerging investment hub that would supplement the existing Baguio Economic Zone.

While there is currently an existing Baguio City Economic Zone, this would not suffice to cater the rising demand for an area that will be suitable for economic development. The BLISTT Ecozone envisioned in this bill will also ensure that the benefits of development are experienced not only within the BLISTT communities but also in its neighboring municipalities and provinces.

The proposed BLISTT Ecozone will comprise a contiguous and compact territory aptly for agro-industrial, industrial, manufacturing, agricultural, commercial

and financial development having a decentralized, self-reliant and self-sustaining investment center with least government involvement.

In view of the foregoing, the approval of this bill is earnestly sought.



MARK O. CO

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AN ACT
ESTABLISHING THE BAGUIO CITY, LA TRINIDAD, ITOGON, SABLAN,
TUBA AND TUBLAY SPECIAL ECONOMIC ZONE (BLISTT ECOZONE) IN
THE PROVINCE OF BENGUET AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *Short Title.* – This Act shall be known as the “*BLISTT Ecozone Act.*”

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to actively encourage, promote, induce and accelerate the sound and balanced industrial, economic and social development of the country in order to provide jobs to the people, especially those in rural areas, increase their productivity and their individual and family income, and thereby improve the level and quality of their living conditions through the establishment, among others, of special economic zones in suitable and strategic locations in the country and through measures that shall effectively attract legitimate and productive foreign investments.

SEC. 3. *Baguio City, La Trinidad, Itogon, Sablan, Tuba and Tublay (BLISTT) Special Economic Zone.* – There is hereby established a special economic zone in the BLISTT area, to be known as the Baguio City, La Trinidad, Itogon, Sablan, Tuba and Tublay Economic Zone, hereinafter referred to as the BLISTT Ecozone. The specific metes and bounds of the BLISTT Ecozone shall be more particularly defined in a proclamation by the President that shall be issued for this purpose.

SEC. 4. *Supervision.* – The BLISTT Ecozone shall be under the direct control and supervision of the Philippine Economic Zone Authority (PEZA). This is an additional economic zone under the umbrella of PEZA similar to that of the Baguio City

Economic Zone, Cavite Economic Zone, Mactan Economic Zone and Private Economic Zones.

SEC. 5. *Governing Principles.* – The BLISTT Ecozone shall be managed and operated under the principles declared in Republic Act No. 7916, otherwise known as PEZA Law, as amended.

SEC. 6. *Incentives and Taxes.* – The Baguio City, La Trinidad, Itogon, Sablan, Tuba and Tublay (BLISTT) Special Economic Zone shall enjoy , receive and benefit from the same privileges, licenses granted or to be granted to other ecozones such as the Baguio City Economic Zone, Cavite Economic Zone, Mactan Economic Zone and Private Economic Zones stated under Sections 23 to 25 Chapter III of the PEZA law and such other incentives and taxes as provided by all existing laws and/or as determined by the Board of Investments (BOI) subject to its term and conditions.

The duration of such incentives and taxes shall be subject to the guidelines as set forth by PEZA.

SEC. 7. *Composition and Administration of BLISTT Ecozone.* – The BLISTT Ecozone shall be governed by an Administrator and one (1) Deputy Administrator as provided for under Section 15 Chapter III of PEZA Law.

The Administrator and the Deputy Administrator shall be appointed by the Director General of PEZA to serve for a term of three (3) years, unless sooner separated from service due to death, voluntary resignation or removal. In any situation stated, the appointed official shall serve only the unexpired portion of the term.

No person shall be appointed as Administrator and Deputy Administrator unless the person is a Filipino citizen, of good moral character, of proven probity and integrity and a degree-holder in any of the following fields: economics, business, public administration, law, management or their equivalent, and with at least five (5) years relevant working experience preferably in the field of management or public administration.

The Administrator and the Deputy Administrator shall receive salary at a rate to be determined by the Department of Budget and Management in accordance with existing rules and regulations of PEZA.

SEC. 8. *Personnel.* – The Administrator as well as the Deputy Administrator is entitled to form and organize their own personnel who can assist them in the exercise of their functions as stated under Section 16 Chapter III of the PEZA law.

The compensation plan shall be comparable with the prevailing compensation plans of Baguio City Economic Zone, Cavite Economic Zone, Mactan Economic Zone and Private Economic Zones.

SEC. 9. *Appropriation.* – The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act under the budgetary program of PEZA.

SEC. 10. *Separability Clause.* – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 11. *Repealing Clause.* – All laws, executive orders and issuances, or any part thereof, which are inconsistent herewith are hereby repealed or amended accordingly.

SEC. 12. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,