

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 6263



Introduced by Rep. Mohamad Khalid Q. Dimaporo

EXPLANATORY NOTE

President Rodrigo Roa Duterte's Administration has signified their intention to pursue the Peace Agreement with the Moro Islamic Liberation Front (MILF). In cognizance of the administration's policy direction towards a lasting peace in Mindanao, the 17th Congress has identified the Bangsamoro Basic Law as priority legislation.

However, approval of the Bangsamoro Basic Law should be approached with caution. In the advent of the war in Marawi City, and the prevalence of ISIS, or other forms of Islamic extremism, in the proposed Bangsamoro Territory, national security should be of the foremost consideration. The Central Government should retain control of all matters concerning peace and order and public safety.

Secondly, despite the development funds that have been poured into the ARMM, poverty remains persistent with its provinces ranking amongst the poorest in the Philippines. The ARMM failed to deliver its promise of a better standard of living when voted upon in the last plebiscite. Territories outside the political jurisdiction of ARMM should not be subjected to an uncertain fate, let the Bangsamoro prove its capability in eradicating poverty before expanding its territory.

Last, we can assume with certainty that terrorism thrives in the face of poverty. The war against terrorism is also a war against poverty. For the government to succeed, it must provide public accountability and zero tolerance for corruption. For this purpose, public spending and disbursement should remain directly under the jurisdiction of the Commission of Audit, and a Deputy Ombudsman for the Bangsamoro should be created to ensure that government officials in the Bangsamoro strictly adhere to the principles of good governance.

This bill is aimed to address the concerns of the MILF's Bangsamoro Agenda without sacrificing the national government's power to fight terrorism within the Bangsamoro's jurisdiction, and ascertain the practice of good governance for the Bangsamoro people.

In this light, the passage of this bill is earnestly sought.

A handwritten signature in black ink, featuring a large, stylized 'M' and 'D' that are interconnected. The signature is fluid and cursive.

MOHAMAD KHALID Q. DIMAPORO
First District, Lanao del Norte

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Introduced by Rep. Mohamad Khalid Q. Dimaporo

**AN ACT PROVIDING FOR THE BASIC LAW FOR THE
BANGSAMORO AND ABOLISHING THE AUTONOMOUS REGION
IN MUSLIM MINDANAO, REPEALING FOR THE PURPOSE
REPUBLIC ACT NO. 9054, ENTITLED "AN ACT TO STRENGTHEN
AND EXPAND THE ORGANIC ACT FOR THE AUTONOMOUS
REGION IN MUSLIM MINDANAO, "AND FOR OTHER PURPOSES**

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

Preamble:

We, the Bangsamoro people and other inhabitants of the Bangsamoro, imploring
the aid of the Almighty, aspiring to establish an enduring peace on the basis of
justice in our communities and a justly balanced society, and asserting our right
to conserve and develop our patrimony;

In consonance with the Constitution and the universally accepted principles of
human rights, liberty, justice, democracy, and the norms and standards of
international law, reflective of our system of life prescribed by our faith, and in
harmony with our customary laws, cultures and traditions.

1

2 Affirming the distinct historical identity and birthright of the Bangsamoro people
3 to their ancestral homeland and their right to self-determination – beginning with
4 the struggle for freedom of their forefathers in generations past and extending to
5 the present – to chart their political future through a democratic process that will
6 secure their identity and posterity, and allow for genuine and meaningful self-
7 governance as stipulated under the Comprehensive Agreement on the
8 Bangsamoro (CAB);

9

10 With the blessings of the Almighty, do hereby ordain and promulgate this
11 Bangsamoro Basic Law, through the Congress of the Republic of the Philippines,
12 as the basic law of the Bangsamoro that establishes the asymmetrical political
13 relationship with the Central Government founded on the principles of
14 subsidiarity and parity of esteem.

15

16 Article I

17 NAME AND PURPOSE

18

19 **Section 1. Short Title.**– This law shall be known and cited as the “*Bangsamoro*
20 *Basic Law*.”

21

22 **Section 2. Name.** – The name of the political entity under this Basic Law shall
23 be the Bangsamoro.

24

25 **Section 3. Purpose.** – The purpose of this Basic Law is to establish a political
26 entity, provide for its basic structure of government in recognition of the justness
27 and legitimacy of the cause of the Bangsamoro people and their aspiration to chart
28 their political future through a democratic process that will secure their identity
29 and posterity and allow for meaningful self-governance.

Article II
BANGSAMORO IDENTITY

Section 1. Bangsamoro People. – Those who at the time of conquest and colonization were considered natives or original inhabitants of Mindanao and the Sulu archipelago and its adjacent islands including Palawan, and their descendants, whether of mixed or of full blood, shall have the right to identify themselves as Bangsamoro by ascription or self-ascription. Spouses and their descendants are classified as Bangsamoro.

Section 2. Freedom of Choice. – The freedom of choice of other indigenous peoples shall be respected.

Section 3. Bangsamoro Symbol. – The Bangsamoro Parliament shall adopt the official flag, emblem and anthem of the Bangsamoro.

Article III
TERRITORY

Section 1. Definition of Territory - Territory refers to the land mass as well as the maritime, terrestrial, fluvial and alluvial domains, and the aerial domain above it. The Bangsamoro territory shall remain a part of the Philippines.

Section 2. Core Territory – The core territory of the Bangsamoro shall be composed of the present geographical area of the Autonomous Region in Muslim Mindanao.

1 In order to ensure the widest acceptability of the Bangsamoro Basic Law in the
2 core areas above-mentioned, a popular ratification shall be conducted among all
3 the Bangsamoro within the areas for their adoption.

4

5 **Section 3. Inland Waters.** – All inland waters, such as lakes, rivers, river
6 systems, and streams within the Bangsamoro territory except Lake Lanao, shall
7 be part of the Bangsamoro. The preservation and management thereof shall be
8 under the jurisdiction of the Bangsamoro Government.

9

10 **Section 4. Bangsamoro Waters** – The Bangsamoro waters shall extend up to
11 22.224 kilometers (12 nautical miles) from the low-water mark of the coasts that
12 are part of the Bangsamoro territory. The Bangsamoro Waters shall be part of the
13 territorial jurisdiction of the Bangsamoro political entity.

14

15 Where a constituent local government unit of the Bangsamoro and an adjoining
16 local government unit are so situated on the opposite shores such that there is
17 thirty (30) kilometers of waters or less between them, a line equally distant from
18 the opposite shores shall be drawn to demarcate the Bangsamoro Waters and the
19 municipal waters of the adjoining local government unit.

20

21 Should they be so situated that there is more than thirty (30) kilometers but less
22 than 37.224 kilometers of waters between them, a line shall be drawn at the edge
23 of the 15 kilometers municipal waters of the adjoining local government unit to
24 demarcate it from the Bangsamoro Waters.

25

26 Ten years after the passage of this Basic Law, the Central Government and the
27 Bangsamoro Government shall discuss the enhancement of the area of the
28 Bangsamoro Waters through the necessary processes and modalities.

29

1 **Section 5. Constituent Units.** – The provinces, cities, municipalities, barangays
2 and geographical areas within its territory shall be the constituent units of the
3 Bangsamoro.

4
5 **Section 6. Collective Democratic Rights of the Bangsamoro People.** - The
6 collective rights of the constituents of the Bangsamoro shall be recognized.

7 8 **Article IV**

9 **GENERAL PRINCIPLES AND POLICIES**

10
11 **Section 1. Self-Governance.** In the exercise of its right to self-governance and
12 self-determination, the Bangsamoro is free to pursue its economic, social and
13 cultural development.

14
15 **Section 2. Democratic Political System.** The Bangsamoro Government shall be
16 parliamentary. Its political system is democratic, allowing its people to freely
17 participate in the political processes within its territory.

18
19 **Section 3. Electoral System.** - The Bangsamoro Government shall adopt an
20 electoral system suitable to a ministerial form of government, which shall allow
21 democratic participation, encourage formation of genuinely principled political
22 parties, and ensure accountability.

23
24 **Section 4. Civilian Government.** Governance in the Bangsamoro is the
25 responsibility of the duly-elected civilian government. Civilian authority is, at all
26 times, supreme over the military.

27

Section 5. Promotion of Unity. The Bangsamoro Government shall promote unity, peace, justice, and goodwill among all peoples, as well as encourage a just and peaceful settlement of disputes.

The Bangsamoro abides by the principle that the country renounces war as an instrument of national policy, adopts the generally accepted principles of international law as part of the law of the land and adheres to the policy of peace, equality, justice, freedom, cooperation, and amity with all nations.

Section 6. Promotion of Right. - The Bangsamoro shall adhere to the principle of enjoining what is right and forbidding what is wrong.

Section 7. Social Justice. - The Bangsamoro shall establish a government that ensures that every citizen in the Bangsamoro is provided the basic necessities and equal opportunities in life. Social Justice shall be promoted in all phases of development and facets of life within the Bangsamoro.

Section 8. International Treaties and Agreements. - The Bangsamoro Government shall respect and adhere to all international treaties and agreements binding upon the Central Government.

Article V POWERS OF GOVERNMENT

1 **Section 1. Reserved Powers.** – Reserved powers are matters over which
2 authority and jurisdiction are retained by the Central Government. The Central
3 Government shall exercise the following reserved powers;

4
5 1. Foreign policy;

6
7 2. Coinage and monetary policy;

8
9 3. Postal service;

10
11 4. Citizenship and naturalization;

12
13 5. Immigration;

14
15 6. Customs and tariff as qualified by Section 2(10), Article V of this Basic
16 Law;

17
18 7. Common market and global trade, provided that the power to enter into
19 economic agreements given to the ARMM under R.A. 9054 is hereby
20 transferred to the Bangsamoro Government as provided in Article XII,
21 Section 25 of this Basic Law; and

22
23 8. Intellectual property rights.

24
25 **Section 2. Concurrent Powers.** - Concurrent powers shall refer to the powers
26 shared between the Central Government and the Bangsamoro Government within
27 the Bangsamoro, as provided in this Basic Law.

28

1 The Central Government and the Bangsamoro Government shall exercise shared
2 powers within the Bangsamoro on the following matters:

3
4 *Social security and pensions.* – The Bangsamoro Government may organize its
5 own social security and pension systems alongside the existing Central
6 Government social security and pension systems.

7 The Bangsamoro Government and the Central Government through the
8 intergovernmental relations mechanism, and other consultative processes
9 shall, among others, ensure that the investment of the contributions from the
10 members from the Bangsamoro in the Central Government social security
11 and pensions is responsive to their cultural and religious sensitivities.

12 The future relationship of the Central Government system with the
13 Bangsamoro Government system with respect to new government
14 employees and other qualified individuals in the Bangsamoro shall be
15 further provided for in law duly enacted for the purpose.

16
17 1. *Quarantine.* – There is hereby created an office for quarantine services in
18 the Bangsamoro. It shall cooperate and coordinate with its counterpart
19 offices in the Central Government.

20
21 2. *Land Registration.* – The Bangsamoro Government, in accordance with the
22 land registration system of the Central Government, shall administer land
23 registration in the Bangsamoro territory through an office it shall create for
24 this purpose. The Bangsamoro Government shall furnish copies of the titles,
25 deeds and other instruments to the relevant Central Government agencies.
26 The Bangsamoro Government can act on *consultas*.

27

1 Provided, however, that the Central Government shall retain the authority to
2 declare land of the public domain as alienable and disposable and that the
3 land subject of application for registration.

4

5 The Bangsamoro Government may institute processes to promote more
6 efficient registration of lands within the Bangsamoro.

7

8 3. *Pollution control* -The Central Government and the Bangsamoro
9 Government agencies shall cooperate and coordinate through the
10 intergovernmental relations mechanism on pollution control matters.

11

12 4. *Human rights and humanitarian protection and promotion.* – Subject to
13 compliance to existing international agreements, the Bangsamoro
14 Government may organize its own bodies for human rights and
15 humanitarian protection and promotion that will work cooperatively with
16 relevant national institutions.

17

18 5. *Penology and penitentiary.* -- The Central Government and the Bangsamoro
19 Government institutions shall cooperate and coordinate through the
20 intergovernmental relations mechanism on the matter of granting parole and
21 recommending to the President the grant of executive clemency. The
22 Bangsamoro Government shall create an office that shall administer the
23 parole system and recommend the grant of executive clemency to the Office
24 of the President.

25

26 The Bangsamoro Government may create and manage jails, penal colonies,
27 and other facilities. It shall ensure the compatibility of these facilities with
28 the national jail management and penitentiary system, through the

1 intergovernmental relations mechanism. These facilities are understood to
2 be part of the country's administration of justice.

3
4 6. *Civil Service.* – The Bangsamoro Government shall develop and administer
5 a professional civil service corps, to include the powers and privileges on
6 civil service matters provided in R.A. No. 9054, and without prejudice to
7 the power, authority, and duty of the national Civil Service Commission.

8
9 There is hereby created a Bangsamoro Civil Service office that shall develop
10 and administer a professional civil service corps, without prejudice to the
11 power, authority and duty of the national Civil Service Commission. The
12 Bangsamoro Government shall enact a civil service law for this purpose.
13 This law shall govern the conduct of civil servants, the qualification for non-
14 elective positions, adopt the merit and fitness system, and protect civil
15 service eligibles in various government positions, including government-
16 owned and/or controlled corporations with original charters, in the
17 Bangsamoro. The Bangsamoro Government shall have primary disciplinary
18 authority over its own officials and employees.

19
20 7. *Coastguard.* –The Central Government shall have primary responsibility
21 over coastguard matters. The Central Government and the Bangsamoro
22 Government shall cooperate and coordinate through the intergovernmental
23 relations mechanism.

24
25 8. *Customs and Tariff.* – The Bangsamoro Government and the Central
26 Government shall cooperate and coordinate through the intergovernmental
27 relations mechanism with regard to the enforcement of customs and tariff
28 laws and regulations to ensure the effective exercise of its powers on barter

1 trade and countertrade with ASEAN countries as well as the regulation of
2 the entry of *haram* goods in the Bangsamoro territorial jurisdiction.

3

4 9. *Administration of justice.* – Administration of justice shall be in accordance
5 with the relevant provisions of this Basic Law and with due regard to the
6 powers of the Supreme Court and the competence of the Bangsamoro
7 Government over *Shari'ah* courts and the *Shari'ah* justice system in the
8 Bangsamoro. The supremacy of *Shari'ah* and its application shall only be to
9 Muslims.

10

11 10. *Funding for the maintenance of national roads, bridges, airports, seaports*
12 *and irrigation systems.* – The Central Government shall be responsible for
13 the funding, construction and maintenance of national roads, bridges
14 airports, seaports and irrigation systems in the Bangsamoro and shall include
15 in the National Road Network Information System all national roads and
16 bridges in the Bangsamoro. There shall be coordination through the
17 intergovernmental relations mechanism between the relevant Central
18 Government and Bangsamoro Government agencies on the Central
19 Government on the matter of national roads, bridges, and irrigation systems
20 within the Bangsamoro.

21

22 The Bangsamoro Government shall submit proposals to the appropriate
23 national government agency for the inclusion of the cost of such
24 maintenance in the latter's budget that shall be submitted to Congress for
25 inclusion in the General Appropriations Act. Funding for national roads,
26 bridges, and irrigation systems shall be regularly released to the relevant
27 department of the Central Government.

28

11. *Disaster risk reduction and management.* – The Bangsamoro Government shall have primary responsibility over disaster risk reduction and management within the Bangsamoro. There shall be cooperation and coordination among relevant Central Government and Bangsamoro Government agencies on disaster risk reduction and management. There is hereby created a Bangsamoro Disaster Risk Reduction and Management Council (BDRRMC), with powers and functions that shall be defined by the Bangsamoro Parliament in a law on disaster preparedness and response. The BDRRMC shall formulate the Bangsamoro Disaster Risk Reduction and Management Plan, which shall complement the National Disaster Risk Reduction and Management Framework and Plan of the Central Government. Additionally, the BDRRMC, through its Chair, the Chief Minister, may recommend to the President the mobilization of resources of national defense in times of disasters in the Bangsamoro.

Section 3. Exclusive Powers. - Exclusive powers are matters over which authority and jurisdiction shall pertain to the Bangsamoro Government. The Bangsamoro Government shall exercise these powers over the following matters within the Bangsamoro:

1. Agriculture, livestock and food security;
2. Economic and cultural exchange;
3. Contract loans, credits, and other forms of indebtedness with any government or private bank and other lending institutions, except those requiring sovereign guaranty, which require Central Government approval;

- 1 4. Trade, industry, investment, enterprises and regulation of businesses taking
2 into consideration relevant laws;
3
- 4 5. Labor, employment, and occupation;
5
- 6 6. Registration of business names, with the Bangsamoro Government listing
7 these in the Philippine Business Registry for business names;
8
- 9 7. Barter trade and countertrade with ASEAN countries;
10
- 11 8. Economic zones and industrial centers;
12
- 13 9. *Free ports.* – The Bangsamoro Government may establish free ports in the
14 Bangsamoro. The Bangsamoro Government shall cooperate with the Central
15 Government through the intergovernmental relations mechanism on
16 customs, immigration, quarantine service, and international commitments.
17 Business and other enterprises operating within the Bangsamoro free ports
18 shall be entitled to the fiscal incentives and other benefits provided by the
19 Central Government to special economic zones. Bangsamoro free ports shall
20 be contiguous/adjacent to seaport or airport within the Bangsamoro;
21
- 22 10. Tourism;
23
- 24 11. Creation of sources of revenue – The Bangsamoro Government may pass
25 laws creating sources of revenue except those which are under the Central
26 Government in exercise of its sovereignty such as but not limited to income
27 tax, passport fees and other fees relating to citizenship;
28

1 12. Budgeting;

2
3 13. *Financial and banking system* – This is without prejudice to the power of
4 supervision of the Bangko Sentral ng Pilipinas (BSP) and provided further
5 that the Bangsamoro Government, the BSP, the Department of Finance
6 (DOF), and the National Commission on Muslim Filipinos (NCMF) shall
7 jointly promote the development of the Islamic banking system, to include
8 among others the establishment of a *Shari'ah* supervisory board;

9
10 14. *Establishment of government-owned and/or controlled corporations*
11 *(GOCCS) and financial institutions.* – The Bangsamoro Government shall
12 legislate and implement the creation of its own GOCCs in the pursuit of the
13 common good, and subject to economic viability. The GOCCs shall be
14 registered with the Securities and Exchange Commission or shall be
15 established under legislative charter by the Bangsamoro Government;

16
17 15. The Bangsamoro Government shall have authority to regulate power
18 generation, transmission, and distribution operating exclusively in the
19 Bangsamoro and not connected to the national transmission grid. It shall
20 promote investments, domestic and international, in the power sector
21 industry in the Bangsamoro. Power plants and distribution networks in the
22 Bangsamoro shall be able to interconnect and sell power over the national
23 transmission grid to electric consumers. The Bangsamoro Government may
24 assist electric cooperatives in accessing funds and technology, to ensure
25 their financial and operational viability. When power generation,
26 transmission, and distribution facilities are connected to the national
27 transmission grid, the Central Government and the Bangsamoro
28 Government shall cooperate and coordinate through the intergovernmental
29 relations mechanism;

1

2 16. *Public utilities operations in the Bangsamoro* - In case of inter-regional
3 utilities, there shall be cooperation and coordination among the relevant
4 government agencies;

5

6 17. Receive grants and donations;

7

8 18. Education and skills training;

9

10 19. Science and technology;

11

12 20. Research councils and scholarships;

13

14 21. Culture and language;

15

16 22. Sports and recreation;

17

18 23. Regulation of games and amusement operations within the Bangsamoro;

19

20 24. *Libraries, museums, historical, cultural and archaeological sites.* - The
21 Bangsamoro Government shall have the power to establish its own libraries
22 and museums, and declare historical and cultural sites within the
23 Bangsamoro territory. The Central Government shall retain the management
24 of such sites currently under the jurisdiction of the National Museum,
25 National Historical Commission, and other agencies of the Central
26 Government, but shall coordinate with the Bangsamoro Government or
27 local governments therein following certain processes through the
28 intergovernmental relations mechanism. With regard to archaeological sites,
29 the Bangsamoro Government shall coordinate with relevant agencies of the

1 Central Government on the regulation, excavation, preservation, and
2 exportation of cultural properties, as well as on the recovery of lost historical
3 and cultural artifacts;

4

5 25. Regulations on manufacture and distribution of foods, drinks, drugs and
6 tobacco for the welfare of the Bangsamoro;

7

8 26. *Hajj and Umrah*. – The Bangsamoro Government shall have primary
9 jurisdiction over *Hajj* and *Umrah* matters affecting pilgrims from within the
10 Bangsamoro. The Central Government shall have competence over *Hajj* and
11 *Umrah* matters affecting pilgrims coming from outside the Bangsamoro.
12 There is hereby created a Bangsamoro pilgrimage authority that shall act in
13 close coordination with Central Government on *hajj* and *umrah* matters
14 involving offices and agencies outside the Bangsamoro;

15

16 27. Customary laws;

17

18 28. Declaration of Bangsamoro holidays;

19

20 29. Ancestral domain and natural resources;

21

22 30. Protection of the rights of the indigenous people in the Bangsamoro in
23 accordance with the United Nations Declaration on the Rights of Indigenous
24 Peoples, and taking into account in addition to economic and geographical
25 criteria, their individual and communal property rights, cultural integrity,
26 customary beliefs, historical and community traditions. The Bangsamoro
27 Parliament shall create an appropriate office or ministry for the Indigenous
28 Peoples, which shall be part of the Bangsamoro Cabinet to develop and

1 implement the Bangsamoro programs for the indigenous peoples in
2 accordance with a law passed by the Parliament, which are not inconsistent
3 with the existing National laws;
4

5 31. *Land management, land distribution, and agricultural land use*
6 *reclassification.* – The classification of public lands into alienable and
7 disposable lands shall be initiated and recommended by the Bangsamoro
8 Government to the President for the timely implementation of Bangsamoro
9 development plans and targets;
10

11 32. *Cadastral land survey.* – The Bangsamoro Government shall have the
12 authority to conduct cadastral surveys, lot surveys, and isolated and special
13 surveys in the Bangsamoro, subject to the conditions in Section 2 (2) hereof.
14 The Bangsamoro Government shall furnish the results of these surveys to,
15 and coordinate with, relevant Central Government agencies to effect
16 inclusion into national cadastral survey;
17

18 33. Expropriation and eminent domain;
19

20 34. *Environment, parks, forest management, wildlife, nature reserves and*
21 *conservation.* – The Bangsamoro Government shall have the authority to
22 protect and manage the environment. It shall have the power to declare
23 nature reserves and aquatic parks, forests, and watershed reservations, and
24 other protected areas in the Bangsamoro;
25

26 35. Inland waterways for navigation;
27

28 36. Inland waters;
29

1 37. Management, regulation and conservation of all fishery, marine and aquatic
2 resources within the Bangsamoro territorial jurisdiction;
3

4 38. Bangsamoro settlements;
5

6 39. *Shari'ah* courts and *Shari'ah* justice system;
7

8 40. Public administration and bureaucracy for the Bangsamoro;
9

10 41. Health, provided that the Central Government and the Bangsamoro
11 Government shall cooperate with and assist each other in the prevention and
12 control of epidemic and other communicable diseases;
13

14 42. Social services, social welfare and charities;
15

16 43. Waste Management;
17

18 44. Establishment and supervision of humanitarian services and institutions;
19

20 45. Identification, generation and mobilization of international human resources
21 for capacity building and other activities involving the same within the
22 Bangsamoro. The Central Government shall cooperate with and assist the
23 Bangsamoro Government towards ensuring access to such relevant human
24 resources through the intergovernmental relations mechanism;
25

26 46. Establishment of *Awqaf* (endowment) and charitable trusts;
27

28 47. *Hisbah* office for accountability as part of the *Shari'ah* justice system;
29

1 48. Registration of births, marriages, and deaths, copies of which shall be
2 forwarded to the Philippine Statistics Authority;

3
4 49. Housing and human settlements;

5
6 50. Development planning – The Bangsamoro Government has the power to
7 approve its development plan which must be in accordance to the Philippine
8 Development Plan;

9
10 51. Urban and rural development;

11
12 Water supplies and services, flood control and irrigation systems in the
13 Bangsamoro, provided that with regard to water supplies and services, flood
14 control and irrigation systems that connect to or from facilities outside the
15 Bangsamoro, there shall be cooperation and coordination between the
16 Bangsamoro Government and the appropriate Central or local government
17 bodies;

18
19 52. Public works and highways within the Bangsamoro;

20
21 53. Establishment of appropriate mechanisms for consultations for women and
22 marginalized sectors;

23
24 54. Special development programs and laws for women, the youth, the elderly,
25 labor, the differently-abled, and indigenous cultural communities;

26
27 55. *Local administration, municipal corporations and other local authorities*
28 *including the creation of local governments.* – The Bangsamoro

1 Government shall manage and build its own bureaucracy and administrative
2 organization, in accordance with the ministerial form of government;

3
4 The Bangsamoro Parliament may create, divide, merge, or abolish
5 boundaries of provinces, cities, municipalities or barangays in accordance
6 with a law enacted by the Bangsamoro Parliament, and subject to the
7 approval by a majority of the votes cast in a plebiscite in the political units
8 directly affected. Subject to the criteria provided in said law, the
9 Bangsamoro Parliament may likewise create appropriate local government
10 units in the areas inhabited predominantly by indigenous peoples;

11
12 However, when such acts require the creation of a congressional district, the
13 Bangsamoro Government shall cooperate and coordinate with Central
14 Government through the Philippine Congress – Bangsamoro Parliament
15 Forum to prioritize the deliberations on the creation of the congressional
16 district; and

17
18 56. Establishment or creation of other institutions, policies and laws for the
19 general welfare of the people in the Bangsamoro.

20
21 **Section 4. Other Exclusive Powers.** The following powers and competencies
22 previously granted to the Autonomous Region in Muslim Mindanao (ARMM)
23 under R.A. No. 6734, as amended by R.A. No. 9054, are hereby transferred to
24 the Bangsamoro Government as part of its exclusive powers:

- 25
26 a. To regulate and exercise authority over foreign investments exclusively
27 within its jurisdiction. The Central Government may intervene in such
28 matters only if national security is involved;

1 b. To proclaim a state of calamity over its territorial jurisdiction or parts
2 thereof whenever typhoons, flash floods, earthquakes, tsunamis, or other
3 natural calamities cause widespread damage or destruction to life or
4 property in the region. The state of calamity proclaimed by the Chief
5 Minister shall only be for the purpose of maximizing the efforts to rescue
6 imperiled persons and property and the expeditious rehabilitation of the
7 damaged area;

8

9 c. To temporarily take over or direct operation of any privately-owned public
10 utility or business affected with public interest, in times of state of calamity
11 declared by the Chief Minister, when the public interest so requires and
12 under such reasonable terms and safeguards as may be prescribed by the
13 Parliament. However, the Bangsamoro Government may not sell or
14 dispose of the assets of any privately-owned public utility or business
15 affected with public interest during its temporary take-over. The public
16 utility or business concerned may contest the take-over of its operations by
17 the Bangsamoro Government by filing a proper case or petition with the
18 Court of Appeals;

19

20 d. To recognize constructive or traditional possession of lands and resources
21 by indigenous cultural communities subject to judicial affirmation, the
22 petition for which shall be instituted within a period of ten (10) years from
23 the effectivity of this Basic Law. The procedure for judicial affirmation of
24 imperfect titles under existing laws shall, as far as practicable, apply to the
25 judicial affirmation of titles to ancestral lands;

26

27 e. To adopt and implement a comprehensive urban land reform and land use
28 program, to ensure the just utilization of lands within its jurisdiction;

f. The Bangsamoro Parliament shall have the following powers:

1. To enact legislation on the rights of the people of the Bangsamoro to initiate measures for the passage, amendment or repeal of regional or local legislation; to be consulted on matters that affect their environment; to call for a referendum on important issues affecting their lives; and, to recall regional or local officials;
2. To conduct inquiries or public consultations in aid of legislation in accordance with its rules. In connection therewith, it shall have the power to issue *subpoena* or *subpoena duces tecum* to compel the attendance of witnesses and the production of papers, documents, or things by witnesses or persons under investigation by the Parliament, itself, or by any of its committees. It shall also have the right to cite witnesses or persons under investigation for contempt for refusal to testify before it or before any of its committees or to produce papers, documents or things required by the Parliament or any of its committees. The rights of persons appearing in or affected by such inquiries shall be respected;
3. To enact a law that would allow the Chief Minister, Speaker of the Parliament and the Presiding Justice of the Bangsamoro *Shari'ah* High Court to augment any item in the Bangsamoro General Appropriations Law for their respective offices from savings in other items of their respective appropriations;

1 4. To enact a law that shall regulate the grant of franchises and
2 concessions, and empower the Chief Minister to grant leases, permits,
3 and licenses over agricultural lands and for forest management;

4
5 g. To create pioneering firms and other business entities needed to boost
6 economic development in the Bangsamoro;

7
8 h. To establish and operate pioneering public utilities in the interest of
9 regional welfare and security. Upon payment of just compensation, it may
10 cause the transfer of the ownership of such utilities to cooperatives or other
11 collective organizations;

12
13 i. To support and encourage the building up of entrepreneurial capability in
14 the Bangsamoro and to recognize, promote, and protect cooperatives;

15
16 j. To supervise and regulate private schools in the Bangsamoro and to allow
17 for the participation of three (3) representatives of private schools in the
18 deliberations of the appropriate Bangsamoro Government's ministry or
19 office on matters dealing with private schools;

20
21 k. To be represented in the board of the state universities and colleges (SUCs)
22 in the Bangsamoro by the Chair of the appropriate committee of the
23 Bangsamoro Parliament, either as co-chair or co-vice chair. The SUCs
24 within the Bangsamoro shall be considered part of the Bangsamoro
25 educational system. This notwithstanding, these SUCs shall enjoy
26 academic freedom and fiscal autonomy and shall continue to be governed
27 by their respective charters;

28

- 1 l. To jointly supervise and assist the Central Government, through the
2 appropriate ministry, the accredited *madaris* in the Bangsamoro;
3
- 4 m. To conduct periodic competitive qualifying examinations of *madaris*
5 teachers for permanent appointments to the Bangsamoro education system;
6
- 7 n. To adopt measures to protect and promote the rights of people's
8 organizations and other collective organizations;
9
- 10 o. To adopt measures for the protection of the youth in the Bangsamoro and
11 the promotion of their welfare, and to create the appropriate office and
12 other mechanisms for the implementation of such measures;
13
- 14 p. To enforce the policy of appointment or designation of any member of the
15 Armed Forces of the Philippines in the active service to a civilian position
16 in the Bangsamoro Government, including government-owned and/or -
17 controlled corporations, or in any of their subsidiaries or instrumentalities
18 within the Bangsamoro.
19
20
21

22 Article VI

23 INTERGOVERNMENTAL RELATIONS

24

25 **Section 1. Asymmetric Relationship.** – The relationship between the Central
26 Government and the Bangsamoro Government shall be asymmetric. This is
27 reflective of the recognition of their Bangsamoro identity, and their aspiration for
28 self-governance. This makes it distinct from other regions and other local
29 governments.

1

2 **Section 2. Parity of Esteem.** – The Central Government and the Bangsamoro
3 Government shall be guided by the principles of parity of esteem and accepted
4 norms of good governance. The Central Government shall respect the exercise of
5 competencies and exclusive powers of the Bangsamoro Government. The
6 Bangsamoro Government shall respect the exercise of the competencies and
7 reserved powers of the Central Government under the present laws and Philippine
8 Constitution.

9

10 **Section 3. General Supervision.** Consistent with the principle of autonomy and
11 the asymmetric relation of the Central Government and the Bangsamoro
12 Government, the President shall exercise general supervision over the
13 Bangsamoro Government to ensure that laws are faithfully executed.

14

15 **Section 4. Intergovernmental Relations Mechanism.** – The Central
16 Government and the Bangsamoro Government shall establish a mechanism at the
17 highest levels that will coordinate and harmonize their relationships. For this
18 purpose, a primary mechanism shall be a Central Government – Bangsamoro
19 Government Intergovernmental Relations Body to resolve issues on
20 intergovernmental relations. All disputes and issues relating to these
21 intergovernmental relations shall be resolved through regular consultations and
22 continuing negotiations in a non-adversarial manner.

23

24 The Intergovernmental Relations Body shall exhaust all means to resolve all
25 issues brought before it. Unresolved issues shall be elevated to the President,
26 through the Chief Minister.

27

28 The Central Government shall appoint a head to represent the Central
29 Government. The Bangsamoro Government shall have a Minister who shall sit

1 in this body, representing the Bangsamoro Government. The body shall be
2 supported by a joint secretariat.

3

4 **Section 5. Council of Leaders.** – The Bangsamoro Council of Leaders shall
5 consist of the Chief Minister, provincial governors, mayors of chartered cities,
6 and representatives from the non-Moro indigenous communities, women, settler
7 communities, and other sectors. The Bangsamoro Council of Leaders shall be
8 chaired by the Chief Minister. The Council shall advise the Chief Minister on
9 matters of governance in the Bangsamoro. The representation of the non-Moro
10 indigenous communities shall be pursuant to their customary laws and indigenous
11 processes.

12

13 The mechanism of representation and number of representatives shall be
14 determined by the Parliament.

15

16 **Section 6. Devolution and Subsidiarity.** –The Central Government and the
17 Bangsamoro Government accept the concept of devolution as inspired by the
18 principles of subsidiarity. Decisions are to be made at the appropriate level to
19 ensure public accountability and transparency, and in consideration of good
20 governance and the general welfare.

21

22 **Section 7. Bangsamoro Government and Its Constituent Local Government**
23 **Units.** – The provinces, cities, municipalities, barangays, and geographic areas
24 within its territory shall be the constituent units of the Bangsamoro. The authority
25 to regulate on its own responsibility the affairs of the local government units is
26 guaranteed within the limit of this Basic Law. The Local Government Units shall
27 continue to exercise the powers granted to them as provided by law. For good
28 governance, the Bangsamoro Parliament may enact a Local Government Code.

29

1 **Section 8. Philippine Congress - Bangsamoro Parliament Forum.** - There
 2 shall be a Philippine Congress-Bangsamoro Parliament Forum for purposes of
 3 cooperation and coordination of legislative initiatives.

4
 5 **Section 9. Bangsamoro Participation in Central Government.** - It shall be
 6 the policy of the Central Government to appoint competent and qualified
 7 inhabitants of the Bangsamoro in the following offices in the Central
 8 Government: at least one (1) Cabinet Secretary; at least one (1) in each of the
 9 other departments, offices and bureaus, holding executive, primarily confidential,
 10 highly technical, policy-determining positions; and one (1) Commissioner in each
 11 of the constitutional bodies.

12
 13 The recommendations of the Bangsamoro Government shall be channeled
 14 through the intergovernmental relations mechanisms.

15
 16 **Section 10. Assistance to Other Bangsamoro Communities.** - The Central
 17 Government shall ensure the protection of the rights of the Bangsamoro people
 18 residing outside the territory of the Bangsamoro and undertake programs for the
 19 rehabilitation and development of their communities outside of their geographical
 20 coverage. The Bangsamoro Government may provide assistance to their
 21 communities to enhance their economic, social and cultural development. In this
 22 regard, the Bangsamoro Government shall include in its priorities the creation of
 23 an office for Bangsamoro communities outside of the Bangsamoro territory.

24 25 **Article VII**

26 **THE BANGSAMORO GOVERNMENT**

27
 28 **Section 1. Seat of Government.** - The Bangsamoro Parliament shall determine
 29 the seat of the Bangsamoro Government anywhere within the Bangsamoro

1 territory.

2

3 **Section 2. Powers of Government.** – The powers of government shall be vested
4 in the Bangsamoro Parliament, which shall exercise those powers and functions
5 expressly granted to it in this Basic Law, and those necessary for or incidental to
6 the proper governance and development of the Bangsamoro. It shall set policies,
7 legislate on matters within its authority, and elect a Chief Minister, who shall
8 exercise executive authority in its behalf.

9

10 **Section 3. Legislative Authority.** – The Bangsamoro Parliament shall have the
11 authority to enact laws on matters that are within the powers and competencies
12 of the Bangsamoro Government.

13

14 **Section 4. Executive Authority.** – The executive function and authority shall be
15 exercised by the Cabinet, which shall be headed by a Chief Minister. The Chief
16 Minister who heads the ministerial government of the Bangsamoro shall be
17 elected by a majority vote of the Parliament from among its members.

18

19 The Chief Minister shall appoint the Deputy Chief Minister from among the
20 Members of Parliament, and the members of the Cabinet, majority of whom shall
21 also come from the Parliament.

22

23

Bangsamoro Parliament

24

25 **Section 5. Composition.** – The Parliament shall be composed of at least eighty
26 (80) members, who are representatives of political parties elected through a
27 system of proportional representation, those elected from single member districts
28 and to reserved seats to represent key sectors in the Bangsamoro, except as
29 otherwise provided under this Article.

1
2 **Section 6. Classification and Allocation of Seats.** – The seats in the
3 Bangsamoro Parliament shall be classified and allocated as follows:
4

5 (1) *District Seats.* – Forty percent (40%) of the Members of Parliament shall
6 be elected from single member parliamentary districts apportioned for the
7 areas and in the manner provided in the Appendix of this Basic Law.
8

9 The Bangsamoro Parliament may by law undertake redistricting in order
10 to ensure a more equitable representation of the constituencies in the
11 Bangsamoro Parliament.
12

13 The district representatives shall be elected through direct, plurality vote
14 by the registered voters in the parliamentary districts.
15

16 (2) *Party Representatives.* – Fifty percent (50%) of the Members of Parliament
17 shall be representatives of political parties who win seats through a system
18 of proportional representation based on the whole Bangsamoro territory.
19 Parties shall submit their respective list of approved candidates prior to the
20 election.
21

22 (3) *Reserved Seats; Sectoral Representatives.* – Sectoral representatives,
23 constituting ten percent (10%) of the Members of Parliament, including
24 two (2) reserved seats each for non-Moro indigenous communities and
25 settler communities. Women, youth, traditional leaders and the *ulama*
26 shall each have a reserved seat.
27

28 The Bangsamoro Parliament shall determine the manner of election of sectoral
29 and other representation in the Parliament.

1

2 Section 7. Election for Reserved Seats for Non-Moro Indigenous Peoples. –

3 Notwithstanding the immediately preceding sections, reserved seats for the non-
4 Moro indigenous peoples, such as, Teduray, Lambangian, Dulangan Manobo,
5 B'laan and Higaonon, shall be pursuant to their customary laws and indigenous
6 processes based on the following:

7

8 a. Primacy of customary laws and practices;

9

10 b. Primacy of consensus building;

11

12 c. Acceptability of the community;

13

14 d. Inclusivity and full participation;

15

16 e. Representation of the collective interests and aspirations of non-Moro
17 indigenous peoples;

18

19 f. Sustainability and strengthening of Indigenous Political Structures;

20

21 g. Track record and capability; and

22

23 h. Gender equity.

24

25 Section 8. Election of the Representatives of the Settlers, Women, Youth and

26 **Traditional Leaders.** - The Bangsamoro Transition Authority (BTA) shall define
27 the manner of election for the representatives of the settlers, women, youth, and
28 traditional leaders.

29

1 **Section 9. Regional Parties.** – A free and open regional party system shall be
2 allowed to evolve according to the free choice of the people. Towards this end,
3 only regional political parties duly accredited by the Bangsamoro Electoral
4 Office may participate in the parliamentary elections in the Bangsamoro.

5

6 **Section 10. Redistricting.** – The Parliament shall have the power to reconstitute,
7 by law, the parliamentary districts apportioned among the provinces, cities,
8 municipalities, and geographic areas of the Bangsamoro to ensure equitable
9 representation in the Parliament. The redistricting, merging or creation, of
10 parliamentary districts shall be based on the number of inhabitants and additional
11 provinces, cities, municipalities, and geographic areas, which shall become part
12 of the territories of the Bangsamoro Government.

13

14 For the purpose of redistricting, parliamentary districts shall be apportioned based
15 on population and geographical area; Provided that each district shall comprise,
16 as far as practicable, contiguous, compact, and adjacent territory and should have
17 at least a population of one hundred thousand (100,000).

18

19 **Section 11. Bangsamoro Electoral Code.** – The Bangsamoro Transition
20 Authority shall enact the Bangsamoro Electoral Code, which shall be correlated
21 to national election laws, insofar as these are consistent with this Basic Law. The
22 electoral system shall allow democratic participation, ensure accountability of
23 public officers primarily to their constituents and encourage formation of
24 genuinely principled political parties.

25

26 There is hereby created a Bangsamoro Electoral Office which shall be a part of
27 the Commission on Elections, and which shall perform the functions of the
28 Commission on Elections in the Bangsamoro. The Bangsamoro Parliament shall
29 submit a list of three (3) recommendees to the President, who shall choose and

1 appoint from among them the Director General, who shall head the Office. In
2 addition to enforcing national election laws in the Bangsamoro, the Bangsamoro
3 Electoral Office shall likewise implement the Bangsamoro Electoral Code
4 enacted by Parliament in the Bangsamoro, and shall perform the following
5 functions:

6

7 1. Register and accredit regional political parties;

8 2. In relation to plebiscite for joining the Bangsamoro, receive
9 petitions/resolutions to join from geographic areas;

10 3. Schedule plebiscites for expansion; and

11 4. Prepare rules and regulations for Bangsamoro elections and plebiscites,
12 for the promulgation of the Commission on Elections. All rules and
13 regulations governing Bangsamoro elections and plebiscites shall
14 emanate from the Bangsamoro Electoral Office.

15

16 **Section 12. Budget for the Bangsamoro Electoral Office.** – The budget for the
17 Bangsamoro Electoral Office shall be included in the appropriations for the
18 Commission on Elections.

19

20 **Section 13. Term of Office.** - The term of office of members of Parliament shall
21 be three (3) years, without prejudice for the Bangsamoro Transition Authority
22 (BTA) to include in the Election Code a new term of office.

23 No member shall serve for more than three (3) consecutive terms.

24

25 **Section 14. Qualifications.** - No person shall be a Member of Parliament unless
26 he or she is citizen of the Philippines, at least twenty-five (25) years of age on the
27 day of the election, able to read and write, and a registered voter in the
28 Bangsamoro.

1
2 The Youth representative shall not be less than eighteen (18) years and not more
3 than forty (40) years of age at the time of his/her election.

4 For district representatives, he or she must be a registered voter of the district in
5 which he or she is a candidate on the day he or she files his or her certificate of
6 candidacy, and has resided in said district for at least three (3) years immediately
7 preceding the day of the election.

8

9 For the first regular elections immediately following the enactment of the
10 Bangsamoro Basic Law, the abovementioned residency requirement shall be
11 reduced to one (1) year immediately preceding the day of the election.

12

13 **Section 15. Salaries of Parliament Members.** – The Bangsamoro Parliament
14 shall determine the salaries and emoluments of its members. No increase in said
15 compensation shall take effect until after the expiration of the full term of all the
16 members of the Bangsamoro Parliament approving such increase.

17

18 For the first Bangsamoro Parliament, salaries and emoluments of its members
19 shall be determined by law passed by the Bangsamoro Transition Authority
20 (BTA).

21

22 Members of the Bangsamoro Parliament shall not receive during their tenure
23 other salary and emoluments from the Bangsamoro Government or from the
24 Central Government except as provided by law or regulations from the
25 Bangsamoro Parliament.

26

27 **Section 16. Disclosure.** – Members of the Bangsamoro Parliament shall, upon
28 their assumption to office, make full disclosure of their financial and business
29 interests, including those of their spouses and children. They shall notify the

1 Bangsamoro Parliament of any potential conflict of interest that may arise from
2 the filing of bills or resolutions of which they are authors.

3

4 Any member found guilty of non-disclosure as required under this Section may
5 be subject to disciplinary action by the Bangsamoro Parliament in accordance
6 with its Rules and without prejudice to his/her other liabilities under the law.

7

8 **Section 17. Prohibition against Conflict of Interest.** – The Chief Minister,
9 Deputy Chief Minister and all the members of the Bangsamoro Parliament,
10 during their term, shall not engage, directly or indirectly, in any business or
11 commercial enterprise where there may be a conflict of interest in the exercise of
12 the functions of their respective offices.

13 No member of the Bangsamoro Parliament may personally appear as counsel
14 before courts of justice or quasi-judicial and other administrative bodies. Neither
15 shall the member directly or indirectly, be interested financially in any contract
16 with, or in any franchise or special privilege granted by the Central Government
17 or by the Bangsamoro Government or any subdivision, agency or instrumentality
18 thereof, including any government-owned-or- controlled corporations or its
19 subsidiary, during his or her term of office. The member shall not intervene in
20 any manner before any office of the government for his or her pecuniary benefit
21 or where he or she may be called upon to act on account of his or her office.

22

23 **Section 18. Forfeiture of Seat.** - A Member of Parliament shall forfeit his or her
24 seat if:

25

26 a. He/she resigns voluntarily in the form of either a written or oral declaration
27 in the Parliament;

- 1 b. He/she is convicted of a grave offense as stipulated in the House Rules that
2 the Bangsamoro Parliament will promulgate pursuant to Art VII Sec 19 of
3 this Basic Law, or treason, high crimes, heinous crimes, crimes against
4 morality or other crimes punishable by more than six (6) years;
5
- 6 c. He/she becomes permanently physically or mentally incapacitated and is
7 unable to discharge his/her duties as Member of Parliament or dies while in
8 office;
9
- 10 d. He/she, having been elected under the proportional representation system,
11 is replaced by the party to which he/she belongs with another member of
12 said party;
13
- 14 e. He/she, having been elected under the proportional representation system,
15 transfers to another party during his/her incumbency as Member of
16 Parliament; and
17
- 18 f. Such other grounds as may be provided in the Bangsamoro Electoral Code
19 as mentioned in Article VII, Section 11 hereof.
20

21 **Section 19. Filling of Vacancy.** – In case of a vacancy of a proportional
22 representation seat, the party to which that seat belongs shall fill the vacancy.
23

24 In case of a vacancy of a district seat by an affiliated Member of Parliament,
25 his/her party shall nominate a replacement within thirty (30) days from the
26 occurrence of such vacancy, and the said nominee shall be appointed by the Chief
27 Minister.
28

1 In case of a vacancy in the seat occupied by an unaffiliated Member of
2 Parliament, a special election may be called to fill such vacancy in the manner
3 prescribed by law enacted by Parliament.

4

5 The appointee or elected Member of Parliament, as the case may be, shall serve
6 the unexpired term of the vacant office.

7

8 **Section 20. Privileges and Immunities.** – No member of the Bangsamoro
9 Parliament may be arrested while the Bangsamoro Parliament is in session,
10 except for crimes punishable by more than six (6) years of imprisonment. The
11 members of the Bangsamoro Parliament may not be questioned in any other place
12 of held liable for any speech or debate delivered in the Bangsamoro Parliament
13 sessions or meetings of its committees.

14

15 **Section 21. Sessions of the Bangsamoro Parliament.** – The Bangsamoro
16 Parliament shall conduct its regular session once every year on regular working
17 days starting on the 15th of June up to thirty (30) days before the opening of its
18 next regular session. A special or emergency session may be called by the
19 Speaker, upon the request of the Chief Minister or by a majority of the members
20 of the Bangsamoro Parliament.

21

22 **Section 22. Officers of the Bangsamoro Parliament.** – On the first session
23 following their election, the members of the Bangsamoro Parliament shall, in
24 open session, elect by a simple majority vote from all its members the Speaker,
25 a Deputy Speaker, and the other officers of the Bangsamoro Parliament as the
26 House Rules of the Bangsamoro Parliament may provide.

27

1 In case of death, removal, resignation, or permanent disability or legal incapacity
2 of the Speaker, the Deputy Speaker shall act as Speaker until a new Speaker shall
3 have been elected by the Bangsamoro Parliament.

4

5 **Section 23. Presiding Officer.** – The Speaker, Deputy Speaker, or any other
6 person presiding over the Bangsamoro Parliament shall:

7

8 a. Be independent;

9

10 b. Serve to secure the honor and dignity of the Bangsamoro Parliament;

11

12 c. Be responsible for ensuring – (i) the rights and privileges of all members;
13 and (ii) public access to the proceeding of the Bangsamoro Parliament and
14 its committees;

15

16 d. Have the authority and moral ascendancy to maintain order and decorum in
17 the Bangsamoro Parliament, in accordance with its House Rules; and

18

19 e. Act impartially, and without fear, favor and prejudice.

20

21 **Section 24. Rules of Procedure.** – The Bangsamoro Parliament shall adopt its
22 House Rules for the conduct of its business.

23

24 **Section 25. Proceedings.** – A majority of all the members of the Bangsamoro
25 Parliament shall constitute a quorum to do business. The legislative proceedings
26 in the Bangsamoro Parliament shall be recorded in its original form and translated
27 in the Filipino, Arabic and English languages. Unless otherwise provided by law
28 or the House Rules of the Bangsamoro Parliament, the members of the

1 Bangsamoro Parliament may use any of the commonly understandable native
2 languages during legislative deliberations.

3

4 **Section 26. General Welfare.** – The Bangsamoro Parliament shall pass laws that
5 promote the general welfare of the people in the Bangsamoro.

6

7 **Section 27. Appropriations.** – No public money may be spent without an
8 appropriations act clearly defining the purpose for which it is intended. The
9 Bangsamoro Parliament shall pass an annual appropriations law.

10

11 **Section 28. Budget.** – The form, content, and manner of preparation of the
12 Bangsamoro budget shall be prescribed by law enacted by the Bangsamoro
13 Parliament. Pending the enactment of such law, the budgeting process shall be
14 governed by existing laws, rules, and regulations on budget.

15

16 For this purpose, the Parliament shall create a Bangsamoro Budget Office.

17

18

19 **Section 29. Reenacted Budget.** - If, by the end of a fiscal year, the Bangsamoro
20 Parliament shall have failed to pass the Bangsamoro appropriations bill for the
21 ensuing fiscal year, the Bangsamoro Appropriations Act for the preceding year
22 shall be deemed automatically reenacted and shall remain in force and effect until
23 a new Bangsamoro appropriations law is enacted by Parliament.

24

25

Executive Officers

26

27 **Section 30. Qualifications of the Chief Minister.** – No person may be elected
28 as the Chief Minister unless he/she is at least twenty-five (25) years of age at the
29 time of the election, a *bona fide* resident of the Bangsamoro for three (3) years

1 immediately preceding the day of the elections, and with proven competence and
2 probity, mentally fit, and known for his/her integrity and high moral standards.

3

4 For the first election of the Chief Minister immediately following the enactment
5 of the Bangsamoro Basic Law, the abovementioned residency requirement shall
6 be reduced to one (1) year immediately preceding the day of the election.

7

8 **Section 31. Election of the Chief Minister.** – On the inaugural session of the
9 Bangsamoro Parliament following their elections, the members of the Parliament
10 shall, in open session, elect the Chief Minister by a majority vote of all its
11 members.

12

13 If no member of Bangsamoro Parliament obtains the majority vote necessary to
14 be elected Chief Minister in the first round of voting, a runoff election shall be
15 conducted. In such case, the members of Bangsamoro Parliament shall elect the
16 Chief Minister from the two (2) candidates who obtained the highest number of
17 votes cast in the first round. There shall be no abstentions allowed in the runoff
18 election.

19

20 **Section 32. Powers, Duties and Functions of the Chief Minister.** - Unless
21 otherwise provided by law, the Chief Minister shall exercise the following
22 powers, duties and functions:

23

- 24 a. Heads the government of the Bangsamoro;
- 25
- 26 b. Appoints heads of ministries, agencies, bureaus, offices of the Bangsamoro
27 Government or other officers of Bangsamoro owned and/or controlled
28 corporations or entities with original charters;

29

- 1 c. Appoints other officers in the Bangsamoro Government, as may be provided
- 2 by the Parliament;
- 3
- 4 d. Formulates platform of government subject to approval by the Parliament;
- 5
- 6 e. Issues executive orders and other policies of the Bangsamoro Government;
- 7
- 8 f. Represents the government of the Bangsamoro in affairs outside the
- 9 Bangsamoro; and
- 10
- 11 g. Exercises such other powers and functions inherent to the position.
- 12

13 **Section 33. Administration of Oath of the Chief Minister.** The *Wali* shall

14 administer the oath of office of all the Members of Parliament, including the

15 Chief Minister upon his/her election.

16

17 **Section 34. Ex-Officio Membership.** - The Chief Minister shall be an ex-officio

18 member of the National Security Council (NSC) on matters concerning the

19 Bangsamoro and of the National Economic and Development Authority Board

20 (NEDA).

21

22 **Section 35. Deputy Chief Ministers.** - There shall be two (2) Deputy Chief

23 Ministers to be appointed by the Chief Minister, as nominated by members of

24 Parliament from among themselves.

25 For the purpose of shared leadership, the Bangsamoro shall have three (3) sub-

26 regions, namely, South Western Mindanao, North Central Mindanao, and South

27 Central Mindanao, all within the Bangsamoro. To ensure representation of all the

28 sub-regions, the two (2) Deputy Chief Ministers shall come from the other two

- 1 (2) sub-regions different from that of the Chief Minister.
- 2 The coverage of each sub-region, for purposes of this provision, shall be
- 3 determined by Parliament and shall be adjusted accordingly to include other areas
- 4 based on results of the periodic plebiscite.
- 5 The Deputy Chief Ministers may each hold a cabinet position.
- 6 In case of death, removal, resignation, or incapacity of the Chief Minister, the
- 7 Deputy Chief Minister, more senior in age, shall temporarily act as the Chief
- 8 Minister until the Parliament shall have elected a new Chief Minister. Said
- 9 election shall be held within thirty (30) days from the occurrence of the vacancy.

10

11 **Section 36. Call for a New Bangsamoro Parliament Election.** – Within

12 seventy-two (72) hours upon a two-thirds (2/3) vote of no confidence of all

13 members of Parliament against the government of the day, the Chief Minister

14 shall advise the *Wali* to dissolve the Parliament and call for a new parliamentary

15 election. In no case shall the *Wali* countermand the advice of the Chief Minister.

16

17 The *Wali* shall call for election of a new Bangsamoro Parliament on a date not

18 later than one hundred twenty (120) days from the date of dissolution.

19

20 In case of dissolution, the incumbent Chief Minister and the Cabinet shall

21 continue to conduct the affairs of the Bangsamoro Government until a new

22 Parliament is convened and a Chief Minister is elected and has qualified.

23

24

Article VIII

25

WALI

26 **Section 1. Appointment of *Wali*.** - Consistent with the parliamentary form of

1 government, there shall be a *Wali* who shall serve as the ceremonial head of the
2 Bangsamoro.

3 The Bangsamoro Parliament shall issue a resolution reflecting its consensus on
4 the selection of the *Wali* from a list of names of eminent residents of the
5 Bangsamoro submitted by the Council of Leaders.

6 **Section 2. Qualifications of *Wali*.** - The *Wali* must possess the following
7 qualifications at the time of his nomination:

8 a. Able to read and write in English and Arabic;

9 b. At least 40 years old;

10 c. A resident of the Bangsamoro for at least 15 years;

11 d. Respected in the community;

12 e. Reputable and of unquestionable integrity and moral ascendancy; and

13 f. Has not been found guilty of any criminal or administrative offense by any court
14 or quasi-judicial bodies.

15 **Section 3. Ceremonial Duties of *Wali*.** - The *Wali* shall only take on ceremonial
16 functions, such as opening the Parliament, administration of oath of officers,
17 dissolving the Parliament, calling for election of a new Bangsamoro Parliament
18 as provided for in Article VII, Section 36 of this law, and attendance to public
19 ceremonies.

20 **Section 4. Term of Office of *Wali*.** - The first *Wali* shall be appointed by the
21 Bangsamoro Transition Authority through a resolution reflecting its consensus on
22 the selection of the *Wali*, who then shall hold office for three (3) years. Each
23 succeeding *Wali* shall have a 6-year term.

1 Provided that the appointed *Wali* shall continue until such time that the
2 succeeding *Wali* is appointed and has assumed office.

3 **Section 5. Allowances of the *Wali*.** - The first *Wali* shall receive allowances in
4 such amount as may be determined by the Bangsamoro Transition Authority. The
5 allowances of the *Wali* subsequently chosen shall be determined by the
6 Bangsamoro Parliament.

7 Such allowances shall be sourced from the funds of the Bangsamoro Government
8 and shall be provided for in its annual appropriations law.

9 **Article IX**
10 **BASIC RIGHTS**

11
12 **Section 1. Basic Rights in the Bangsamoro.** – In addition to the basic rights
13 already enjoyed by the citizens residing in the Bangsamoro, the Bangsamoro
14 Government shall guarantee the following enforceable rights:

- 15
16 a. Right to life and to inviolability of one's person and dignity;
17
18 b. Right to freedom and expression of religion and beliefs;
19
20 c. Right to privacy;
21
22 d. Right to freedom of speech;
23
24 e. Right to express political opinion and pursue democratically political
25 aspirations;
26
27 f. Right to seek constitutional change by peaceful and legitimate means;

1

2 g. Right of women to meaningful political participation and protection from
3 all forms of violence;

4

5 h. Right to freely choose one's place of residence and the inviolability of the
6 home;

7

8 i. Right to equal opportunity and non-discrimination in social and economic
9 activity and the public service, regardless of class, creed, disability, gender
10 and ethnicity;

11

12 j. Right to establish cultural and religious associations;

13

14 k. Right to freedom from religious, ethnic and sectarian harassment;

15

16 l. Right to redress of grievances and due process of law; and

17

18 m. Right to free public education in the elementary and high school levels;

19

20 The Bangsamoro Parliament may pass a law for the promotion and protection of
21 the above-enumerated rights.

22

23 **Section 2. Vested Property Rights.** – Vested property rights shall be recognized
24 and respected; Provided, that legitimate grievances of the Bangsamoro people
25 arising from any unjust dispossession of their territorial and proprietary rights,
26 customary land tenure, or their marginalization shall be duly acknowledged and
27 given due course; Provided further, that whenever restoration is no longer
28 possible, the Central Government and Bangsamoro Government shall take
29 effective measures for adequate reparation of the loss in such quality, quantity,

1 and status collectively beneficial to the Bangsamoro people, and to be determined
2 mutually by both Governments.

3 **Section 3. Transitional Justice.** – There shall be created a transitional justice
4 mechanism to address the legitimate grievances of the Bangsamoro people,
5 including the indigenous peoples, such as historical injustices, human rights
6 violations, marginalization through unjust dispossession of their territorial and
7 proprietary rights and customary land tenure.

8 The report of the Transitional Justice and Reconciliation Commission (TJRC)
9 shall be taken into consideration in the creation of said mechanism.

10 **Section 4. Indigenous Peoples' Rights.** – The Bangsamoro Government
11 recognizes the rights of the indigenous peoples, and shall adopt measures for the
12 promotion and protection of their rights, the right to their native titles and/or
13 *fusaka inged*, indigenous customs and traditions, justice systems and indigenous
14 political structures, the right to an equitable share in revenues from the utilization
15 of resources in their ancestral lands, the right to free and prior informed consent,
16 the right to political participation in the Bangsamoro Government including
17 reserved seats for the non-Moro indigenous peoples in the Bangsamoro
18 Parliament, the right to basic services, and the right to freedom of choice as to
19 their identity consistent with the United Nations Declaration of the Rights of
20 Indigenous Peoples and the United Nations Declaration on Human Rights and
21 subsisting laws on indigenous peoples in the Bangsamoro.

22 **Section 5. Customary Rights and Traditions.** – The customs, beliefs, and
23 traditions of the people in the Bangsamoro are hereby recognized, protected and
24 guaranteed.

25 The Bangsamoro Parliament shall adopt measures to ensure mutual respect and
26 protection of the distinct beliefs, customs, and traditions of the Bangsamoro

1 people and the other inhabitants in the Bangsamoro.

2 No person in the Bangsamoro shall be subjected to any form of discrimination on
3 account of creed, religion, ethnic origin, parentage, nor sex.

4 **Section 6. Human Rights.** – The Bangsamoro Government guarantees full
5 respect for human rights.

6 All laws and policies, including customary laws, shall conform to international
7 human rights and humanitarian standards. The rights under the International
8 Covenant on Economic, Social and Cultural Rights (ICESCR), the International
9 Covenant on Civil and Political Rights (ICCPR), and other international human
10 rights instruments shall be guaranteed by the Central Government and the
11 Bangsamoro Government.

12 **Section 7. Bangsamoro Human Rights Commission.** – There is hereby created
13 an office called the Bangsamoro Human Rights Commission, which shall be
14 independent and impartial office within the Bangsamoro that shall have the same
15 powers and functions as the national Commission on Human Rights and as may
16 be provided for by the Bangsamoro Parliament to ensure the protection and
17 promotion of the human rights of all the Bangsamoro inhabitants.

18 There shall be five (5) members of the Commission, including the Chair, who
19 shall all be appointed by the President upon the recommendation of the Chief
20 Minister. The composition of the Commission shall reflect the ethnic distribution
21 of the population of the Bangsamoro. The Chair shall be a lawyer and majority of
22 the members of the Commission shall, preferably, be members of the Philippine
23 Bar or Counselors-at-Law. The terms of office and other qualifications and
24 disqualifications of the members of the Commission shall be provided by the
25 Bangsamoro Parliament.

26 The Commission shall submit a report on its activities and performance at least

every quarter to the Bangsamoro Parliament. Other state instrumentalities in the Bangsamoro shall assist the Commission and ensure impartiality, dignity, and effectiveness. The Commission shall have a coordinative and complementary relationship with the national Commission on Human Rights in carrying out its mandate.

Social Justice

Section 8. Delivery of Basic Services. – The Bangsamoro Government shall provide, maintain, and ensure the delivery of, among other things, basic and responsive health programs, quality education, appropriate services, livelihood opportunities, affordable and progressive housing projects, power and electricity, and water supply to the Bangsamoro people and other inhabitants in the Bangsamoro. It shall maintain appropriate disaster-preparedness units for immediate and effective relief services to victims of natural and man-made calamities. It shall also ensure the rehabilitation of calamity-affected areas and victims of calamities.

Section 9. Housing and Human Settlements. – The Bangsamoro Parliament shall pass a law to create a housing and human settlements agency to address the needs or lack of shelters, settlements, and livelihood for the disadvantaged and homeless Bangsamoro and non-Moro indigenous peoples, especially those victims of wars and atrocities. Such agency may directly solicit and receive assistance, donations, aids, and grants from donors for its housing, settlements, and livelihood programs and development.

The Bangsamoro Government, in cooperation with the private sector, shall evolve its own housing and human settlement programs.

Section 10. Rights of Labor. – The Bangsamoro Government shall guarantee all fundamental rights of all workers to self-organization, collective bargaining and

1 negotiations, and peaceful concerted activities, including the right to strike, in
2 accordance with law to be passed by Parliament. In this regard, the right of
3 workers, whether publicly or privately employed, to form unions, associations, or
4 federations shall not be abridged.

5 The workers shall participate in policy and decision-making processes affecting
6 their rights and benefits, as may be provided by law, to be enacted by the
7 Bangsamoro Parliament.

8 The right of workers to security of tenure, humane conditions of work, and a
9 living wage shall be guaranteed.

10 No trafficking of persons and engagement of minors in any hazardous or
11 deleterious forms of employment shall be tolerated.

12 The Bangsamoro Parliament may pass labor laws that expand, improve upon, or
13 enhance the rights stated herein.

14 **Section 11. Participation of Women in the Bangsamoro Government.** – Aside
15 from the reserved seat for women in the Parliament, there shall be at least one (1)
16 qualified woman to be appointed to the Bangsamoro Cabinet. The Bangsamoro
17 Parliament shall enact a law that gives recognition to the important role of women
18 in nation-building and regional development, and ensures representation of
19 women in other decision-making and policy- determining bodies of the
20 Bangsamoro Government.

21 The Bangsamoro Parliament shall, by law, create the Bangsamoro Women
22 Commission and shall define its powers, functions, and composition.

23 **Section 12. Rights of the Youth.** – The Bangsamoro Government recognizes the
24 vital role of the youth in nation-building and shall promote and protect their
25 physical, moral, spiritual, intellectual, and social well-being. It shall inculcate

1 patriotism and nationalism, encourage involvement in public and civic affairs,
2 and promote mental and physical fitness through sports.

3 The Bangsamoro Government shall, by law, create the Commission on Youth
4 Affairs and shall define its powers, functions, and composition.

5 **Section 13. Protection of Women.** – The Bangsamoro Government shall uphold
6 and protect the fundamental rights of women including the right to engage in
7 lawful employment and to be protected from exploitation, abuse, or
8 discrimination, as embodied in the Convention on the Elimination of all Forms of
9 Discrimination Against Women (CEDAW).

10 The Bangsamoro Parliament shall enact the necessary laws for the
11 implementation of this section.

12 **Section 14. Rights of Children.** – The Bangsamoro Government shall respect,
13 protect, and promote the rights of children, especially orphans of tender age. They
14 shall be protected from exploitation, abuse, or discrimination. Their education
15 and development, both physical and mental, shall be fully addressed.

16 Bangsamoro policies and programs must take into utmost consideration the best
17 interest of children, non-discrimination of children, their survival and
18 development, and the protection and rights of children, youth, and adolescents.

19 The Bangsamoro Government and its constituent local government units shall
20 provide for adequate funding and effective mechanisms for the implementation
21 of this policy.

22 **Section 15. Settler Communities.** The Bangsamoro Government shall ensure
23 that settlers shall enjoy the rights guaranteed in this Basic Law. For this purpose,
24 the Bangsamoro Parliament shall create an Office for Settler Communities that
25 shall promote the welfare and address issues and concerns of settlers in the

1 development of *madaris* educational system in the Bangsamoro.

2 **Section 19. Tribal University System.** – The Bangsamoro Parliament shall
3 create a tribal university system within the Bangsamoro to address the higher
4 educational needs of the non- Moro indigenous peoples in the Bangsamoro.

5 The Parliament shall pass a law recognizing and supporting the indigenous
6 peoples' educational system to be integrated in the educational system in the
7 Bangsamoro.

8

9 *Health*

10 **Section 20. Comprehensive and Integrated Health Service Delivery.** – The
11 Bangsamoro shall adopt a policy on health that provides for a comprehensive and
12 integrated health service delivery for its constituents. It shall, by law, establish a
13 general hospital system to serve the health requirements of its people, to ensure
14 that the individual basic right to life shall be attainable through the prompt
15 intervention of excellent and affordable medical services.

16 The Bangsamoro shall also uphold the people's right to have access to essential
17 goods, health, and other social services that would promote their well-being.

18 **Section 21. Support for Persons with Special Needs, Senior Citizens, and**
19 **Disadvantaged Groups.** – The Bangsamoro Government shall establish a special
20 agency and support facilities for persons with special needs, and other
21 disadvantaged persons for their rehabilitation, and livelihood or skills training to
22 encourage their productive integration into mainstream society.

23 The Bangsamoro Government shall coordinate all existing governmental and
24 non- governmental agencies concerned with the rehabilitation and education of
25 these persons.

1 The Bangsamoro Government shall ensure the welfare of senior citizens by
2 continuing to provide rights, benefits, and privileges they presently enjoy.

3 *Arts and Sports*

4 **Section 22. Physical Education and Sports Development, Sports Program**
5 **and Bangsamoro Sports Commission.** – The Bangsamoro educational system
6 shall develop and maintain an integrated and comprehensive physical education
7 program. It shall develop healthy, disciplined, innovative, and productive
8 individuals, and promote good sportsmanship, cooperation, and teamwork.

9 The Bangsamoro education system shall encourage and support for sports
10 programs, league competitions, indigenous games, martial arts, and amateur
11 sports including training for regional, national, and international competitions.

12 The Bangsamoro Parliament shall pass a law creating Bangsamoro Sports
13 Commission.

14 *Culture*

15 **Section 23. Preservation of the Cultural Heritage of the Bangsamoro.** – To
16 preserve the history, culture, arts, traditions, and the rich cultural heritage of the
17 Bangsamoro people and their Sultanates, such as but not limited to, the Sultanates
18 of Sulu, Maguindanao, Kabuntalan, Buayan, the Royal Houses of Lanao, and of
19 the Iranun, and the non-Moro indigenous peoples of the Bangsamoro, there shall
20 be created a Bangsamoro Commission for the Preservation of Cultural Heritage.

21 **Section 24. Primary Responsibility of the Commission.** – The Bangsamoro
22 Commission for the Preservation of Cultural Heritage shall have the primary
23 responsibility to write the history of the Bangsamoro people and to establish and
24 sustain the cultural institutions, programs, and projects in the Bangsamoro
25 component areas. The commission shall establish its own libraries and museums,

1 declare and restore historical shrines and cultural sites to preserve the
2 Bangsamoro heritage for posterity.

3 **Section 25. Management of Bangsamoro Historical and Cultural Sites.** – The
4 Central Government shall transfer the management of Bangsamoro historical and
5 cultural sites currently under the jurisdiction of the National Museum, National
6 Historical Commission, or other agencies of the Central Government to the
7 Bangsamoro Commission for the preservation of cultural heritage, through the
8 intergovernmental relations mechanism. The Bangsamoro Commission for the
9 Preservation of Cultural Heritage shall coordinate with relevant agencies of the
10 Central Government on the regulation, excavation, and preservation of cultural
11 artifacts and on the recovery of lost historical and cultural heritage.

12 Article X

13 BANGSAMORO JUSTICE SYSTEM

14
15 **Section 1. Justice System in the Bangsamoro.** – The justice system in the
16 Bangsamoro shall consist of *Shari'ah* law which shall have supremacy and
17 application over Muslims only; the traditional or tribal justice system, for the
18 indigenous peoples in the Bangsamoro; the local courts; and alternative dispute
19 resolution systems.

20
21 For Muslims, the justice system in the Bangsamoro shall give primary
22 consideration to *Shari'ah*, and customary rights and traditions of the indigenous
23 peoples in the Bangsamoro.

24
25 Nothing herein shall be construed to operate to the prejudice of non-Muslims and
26 nonindigenous peoples.

27

Shari'ah Justice System

Section 2. *Shari'ah Judicial System.* – The judicial authority shall be vested in the Bangsamoro *Shari'ah* judiciary, in accordance with the power of the Supreme Court, particularly on the Bangsamoro *Shari'ah* High Court, *Shari'ah* District and Circuit courts, and other subordinate courts which Congress of the Philippines may create upon the recommendation of the Bangsamoro *Shari'ah* High Court through the Supreme Court. This notwithstanding, Congress, upon the recommendation of the Supreme Court, may likewise create *Shari'ah* courts outside of the territorial jurisdiction of the Bangsamoro government in areas where a considerable number of Muslims reside. The Supreme Court shall station these courts.

Section 3. *Shari'ah.* - *Shari'ah* (Islamic Law) which is the law forming part of the Islamic tradition derived from religious precepts of Islam, particularly the *Qur'an* and *Hadith*, shall be distinctively applied as the underlying basis of the Bangsamoro *Shari'ah* judicial system exclusively over Muslims or persons who voluntarily submit to the *Shari'ah* Court.

Section 4. *Jurisdiction of Shari'ah Courts.* - The Bangsamoro Parliament shall enact laws on persons and family relations, other civil actions, commercial actions, and criminal cases. The Congress of the Philippines, through this Basic Law, confers commercial, other civil action not provided for under P.D. 1083, and criminal jurisdiction on minor offenses as provided hereunder.

Under *Shari'ah*, the penalties for *Hudud*, plural for *Hadd* (capital crime) which are seen as crimes against *Allah* (God) and *Qisas*, which are crimes against persons, are imposed in the *Qur'an*.

Ta'zir (discretionary punishment) are minor offenses shall be defined by Parliament, the penalties for which is equivalent to *arresto menor* and/or fine.

1 Criminal jurisdiction over *Ta'zir* is hereby conferred on *Shari'ah* Circuit Courts.

2

3 **Section 5. Sources of *Shari'ah*.** – The following are the sources of *Shari'ah*:

4 Principal Sources:

5 a. *Al-Qur'an* (The Koran);

6

7 b. *Al-Sunnah* (Traditions of Prophet Muhammad SAW);

8

9 Secondary Sources:

10 a. *Al-Ijma* (Consensus);

11

12 b. Hadith; and

13

14 c. *Al-Qiyas* (Analogy).

15

16 **Section 6. *Shari'ah* Circuit Courts.** - The *Shari'ah* Circuit Court in the
17 Bangsamoro shall exercise exclusive original jurisdiction over the following
18 subjects:

19 a. All cases involving offenses defined and punished under
20 Presidential Decree No. 1083, also known as Code of Muslim
21 Personal Laws, where the act or omission has been committed
22 in the Bangsamoro;

23 b. All civil actions and proceedings between parties residing in the
24 Bangsamoro, and who are Muslims or have been married in
25 accordance with Article 13 of Presidential Decree No. 1083
26 involving disputes relating to:

27 i. Marriage;

- ii. Divorce recognized under Presidential Decree No. 1083;
- iii. Betrothal or breach of contract to marry;
- iv. Customary dower (*mahr*);
- v. Disposition and distribution of property upon divorce;
- vi. Maintenance and support, and consolatory gifts;
- vii. Restitution of marital rights.

c. All cases involving disputes relative to communal properties;

d. All cases involving *Ta'zir* offenses defined and punishable under *Shari'ah* law enacted by the Bangsamoro Parliament punishable by *arresto menor* and/or fine.

e. All civil actions, under *Shari'ah* law enacted by the Bangsamoro Government, involving real property in the Bangsamoro, where the assessed value of the property does not exceed Four Hundred Thousand Pesos (400,000.00); and

f. All civil actions in which the parties are Muslims, or where all litigants have voluntarily submitted themselves to the jurisdiction of the *Shari'ah* Circuit Courts, if they have not specified in an agreement which law shall govern their relations where the demand or claim does not exceed Two Hundred Thousand Pesos (P200,000.00).

Section 7. *Shari'ah* District Courts. – The *Shari'ah* District Court in the Bangsamoro shall exercise exclusive original jurisdiction over the following matters:

a. All cases involving custody, guardianship, legitimacy, paternity and filiation arising under Presidential Decree No. 1083;

b. All cases involving disposition, distribution and settlement of the estate of deceased Muslims that are residents of the Bangsamoro, probate of wills,

1 issuance of letters of administration or appointment of administrators or
2 executors regardless of the nature or the aggregate value of the property;
3

4 c. Petitions for the declaration of absence and death for the cancellation or
5 correction of entries in the Muslim Registries mentioned in Title VI of Book
6 Two of Presidential Decree No. 1083;
7

8 d. All actions arising from customary and *Shari'ah* compliant contracts in
9 which the parties are Muslims, if they have not specified which law shall
10 govern their relations;
11

12 e. All petitions for mandamus, prohibition, injunction, *certiorari*, *habeas*
13 *corpus*, and all other auxiliary writs and processes in aid of its appellate
14 jurisdiction;
15

16 f. Petitions by Muslims for the constitution of a family home, change of name
17 and commitment of an insane person to an asylum;
18

19 g. All other personal and real actions not falling under the jurisdiction of the
20 *Shari'ah* Circuit Courts wherein the parties involved are Muslims, except
21 those for forcible entry and unlawful detainer, which shall fall under the
22 exclusive original jurisdiction of the Municipal Circuit Court;
23

24 h. All special civil actions for interpleader or declaratory relief wherein the
25 parties are Muslims residing in the Bangsamoro or the property involved
26 belongs exclusively to Muslims and is located in the Bangsamoro;
27

- 1 i. All cases involving offenses defined and punishable under *Shari'ah* law
- 2 enacted by the Bangsamoro Parliament not falling within the exclusive
- 3 jurisdiction of *Shari'ah* Circuit Courts or any other court, tribunal, or body;
- 4
- 5 j. All civil actions, under *Shari'ah* law enacted by the Bangsamoro
- 6 Parliament, involving real property in the Bangsamoro, where the assessed
- 7 value of the property exceeds Four Hundred Thousand Pesos (P400,000.00);
- 8 and
- 9
- 10 k. All civil actions in which the parties are Muslims, or where all litigants have
- 11 voluntarily submitted themselves to the jurisdiction of the *Shar'iah* Circuit
- 12 Court, if they have not specified in an agreement which law shall govern
- 13 their relations where the demand or claim exceeds Two Hundred Thousand
- 14 Pesos (P200,000.00)
- 15

16 The *Shari'ah* District Court in the Bangsamoro shall exercise appellate
17 jurisdiction over all cases decided upon by the *Shari'ah* Circuit Courts in the
18 Bangsamoro within its territorial jurisdiction, as provided under Article 144 of
19 Presidential Decree No. 1083.

20
21 **Section 8. Bangsamoro *Shari'ah* High Court.** – There is hereby created a
22 Bangsamoro *Shari'ah* High Court. The Bangsamoro *Shari'ah* High Court shall
23 exercise exclusive original jurisdiction, whether or not in aid of its appellate
24 jurisdiction, over:

- 25 a. All petitions for mandamus, prohibition, injunction, *certiorari*, *habeas*
- 26 *corpus*, and all other auxiliary writs and processes, in aid of its appellate
- 27 jurisdiction; and
- 28 b. All actions for annulment of judgments of *Shari'ah* District Courts.
- 29

1 The Bangsamoro *Shari'ah* High Court shall exercise exclusive appellate
 2 jurisdiction over cases under the jurisdiction of the *Shari'ah* District Courts in the
 3 Bangsamoro.

4 The decisions of the Bangsamoro *Shari'ah* High Court shall be final and
 5 executory except on issues of procedure or when there is manifest grave abuse of
 6 discretion tantamount to lack of or in excess of jurisdiction.

7

8 **Section 8. Additional Shari'ah Courts.** – Upon the recommendation of the
 9 Bangsamoro Government, Congress may create additional *Shari'ah* Courts in the
 10 Bangsamoro and apportion the jurisdiction of each of the *Shari'ah* Circuit and
 11 District Courts.

12

13 **Section 9. Qualifications of *Shari'ah* Judges.** –

14 a. *Shari'ah Circuit Court.* – No person shall be appointed judge of the
 15 *Shari'ah* Circuit Court unless he is a Muslim, citizen of the Philippines, at least
 16 thirty (30) years of age, of proven competence and probity, mentally and
 17 physically fit, known for his integrity and high moral standards, and must be a
 18 member of the Philippine Bar or is a special member of the Philippine Bar allowed
 19 to practice in *Shari'ah* Courts.

20 For *Shari'ah* Counselors-at-Law, he must be a graduate of a four-year
 21 course on *Shari'ah* or Islamic jurisprudence, and must have been engaged in the
 22 practice of *Shari'ah* law in the Philippines for at least three (3) years.

23 For a regular member of the Philippine Bar, he must have finished at least
 24 two (2) years of *Shari'ah* or Islamic Jurisprudence and must have been engaged
 25 in the practice of law for at least three (3) years.

26 b. *Shari'ah District Court.* – No person shall be appointed judge of the
 27 *Shari'ah* District Court unless he is a Muslim, citizen of the Philippines at least
 28 thirty-five (35) years of age, of proven competence and probity, mentally and
 29 physically fit, known for his integrity and high moral standards, and must be a

1 member of the Philippine Bar or is a special member of the Philippine Bar allowed
2 to practice in *Shari'ah* Courts.

3 For *Shari'ah* Counselors-at-Law, he must be a graduate of a four-year
4 course on *Shari'ah* or Islamic jurisprudence, and must have been engaged in the
5 practice of *Shari'ah* law in the Philippines for at least five (5) years.

6 For a regular member of the Philippine Bar, he must have finished at least
7 two (2) years in *Shari'ah* or Islamic Jurisprudence and must have been engaged
8 in the practice of law for at least five (5) years.

9 *c. Bangsamoro Shari'ah High Court.* — No person shall be appointed
10 Justice of the Bangsamoro *Shari'ah* High Court unless he is a Muslim, natural-
11 born citizen of the Philippines, at least forty (40) years of age, of proven
12 competence and probity, mentally and physically fit, known for his integrity and
13 high moral standards, and must be a member of the Philippine Bar or is a special
14 member of the Philippine Bar allowed to practice in *Shari'ah* Courts.

15 For *Shari'ah* Counselors-at-Law, he must be a graduate of a four-year
16 course on *Shari'ah* or Islamic jurisprudence, and must have been engaged in the
17 practice of *Shari'ah* law in the Philippines for at least ten (10) years prior to his
18 appointment.

19 For a regular member of the Philippine Bar, he must have finished at least
20 two (2) years of *Shari'ah* or Islamic Jurisprudence and must have engaged in the
21 practice of law for at least ten (10) years before *Shari'ah* Courts.

22

23 **Section 10. Composition and Stations of Bangsamoro *Shari'ah* High Court.**

24 –The Bangsamoro *Shari'ah* High Court shall be composed of nine (9) justices,
25 including the Presiding Justice. It may exercise its powers, functions, and duties
26 through three (3) divisions, each composed of three (3) members. It may sit *en*
27 *banc* only for the purpose of exercising administrative or ceremonial functions.
28 The Bangsamoro *Shari'ah* High Court shall hold sessions *en banc* at its main
29 office at the capital of the Bangsamoro government. The stations of the three

1 divisions shall be Cotabato City, Marawi City, and Jolo, Sulu.

2
3 **Section 11. Compensation, benefits, tenure and privileges.** – Justices of the
4 Bangsamoro *Shari'ah* High Courts shall have the same rank, prerogatives,
5 salaries, allowances, benefits, tenure, and privileges as the Justices of the Court
6 of Appeals.

7 Judges of the *Shari'ah* District Court shall have the same rank,
8 prerogatives, salaries, allowances, benefits, tenure, and privileges as the judges
9 of Regional Trial Court Judge.

10 Judges of the *Shari'ah* Circuit Court shall have the same rank, prerogatives,
11 salaries, allowances, benefits, tenure, and privileges as judges of Metropolitan
12 Trial Court Judge.

13
14 **Section 12. *Shari'ah* Judicial and Bar Council.** - The *Shari'ah* Judicial and Bar
15 Council is hereby created which shall be under the supervision of the Bangsamoro
16 *Shari'ah* High Court. It shall recommend to the Judicial and Bar Council qualified
17 applicants for the positions of judges and justices in the *Shari'ah* Courts for
18 appointment by the President. The President shall issue the appointment within
19 90 days from the submission by the Judicial and Bar Council.

20
21 **Section 13. Composition of the *Shari'ah* Judicial and Bar Council.** – The
22 *Shari'ah* Judicial and Bar Council shall be composed of five (5) members: a
23 senior member of the Bangsamoro *Shari'ah* High Court, as ex-officio Chair, the
24 Head of the *Shari'ah* Academy, and one (1) representative from the Bangsamoro
25 Parliament, as ex-officio member. The regular members of the Council shall be
26 one (1) representative each from the accredited organization of *Shari'ah* lawyers,
27 and accredited *Ulama* organization in the Bangsamoro.
28 The regular members of the Council shall be appointed by the Chief Minister with
29 a term of five (5) years without reappointment.

1

2 **Section 14. Functions of the *Shari'ah* Judicial and Bar Council.** The *Shari'ah*
3 Judicial and Bar Council shall have the following functions:

- 4 a. Recommend nominees to the *Shari'ah* Courts in the Bangsamoro which shall
5 be submitted to the Judicial and Bar Council; and
6 b. Conduct investigations of erring members of the *Shari'ah* Bar and of judges
7 and personnel of the *Shari'ah* Courts in the Bangsamoro and submit the results
8 of such investigation to the Supreme Court for the latter's action.

9

10 **Section 15. *Shari'ah* Rules of Court.** The rules of court for the *Shari'ah* courts
11 in the Bangsamoro shall be promulgated by the Supreme Court, giving utmost
12 consideration to the recommendations of the Bangsamoro *Shari'ah* High Court.
13 In the meantime, the special rules of court for *Shari'ah* courts, as promulgated by
14 the Supreme Court, shall continue to be in force.

15

16 **Section 16. Special Bar Examinations for *Shari'ah*.** – The Bangsamoro
17 *Shari'ah* High Court, under the strict supervision of the Supreme Court, shall
18 administer *Shari'ah* Special Bar Examinations for admission of applicants to the
19 Philippine Bar as special members thereof. A successful examinee who has
20 qualified for special membership in the Philippine Bar shall be duly conferred the
21 title of counselor-at-law.

22

23 **Section 17. Practice of law before *Shari'ah* Courts.** – The following are eligible
24 to practice before *Shari'ah* Courts:

- 25 a. A *Shari'ah* counselor-at-law;
26 b. A regular member of the Philippine Bar;
27 c. A Muslim who acts as counsel on his behalf; and
28 d. A non-Muslim who submits to the jurisdiction of the *Shari'ah* Court
29 and chooses to act as counsel on his behalf.

1
2 **Section 18. Appointment and Discipline of *Shari'ah* Court Personnel.** The
3 Supreme Court shall appoint the *Shari'ah* court personnel, and shall have the
4 power of discipline over them. The *Shari'ah* Judicial and Bar Council shall
5 conduct investigations over erring personnel in *Shari'ah* courts in the
6 Bangsamoro, and submit the results of such investigation to the Supreme Court
7 for the latter's action.

8
9 **Section 19. Bangsamoro *Shari'ah* Integrated Bar.** - The Parliament shall pass
10 a law creating the Bangsamoro *Shari'ah* Integrated Bar as the official organization
11 for the legal profession in the Bangsamoro, which shall be compulsory in
12 membership for all *Shari'ah* lawyers. The Supreme Court shall adopt the rules for
13 the integration of the *Shari'ah* bar which shall be under the supervision of the
14 Bangsamoro *Shari'ah* High Court in accordance with the powers and authority of
15 the Supreme Court.

16
17 **Section 20. *Shari'ah* Public Assistance Office.** There is hereby created a
18 *Shari'ah* Public Assistance Office which shall be part of the Public Assistance
19 Office. The office shall be staffed by a director and two deputies who shall all be
20 Counselors-at-Law. The Parliament may determine the additional staff
21 complement for the said office. The *Shari'ah* Public Assistance Office shall
22 provide free legal assistance to indigent party litigants with cases pending before
23 *Shari'ah* courts in the Bangsamoro.

24 **Section 21. *Shari'ah* Special Prosecution Service.** - There shall be created a
25 *Shari'ah* Special Prosecution Service in charge of the prosecution of criminal
26 complaints before the *Shari'ah* courts which shall be headed by a *Shari'ah*
27 General Prosecutor. The *Shari'ah* counselors-at-law employed in the office shall
28 be called *Shari'ah* prosecutors. The *Shari'ah* Special Prosecution Service shall
29 be attached to the National Prosecutorial Service of the Central Government. The

1 Bangsamoro Government shall recommend the qualified applicants for the
2 position of the *Shari'ah* prosecutors and personnel of the *Shari'ah* Special
3 Prosecution Service to the Secretary of Justice.

4 **Section 22. *Shari'ah* Academy.** – There is hereby created a *Shari'ah* Academy,
5 the primary function of which is to conduct courses in *Shari'ah* and *Fiqh*, civil
6 law, commercial law, and criminal law, and trainings on the practice of *Shari'ah*
7 law in the Bangsamoro, accredit *Shari'ah* courses and degrees obtained from
8 schools and universities abroad, and develop the curricula, textbooks, and
9 learning materials of schools and universities in the Bangsamoro. The
10 Bangsamoro Parliament shall define its powers and additional functions and
11 appropriate funds therefor. The *Shari'ah* Academy may coordinate with the
12 National Commission on Muslim Filipinos (NCMF) whenever necessary.

13 **Section 23. Bangsamoro Jurisconsult in Islamic Law.** – There is hereby created
14 an office of Jurisconsult of Islamic law in the Bangsamoro. The Parliament shall
15 define the powers and functions of this office, including the rank, salary,
16 privileges, and benefits of the Jurisconsult including its subordinate personnel.

17 The office of the Jurisconsult shall be a collegial body composed of the
18 Jurisconsult and five (5) Deputies who shall be appointed by the Chief Minister
19 upon recommendation of the Parliament, taking into consideration ethnic balance
20 in the appointment.

21 The Jurisconsult must be a Muslim, at least forty (40) years of age, must obtain a
22 Bachelor's Degree in Islamic Law and Jurisprudence or the equivalent of such a
23 degree, and member of the Philippine *Shari'ah* Bar or the Integrated Bar of the
24 Philippines. In addition, he must be an eminent scholar of Islamic law and
25 jurisprudence, and fluent in Arabic language. He must be of proven competence
26 and probity, mentally and physically fit, and known for his integrity and high
27 moral standards.

1 The deputies must be Muslims, at least 35 years of age, holders of a Bachelor's
2 Degree in Islamic Law and Jurisprudence, and members of the Philippine
3 *Shari'ah* Bar or the Integrated Bar of the Philippines. Each deputy must be of
4 proven competence and probity, mentally and physically fit, and known for his
5 integrity and high moral standards.

6 The term of office of the Jurisconsult and his deputies shall be five (5) years
7 without prejudice to reappointment.

8 **Section 24. Jurisconsult Under Existing Law.** – Notwithstanding the preceding
9 section, the Office of the Jurisconsult under PD 1083 shall be strengthened by
10 providing that the salary, rank, benefits, and privileges of the Jurisconsult shall
11 be equivalent to that of justices of the Court of Appeals.

12

13 **Section 25. Justices from the Bangsamoro.** It shall be the policy of the Central
14 Government that at least one (1) justice in the Supreme Court and two (2) justices
15 in the Court of Appeals, at any one time, shall be qualified individuals of the
16 Bangsamoro. For this purpose, the Chief Minister may, after consultations with
17 the Bangsamoro Parliament and the *Shari'ah* Judicial and Bar Council, submit the
18 names of qualified persons to the Judicial and Bar Council for its consideration.
19 The appointments of those recommended by the Chief Minister to the judicial
20 positions mentioned above are without prejudice to appointments that may be
21 extended to other qualified inhabitants of the Bangsamoro to other positions in
22 the Judiciary.

23

24 **Section 26. Deputy Court Administrator for the Bangsamoro.** The Office of
25 the Deputy Court Administrator for the Bangsamoro is hereby created. The
26 Deputy Court Administrator for the Bangsamoro shall be appointed by the Chief
27 Justice of the Supreme Court from among three (3) recommendees submitted by
28 the Chief Minister upon previous consultations with the speaker of the

1 Bangsamoro Parliament, the presiding Justice of the Bangsamoro *Shari'ah* High
 2 Court, the representative of the *Shari'ah* Integrated Bar, and representative of the
 3 Integrated Bar of the Philippines in the Bangsamoro area.

4 5 *Traditional or Tribal Justice Systems*

6 **Section 27. Traditional or Tribal Justice Systems.** – The Bangsamoro
 7 Parliament shall enact laws to promote and support the traditional or tribal justice
 8 systems that are appropriate for the indigenous peoples, as defined by them. The
 9 traditional justice systems are the mechanisms to determine, settle, and decide
 10 controversies and enforce decisions involving disputes between members of the
 11 indigenous peoples concerned in accordance with the tribal codes of these
 12 communities.

13
 14 **Section 28. Office for Traditional or Tribal Justice System.** – There is hereby
 15 created an Office for Tribal Justice System responsible in overseeing the study,
 16 preservation, and development of the tribal justice system within the
 17 Bangsamoro. The powers and functions of the office shall be defined by the
 18 Bangsamoro Parliament.

19 The Office shall ensure the full participation of indigenous peoples in the
 20 formulation, implementation, and evaluation of policies related to the
 21 strengthening of tribal justice system; ensuring further that such systems maintain
 22 their indigenous character in accordance with the respective practices of each
 23 tribe.

24 *Regular Courts in the Bangsamoro*

25 **Section 29. Regular Courts.** Regular courts in the Bangsamoro shall continue to
 26 exercise their judicial functions, as provided by law. The Bangsamoro
 27 Government shall undertake measures to support the regular courts in the
 28 Bangsamoro consistent with the powers of the Supreme Court.

Alternative Dispute Resolution

Section 30. Alternative Dispute Resolution. The Bangsamoro Government shall adopt the principles of conciliation and mediation in settling disputes and, through Parliament, shall pass the necessary legislation to institute the mechanism for alternative dispute resolution. The *Shari'ah* Courts and the traditional and tribal adjudicatory tribunal may utilize this mode of settlement and resolution of cases which may be feasible and useful.

Article XI

PUBLIC ACCOUNTABILITY

Section 1. Declaration of Policy. — The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption.

Public office is a public trust. Public officers and employees must at all times be accountable to the people, serve them with utmost responsibility, integrity, loyalty, efficiency, act with patriotism and justice and lead modest lives.

Section 2. Bangsamoro Police. — There is hereby created an Office of Deputy Ombudsman for the Bangsamoro under the Office of the Ombudsman.

Section 3. Appointment. - The Deputy Ombudsman for the Bangsamoro shall be appointed by the President from a list of at least six (6) nominees prepared by the Judicial and Bar Council, which shall be filled within three

1 (3) months after a vacancy occurs, each of which list shall be published
2 in a newspaper of general circulation.

3

4 **Section 4. *Qualifications.*** — The Deputy Ombudsman for the Bangsamoro shall
5 be a natural-born citizen of the Philippines, at least forty (40) years old, of
6 recognized probity and independence, member of the Philippine Bar for at least
7 ten (10) years, and must not have been candidates for any elective national or
8 local office in the immediately preceding election whether regular or special.

9 **Section 5. *Rank and Salary.*** — The Deputy Ombudsman for the Bangsamoro
10 shall have the same rank, salary and privileges as the other Deputies Ombudsman.
11 The salaries shall not be decreased during their term of office.

12

13 **Section 6. *Prohibitions and Disqualifications.*** — The Deputy Ombudsman for
14 the Bangsamoro shall not, during his tenure, hold any other office or employment.
15 He shall not, during said tenure, directly or indirectly practice any other
16 profession, participate in any business, or be financially interested in any contract
17 with, or in any franchise, or special privilege granted by the Government or any
18 subdivision, agency or instrumentality thereof, including government-owned or
19 controlled corporations or their subsidiaries.

20

21 The Deputy Ombudsman for the Bangsamoro shall likewise strictly avoid conflict
22 of interest in the conduct of his office. He shall not be qualified to run for any
23 office in the election immediately following their cessation from office. He shall
24 not be allowed to appear or practice before the Ombudsman for two (2) years
25 following their cessation from office.

26

27 No spouse or relative by consanguinity or affinity within the fourth civil degree
28 and no law, business or professional partner or associate of the Deputy
29 Ombudsman, within one (1) year preceding the appointment may appear as

1 counsel or agent on any matter pending before the Office of the Ombudsman or
2 transact business directly or indirectly therewith.

3

4 This disqualification shall apply during the tenure of the official concerned. This
5 disqualification likewise extends to the law, business or professional firm for the
6 same period.

7

8 **Section 7. *Disclosure of Relationship.*** — It shall be the duty of the Deputy
9 Ombudsman for the Bangsamoro to make under oath, to the best of his knowledge
10 and/or information, a public disclosure of the identities of, and his relationship
11 with the persons referred to in the preceding section.

12

13 The disclosure shall be filed with the Office of the President and the Office of the
14 Ombudsman before the appointee assumes office and every year thereafter. The
15 disclosures made pursuant to this section shall form part of the public records and
16 shall be available to any person or entity upon request.

17

18 **Section 8. *Structural Organization.*** — The authority and responsibility for the
19 exercise of the mandate of the Office of the Ombudsman and for the discharge of
20 its powers and functions shall be vested in the Ombudsman, who shall have
21 supervision and control of the said office. The Office of the Deputy Ombudsman
22 for the Bangsamoro shall oversee and administer the operations of his office.

23

24 The Office of the Ombudsman, upon the recommendation of the Deputy
25 Ombudsman for the Bangsamoro, may organize such directorates for
26 administration and allied services as may be necessary for the effective discharge
27 of its functions. Those appointed as directors or heads shall have the rank and
28 salary of line bureau directors.

29

- 1 The Ombudsman shall appoint all officers and employees of the Office of the
- 2 Deputy Ombudsman for the Bangsamoro, including those of the Office of the
- 3 Special Prosecutor for the Bangsamoro, in accordance with the Civil Service
- 4 Law, rules and regulations.

- 5 **Section 9. Powers, Functions and Duties.** The Office of the Deputy
- 6 Ombudsman shall have the same powers, functions, and duties as the other
- 7 Deputies Ombudsman under the Office of the Ombudsman.

8 **Article XII**

9 **FISCAL AUTONOMY**

- 10
- 11 **Section 1. Fiscal Autonomy.** – The Bangsamoro shall enjoy fiscal autonomy
- 12 with the end in view of attaining the highest form of economic self-sufficiency
- 13 and genuine development. It shall be entitled to all fund sources enumerated
- 14 herein, and shall have the power to create its sources of revenues as provided in
- 15 this law. It shall prepare its budget and shall allocate funds in accordance with an
- 16 annual appropriations law passed by the Bangsamoro Parliament. The form,
- 17 content, and manner of preparation of the budget shall be prescribed by law
- 18 enacted by the Bangsamoro Parliament.

- 19
- 20 **Section 2. Auditing.** – All public funds of the Bangsamoro are subject to
- 21 auditing. For this purpose, a Bangsamoro Commission on Audit (BCA) is hereby
- 22 created under the Regional Office of the Commision on Audit for the
- 23 Bangsamoro. It shall have the power, authority, and duty to examine, audit, and
- 24 settle all accounts pertaining to the revenue and receipts of, and expenditures or
- 25 uses of funds and property, owned or held in trust by, or pertaining to the public
- 26 funds utilized by the Bangsamoro. The utilization of the revenue generated by the
- 27 Bangsamoro Government and block grants or subsidies from foreign or domestic
- 28 donors shall be subject to the auditing rules and regulations of the Bangsamoro

1 Government and to auditing by the BCA auditors under the Regional Office of
2 the Commission on Audit for the Bangsamoro.

3

4 The BCA's power, authority and duty shall be without prejudice to the general
5 audit power of the Commission on Audit (COA) as provided under Article IX-D,
6 Section 2(1) of the 1987 Constitution.

7

8 With due regard to the BCA's responsibility to ensure the judicious use of funds
9 within the Bangsamoro, disbursement vouchers of the Bangsamoro Government
10 shall be submitted immediately to the Commission on Audit Regional Office for
11 the Bangsamoro.

12

13 **Section 3. Local Government Finance.** – The Bangsamoro Government shall
14 create a mechanism for coordinating, assisting, and monitoring the finances of
15 the constituent local government units in pursuance of good governance and local
16 autonomy.

17

18 **Section 4. Central Government Assistance.** – The Central Government shall
19 extend assistance to the Bangsamoro Government in the matter of tax
20 administration and fiscal management. This assistance shall include capacity
21 building and training programs, in accordance with a needs assessment and
22 capacity building plan developed by the Bangsamoro Government in consultation
23 with the Central Government.

24

25 **Section 5. Assistance to Other Regions.** – The Bangsamoro Government may
26 also assist the development efforts of other regions once the Bangsamoro has
27 attained financial self-sustainability.

28

Sources of Revenue

Section 6. Revenue Sources. – The Bangsamoro Government shall have the power to create its own sources of revenues and to levy taxes, fees, and charges, subject to the provisions of this law and consistent with the principles of devolution of powers, equalization, equity, accountability, administrative simplicity, harmonization, and economic efficiency, and fiscal autonomy. Such taxes, fees, and charges shall accrue exclusively to the Bangsamoro Government.

The sources of revenue of the Bangsamoro Government shall include, among others, the following:

- a. Taxes;
- b. Fees and charges;
- c. Annual block grant coming from Central Government;
- d. Share in the revenues from the exploration, development and utilization of natural resources derived from areas/territories, land or water except Agus River, covered by and within the jurisdiction of the Bangsamoro;
- e. Revenues from Bangsamoro government-owned and/or –controlled corporations (GOCCs), financial institutions and other corporations, and shares from the revenues of national GOCCs and its subsidiaries operating in the Bangsamoro, as may be determined by the intergovernmental fiscal policy board;

f. Grants from economic agreements entered into by the Bangsamoro Government and conventions to which the Central Government is a party;

g. Grants and donations; and

h. Loans and Overseas Development Assistance (ODA) approved by the Central Government.

All powers over revenue generation already granted to the Autonomous Region in Muslim Mindanao under the Republic Act No. 9054 and other legislations and executive issuances, are transferred to the Bangsamoro.

Section 7. *Baitalmal, Awqaf, and Zakat Regulation.* - The Bangsamoro Parliament may enact legislation on the regulation of *baitalmal*, *awqaf*, and *zakat*.

Taxation

Section 8. Taxes, Fees and Charges. - The Bangsamoro Government shall exercise the power to levy taxes, fees or charges that were already given to the Autonomous Region in Muslim Mindanao and/or allowed under Republic Act 6734 and Republic Act 9054, and other legislations, as well as those that are provided herein.

In enacting revenue-raising measures, the Bangsamoro shall observe the principles of uniformity and equity in taxation. Revenues shall inure solely to the benefit of, and be subject to the disposition by, the Bangsamoro Government.

Taxes, fees, or charges shall not be unjust, excessive, oppressive, confiscatory or contrary to public policy. The collection of Bangsamoro taxes, fees, charges and other impositions shall not be let to any private person.

1 The power to impose a tax under this Basic Law shall be exercised by the
2 Bangsamoro Parliament, through an appropriate legislation, which shall not be
3 enacted without any prior public hearing conducted for the purpose. The
4 Bangsamoro Government shall, as far as practicable, evolve a progressive system
5 of taxation.

6
7 **Section 9. Tax Incentives.** – To encourage investments and other economic
8 activities, the Bangsamoro Government shall have the power to grant tax
9 exemptions, rebates, tax holidays and other incentives including those granted to
10 the Regional Board of Investment of the ARMM. As part of incentives to
11 investors, the Bangsamoro may opt instead to impose a flat rate lump sum tax on
12 small and medium enterprises.

13
14 **Section 10. Taxing Powers.** The following taxes in the Bangsamoro shall be
15 levied by the Bangsamoro Government.

16
17 a. *Capital Gains Tax.* – Tax imposed on the gains presumed to have been
18 realized by the seller from the sale, exchange, or other disposition of capital
19 assets, including *pacto de retro* sales and other forms of conditional sale;

20
21 b. *Documentary Stamp Tax.* – Tax on documents, instruments, loan
22 agreements and papers evidencing the acceptance, assignment, sale or
23 transfer of an obligation rights or property incident thereto;

24
25 c. *Donor's Tax.* – Tax on a donation or gift, and is imposed on the gratuitous
26 transfer of property between two or more persons who are living at the time
27 of the transfer. It shall apply whether the transfer is in trust or otherwise,
28 whether the gift is direct or indirect and whether the property is real or
29 personal, tangible or intangible;

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- d. *Estate Tax*. – Tax on the right of the deceased person to transmit his/her estate to his/her lawful heirs and beneficiaries at the time of death and on certain transfers, which are made by law as equivalent to testamentary disposition;
- e. Income tax levied on banks and other financial institutions;
- f. Registration fees of vessels which are registered by their owners with the Bangsamoro Government and wharfage on wharves constructed and maintained by the Bangsamoro Government or the local government unit concerned;
- g. Tolls on bridges or roads constructed and maintained by the provinces, cities, municipalities, or barangays concerned or by the Bangsamoro Government;
- h. Taxes, fees, or charges on agricultural and aquatic products, except when sold by marginal farmers or fisherfolk;
- i. Excise taxes on articles that are not enumerated under the National Internal Revenue Code;
- j. Taxes, fees, or charges on countryside, barangay enterprises and cooperatives not registered under Republic Act No. 6810, the “Magna Carta for Countryside and Barangay Business Enterprises” and Republic Act No. 6938, the “Cooperatives Code of the Philippines,” respectively; and

k. Such other taxes that were allowed to be levied by the Government of the Autonomous Region in Muslim Mindanao under RA 6734, RA 9054, and other legislations and executive issuances.

Where all taxable elements are within the Bangsamoro territory, taxes under letters (a) to (d) above shall no longer be imposed by the Bureau of Internal Revenue (BIR) of the Central Government. The Intergovernmental Fiscal Policy Board shall promulgate rules on the determination of taxable elements in relation to taxes (a) to (d) above and on the sharing of revenues from the collection of such taxes where the taxable elements are found within and outside of the Bangsamoro territory. Any dispute between the Bangsamoro Government and the Central Government arising from the imposition of taxes under (a) to (d) above shall be addressed by the Intergovernmental Fiscal Policy Board.

Section 11. Share in Taxes of the Central Government. – Central Government taxes, fees, and charges collected in the Bangsamoro, other than tariff and customs duties, shall be shared as follows:

- a. Twenty-five percent (25%) to the Central Government; and
- b. Seventy-five percent (75%) to the Bangsamoro, including the shares of the local government units.

The aforementioned twenty-five percent (25%) share of the Central Government shall, for a period of ten (10) years, be retained by the Bangsamoro Government. The period for retention may be extended upon mutual agreement of the Central Government and the Bangsamoro Government.

The shares in taxes, fees, and charges provided under this section shall be an amount separate and distinct from the annual block grant appropriated to the Bangsamoro under Section 17 of this article.

1
2 **Section 12. Assessment and Collection of Taxes; Bangsamoro Revenue**
3 **Office.** – The Bangsamoro Parliament shall, by law, establish the Bangsamoro
4 Revenue Office within the Bangsamoro for the purpose of assessing and
5 collecting Bangsamoro taxes, as well as, all other collectible taxes in the
6 Bangsamoro.

7
8 The Bangsamoro Revenue Office shall collect such taxes and remit the share of
9 the Central Government through a duly accredited depository bank.

10 Until such time that the Bangsamoro Revenue Office is established, the collection
11 shall be done by the Bureau of Internal Revenue (BIR). The share of the
12 Bangsamoro Government shall be retained by the Central Government collecting
13 agencies and shall be remitted or released to the Bangsamoro in lump sum without
14 need for an appropriations law.

15
16 When the Bangsamoro Revenue Office is established, and collection of the above
17 taxes is undertaken by said office, the cost of administering the tax collection
18 shall be co-shared between the Central Government and the Bangsamoro
19 Government.

20
21 **Section 13. Payment of Taxes by Corporations, Partnerships or Firms. -**
22 Corporations, partnerships, or firms directly engaged in business in the
23 Bangsamoro shall pay their corresponding taxes, fees, and charges in the province
24 or city, where the corporation, partnership, or firm is doing business.
25 Corporations, partnerships, or firms whose central, main, or head offices are
26 located outside the Bangsamoro but which are doing business within its territorial
27 jurisdiction shall pay the income taxes for income derived from their business
28 operations in the Bangsamoro to the city, or municipality where their branch
29 offices or business operations or activities are located. The BIR and the

1 Bangsamoro Revenue Office shall agree on modalities for the filing of income
2 tax returns through the Intergovernmental Fiscal Policy Board.

3
4 **Section 14. Share of the Constituent Local Government Units in Taxes within**
5 **the Bangsamoro.** – The Bangsamoro Parliament shall enact a law detailing the
6 shares of constituent local government units in the 75% share of the Bangsamoro
7 Government in the taxes, fees and charges collected in their jurisdiction by the
8 Central Government in the Bangsamoro.

9
10 **Section 15. Bangsamoro Taxes and Revenue Code.** – The Bangsamoro
11 Parliament shall enact a Bangsamoro Tax Code, which shall cover the taxing
12 powers of the Bangsamoro Government.

13
14 **Section 16. Fees and Charges.** – The Bangsamoro shall exercise the power to
15 levy fees and charges pursuant to the powers and functions that it shall exercise
16 in accordance with this Basic Law, including the powers already granted under
17 Republic Act. No. 6734, RA 9054 and other executive issuances, and memoranda
18 of agreement.

20 Block Grant

21
22 **Section 17. Annual Block Grant.** – The Central Government shall provide an
23 annual block grant which shall be the share of the Bangsamoro in the national
24 internal revenue of the Government. The amount shall be sufficient for the
25 exercise of the powers and functions of the Bangsamoro Government under this
26 Basic Law in no case to be less than the last budget received by the ARMM
27 immediately before the establishment of the Bangsamoro Transition Authority.

28

1 **Section 18. Formula of the Block Grant.** – For the budget year immediately
2 following the year this Act takes effect, the amount of the block grant shall be
3 equivalent to four per cent (4%) of the net national internal revenue collection of
4 the Bureau of Internal Revenue less the internal revenue allotment of local
5 government units.

6 For purposes of this section, the net national internal revenue collection of the
7 Bureau of Internal Revenue is understood to be the sum of all internal revenue
8 tax collections during the base year less the amount released during the same year
9 for tax refunds, payments for informer's reward, and any portion of internal
10 revenue tax collections which are presently set aside, or hereafter earmarked
11 under special laws for payment to third persons.

12
13 Provided, that the computation shall be based on collections from the third fiscal
14 year preceding the current fiscal year;

15
16 Provided, further, that the above formula shall be adjusted if, after the effectivity
17 of this Act, there occurs a change in the total land area of the Bangsamoro;

18
19 Provided, finally, that in the event that the Central Government incurs an
20 unmanageable public sector deficit, the President of the Philippines shall call for
21 the activation of the intergovernmental relations body where both the President
22 and the Prime Minister of the Bangsamoro will participate in order to look at the
23 possibility of adjusting the annual block grant of the Bangsamoro; Provided
24 furthermore, that this adjustment shall be during the duration of the
25 unmanageable public sector deficit only.

26
27 **Section 19. Automatic Appropriation.** – The annual block grant shall be
28 automatically appropriated to the Bangsamoro Government and reflected in the
29 General Appropriations Act. The Bangsamoro Parliament shall pass an annual

1 appropriations law that allocates the block grant to various agencies and
2 programs, according to the powers and functions of the Bangsamoro
3 Government. Block Grant should be primarily spent on capital outlay. The
4 Bangsamoro annual appropriations law may also include performance standards
5 and targets for each sector. Any unspent amount in the current year's block grant
6 shall revert to the Bangsamoro general fund for re-appropriation.

7

8 **Section 20. Regular Release.** – The block grant shall be released, without need
9 of any further action, directly and comprehensively to the Bangsamoro
10 Government, and which shall not be subject to any lien or holdback that may be
11 imposed by the Central Government for whatever purpose.

12

13 **Section 21. Deductions from the Block Grant; Exceptions.** – Four years from
14 the operationalization of the regular Bangsamoro Government the following shall
15 be deducted from the block grants:

16

17 a. Revenues from the additional taxes beyond those already devolved to the
18 ARMM collected three (3) years before; and

19

20 b. Share of the Bangsamoro in the government income derived from the
21 exploration, development and utilization of natural resources, as provided
22 in Article XII, Section 34 collected three (3) years before.

23

24 Provided, that the amount allocated for the operation of the Bangsamoro
25 Sustainable Development Board, as provided in Article XIII, Section 4, shall not
26 be included in the amount herein to be deducted from the block grant; Provided,
27 further, that the abovementioned deduction shall not include the shares of
28 constituent local government units and of indigenous communities in

1 government income derived from the exploration, development, and utilization
2 of natural resources, under Article XII, Sections 35 and 36, respectively.

3
4 **Section 22. Review of the Block Grant Formula.** – The formula for the Block
5 Grant, as provided above, shall be reviewed by the Intergovernmental Fiscal
6 Policy Board ten (10) years after its effectivity. The review that shall be
7 undertaken shall consider, among others, the fiscal needs of the Bangsamoro and
8 the actual revenues it is able to generate. Thereafter, the review shall be
9 undertaken every five (5) years as agreed upon in the Intergovernmental Fiscal
10 Policy Board. Should the Central Government no longer have any representative
11 in the said Board, the review shall be undertaken by the Intergovernmental
12 Relations Body, for enactment into law.

13
14 **Section 23. Development programs and projects.** - Immediately after the
15 ratification of this Basic Law, and for another five (5) years thereafter, the Central
16 Government shall provide for additional funds that would subsidize expenditure
17 for development projects and infrastructure in the Bangsamoro, including
18 provincial and municipal roads, in accordance with a development plan
19 formulated by the Bangsamoro Government. The Central Government and the
20 Bangsamoro Government shall agree on the amount through the
21 intergovernmental relations body, as well as the manner of release of said amount
22 to the Bangsamoro Government.

23 24 **Loans**

25
26 **Section 24. Foreign and Domestic Loans; Bills, Bonds, Notes and**
27 **Obligations.** – (a) *Loans, Credits, and Other Forms of Indebtedness.* – The
28 contracting of loans, credits, and other forms of indebtedness in order to finance
29 the construction, installation, improvement, expansion, operation, or maintenance

1 of public facilities, infrastructure facilities, housing projects, the acquisition of
2 real property, and the implementation of other capital investment projects, as well
3 as, for the development and welfare of the people of the Bangsamoro.

4
5 Subject to acceptable credit worthiness, such loans may be secured from domestic
6 and foreign lending institutions, except foreign and domestic loans requiring
7 sovereign guaranty, whether explicit or implicit, which would require the
8 approval of the Central Government. The Central Government, through both
9 houses of Congress, may authorize the Chief Minister to contract such domestic
10 or foreign loans. The loans so contracted may take effect upon approval by a
11 majority of all the members of the Bangsamoro Parliament.

12
13 The Central Government shall assist the Bangsamoro Government in complying
14 with the requirements for a speedy issuance of the sovereign guaranty, to finance
15 local infrastructure and other socio-economic development projects in
16 accordance with the Bangsamoro Development Plan.

17
18 Within 30 days from the submission of the Bangsamoro Government of its
19 application for sovereign guaranty, the Bangsamoro Government shall be
20 informed by the Central Government on the actions taken on the application. The
21 application shall be resolved with dispatch.

22
23 *b) Bills, Bonds, Notes, Debentures and Obligations.* – The Bangsamoro
24 Government is also authorized to issue treasury bills, bonds, debentures,
25 securities, collaterals, notes, obligations, and other debt papers or documents, as
26 well as redeem or retire the same, pursuant to law enacted by the Bangsamoro
27 Parliament. Said authority may be exercised in order to finance self-liquidating,

1 income producing development or livelihood projects pursuant to the priorities
2 established in the aforementioned development plan.

3
4 *(c) Payment of Loans and Indebtedness.* – The Bangsamoro Government shall
5 appropriate in its annual budget such amounts as are sufficient to pay their loans
6 and their indebtedness incurred.

7
8 **Section 25. Overseas Development Assistance.** – In its efforts to achieve
9 inclusive growth and poverty reduction, through the implementation of priority
10 development projects, the Bangsamoro Government may avail directly of
11 Overseas Development Assistance (ODA) with approval of the National
12 Economic Development Authority. The Bangsamoro Parliament may enact
13 legislation governing ODA.

14 15 Grants and Donations

16
17 **Section 26. Grants and Donations.** – Grants and donations from foreign and
18 domestic donors received by the Bangsamoro Government for the development
19 and welfare of the people in the Bangsamoro shall be used solely for the purpose
20 for which they were received.

21
22 Donations and grants that are used exclusively to finance projects for education,
23 health, youth and culture, and economic development, may be deducted in full
24 from the taxable income of the donor or grantor.

25 26 Economic Agreements and Conventions

27
28 **Section 27. Economic Agreements.** – The Bangsamoro government may enter
29 into economic agreements and receive benefits and grants derived therefrom as

1 provided in Section 1, Article V of this law.

2

3 **Section 28. Cultural Exchange, Economic and Technical Cooperation. –**

4 Consistent with the reserved powers of the Central Government, the Bangsamoro
5 Government may establish linkages for cultural exchange, economic and
6 technical cooperation with countries with diplomatic relations with the
7 Philippines, with assistance of Philippine embassies or consulates, or through
8 some other arrangements with Central Government supporting such
9 undertakings.

10

11 **Section 29. Benefits from Conventions. –** The Bangsamoro shall be entitled to
12 benefits resulting from conventions to which the Central Government is a party.
13 Such benefits shall be equitable and shall consider the available human and
14 material resources and comparative advantage of the Bangsamoro, as well as its
15 socio-economic conditions and needs.

16

17 **Government Owned and/or Controlled Corporations (GOCCs) and**
18 **Financial Institutions**

19

20 **Section 30. GOCCs and Financial Institutions. –** The Bangsamoro shall have
21 the power to create GOCCs and financial institutions through the necessary
22 modalities, and in accordance with a law on GOCCs to be passed by the
23 Parliament. These Bangsamoro Government-created GOCCs shall be duly
24 registered with the Securities and Exchange Commission or established under
25 legislative charter by the Bangsamoro Parliament, and shall be recognized even
26 outside the Bangsamoro. Revenues derived from their operations shall pertain to
27 the Bangsamoro.

28

1 **Section 31. Existing GOCCs Operating Exclusively in the Bangsamoro.** –

2 The Bangsamoro Government shall have the authority and control over existing
3 GOCCs and financial institutions operating exclusively in the Bangsamoro, after
4 determination by the intergovernmental fiscal policy board of its feasibility. Such
5 transfer shall be effected through the necessary changes on the GOCCs'
6 governing boards.

7

8 **Section 32. Southern Philippine Development Authority and Al-Amanah**

9 **Islamic Investment Bank.** – Within six (6) months from the establishment of
10 the BTA, the Intergovernmental Fiscal Policy Board shall determine the
11 participation of the Bangsamoro in the ownership and management of Al-
12 Amanah Islamic Investment Bank of the Philippines and the Southern Philippines
13 Development Authority as provided in P.D. 690 as amended by P.D. 1703 and
14 the mode of transfer of ownership to the Bangsamoro Government.

15

16 **Section 33. Existing GOCCs in the Bangsamoro.** –The Bangsamoro
17 Government shall be represented in the board of directors or in the policy-making
18 bodies of GOCCs that operate a substantial portion of their businesses directly or
19 through their subsidiaries in the Bangsamoro or where the Bangsamoro has
20 substantial interest. The Intergovernmental Fiscal Policy Board (IGFPB) shall
21 determine the extent of participation. In no case shall the Bangsamoro have less
22 than one seat in the governing board of such entities.

23

24 The share of the Bangsamoro Government from the results of operations of
25 GOCCs and subsidiaries operating in the Bangsamoro shall be based on a formula
26 determined by the Intergovernmental Fiscal Policy Board under Section 36 of
27 this Basic Law.

28

Sharing in the Exploration, Development and Utilization of Natural Resources

Section 34. Sharing in Exploration, Development and Utilization of Natural Resources. – Government revenues generated from the exploration, development and utilization of all natural resources in the Bangsamoro, inclusive of mines and minerals, shall pertain fully to the Bangsamoro Government. In the case of fossil fuels (petroleum, natural gas, and coal) and uranium, the same shall be co-managed and the revenues shared equally between the Central and Bangsamoro Governments.

Such sharing scheme shall be applicable to all natural resources found in the Bangsamoro territory, both the land mass and the waters under its territorial jurisdiction.

Section 35. Share of the Constituent Local Government Units. – The share of the Bangsamoro Government in the revenues referred to in the immediately preceding section shall include those for its constituent local government units. The Bangsamoro Parliament shall enact a law detailing the shares of such local government units.

Section 36. Share of Indigenous Communities. – Indigenous peoples shall have an equitable share from the revenues generated from the exploration, development and utilization of natural resources that are found within the territories covered by a native title in their favor. The share shall be provided for in a law to be passed by the Bangsamoro Parliament.

1 The Bangsamoro Parliament shall enact a law that shall provide in detail said
2 sharing system, including the percentage of the shares of the indigenous peoples
3 and communities, and the mechanisms therefor.

4 5 **Intergovernmental Fiscal Policy Board** 6

7 **Section 37. Intergovernmental Fiscal Policy Board.** – There is hereby created
8 an Intergovernmental Fiscal Policy Board (IGFPB) that shall address revenue
9 imbalances and fluctuations in regional financial needs and revenue-raising
10 capacity of the Bangsamoro.

11
12 **Section 38. Functions.** – The IGFPB shall undertake the following functions:

- 13
14 (a) Recommend the necessary fiscal policy adjustments by undertaking a
15 periodic review of the taxing powers, tax base and rates of the Bangsamoro
16 Government, wealth sharing arrangements, sources of revenues vis-à-vis the
17 development needs of the Bangsamoro;
18
19 (b) Address disputes between the Central Government and the Bangsamoro
20 Government involving the collection of capital gains tax, documentary stamp tax,
21 donor's tax and estate tax in the Bangsamoro;
22
23 (c) Determine the extent of participation of the Bangsamoro Government in
24 the board of directors or the policy-making bodies of GOCCs that operate a
25 substantial portion of their businesses directly or through their subsidiaries in the
26 Bangsamoro or where the Bangsamoro has substantial interest;
27
28 (d) Determine the participation of the Bangsamoro Government in the results
29 of operations of government-owned and/or controlled corporations and its

1 subsidiaries operating in the Bangsamoro. The Board shall also determine a
2 formula for the share of the Bangsamoro Government from the results of said
3 operations;

4

5 (e) Determine the participation of the Bangsamoro in the ownership and
6 management of Al-Amanah Islamic Investment Bank of the Philippines and the
7 Southern Philippines Development Authority (SPDA) to the Bangsamoro;

8

9 (f) Recommend the exercise by the Bangsamoro Government of additional
10 fiscal powers in order to attain the highest form of fiscal autonomy; and

11

12 (g) Define the modalities for the filing of income tax returns for corporation or
13 firms whose central, main, or head offices are located outside the Bangsamoro
14 but are doing business within its territorial jurisdiction so that income realized
15 from such operations in the Bangsamoro shall be attributed as income derived
16 therein and subject to the sharing scheme between the Central Government and
17 the Bangsamoro Government

18

19 **Section 39. Composition.** – The Board shall be composed of the heads and/or
20 representatives of the appropriate ministries and offices in the Bangsamoro
21 Government. The Central Government shall likewise be represented in the Board
22 by the Secretary of Finance and such other officials as may be necessary.

23

24 The Board shall be headed by two co-Chairs, one representing the Bangsamoro
25 Government and the other, the Central Government.

26

27 Once full fiscal autonomy has been achieved by the Bangsamoro, it may no
28 longer be necessary to have a representative from the Central Government to sit
29 in the Board.

1

2 **Section 40. Meetings and Annual Report.** The Board shall meet at least once
3 in six (6) months and shall adopt its own rules of procedure for the conduct of its
4 meetings.

5

6 An annual report shall be submitted by the Board to the Central Government and
7 the Bangsamoro Government, and be made available to the public.

8

9

10 **Section 41. Full Disclosure Policy.** – The Bangsamoro Government hereby
11 adopts a policy of full disclosure of its budget and finances, and bids and public
12 offerings and shall provide protocols for the guidance of local authorities in the
13 implementation of said policy, which shall include, among others the posting of
14 the Summary of Income and Expenditures. The same policy shall apply to its
15 constituent local government units, as may be provided in a law to be enacted by
16 the Bangsamoro Parliament.

17

18 **Section 42. Additional Fiscal Powers.** – The IGFPB may recommend the
19 exercise by the Bangsamoro of additional fiscal powers in order to reach full
20 fiscal autonomy. Such recommendations shall be proposed to Congress or the
21 appropriate agency of the Central Government that has the power to effect such
22 recommendations.

23

24

Article XIII

25

ECONOMY AND PATRIMONY

26

27 **Section 1. Social Justice and Bangsamoro Economic System.** - The
28 Bangsamoro Government's economic policies and programs shall be based on
29 the principle of social justice. Pursuant to this principle, the Bangsamoro

1 Parliament shall legislate laws pertaining to the Bangsamoro economy and
2 patrimony that are responsive to the needs of its people.

4 **Sustainable Development**

5
6 **Section 2. Equitable and Sustainable Development.** – In order to protect and
7 improve the quality of life of the inhabitants of the Bangsamoro, development in
8 the Bangsamoro shall be carefully planned, taking into consideration the natural
9 resources that are available for its use and for the use of future generations.

10
11 The Bangsamoro Government shall promote the effective and sustainable use of
12 economic resources and endeavor to attain economic development that shall
13 facilitate growth and full employment, human development, and social justice.

14
15 The Bangsamoro Government shall also provide equitable opportunities for the
16 development of constituent local government units and shall strengthen
17 governance systems to ensure people's participation.

18
19 **Section 3. Comprehensive Framework for Sustainable Development.** – The
20 Bangsamoro Government shall develop a comprehensive framework for
21 sustainable development through the proper conservation, utilization and
22 development of natural resources. Such framework shall guide the Bangsamoro
23 Government in adopting programs and policies and establishing mechanisms that
24 focus on the environment dimensions of social and economic interventions. It
25 shall include measures for the reduction of vulnerability of women and
26 marginalized groups to climate change and variability.

27
28 **Section 4. Bangsamoro Sustainable Development Board.** – The Bangsamoro
29 Parliament shall create a Bangsamoro Sustainable Development Board (BSDB),

1 an intergovernmental body composed of representatives from the
2 Bangsamoro Government and the Central Government. The Board shall ensure
3 the harmonization of environmental and developmental plans, as well as
4 formulate common environmental objectives.

5
6 Funding support for the Board shall be included in the annual budget of the
7 Bangsamoro Government. However, if there are revenues collected from the
8 exploration, development and utilization of all natural resources within the
9 Bangsamoro, a certain percentage of such revenues shall be allocated for the
10 operation of the Board, as may be provided in a law to be passed by the
11 Bangsamoro Parliament.

12
13 **Section 5. Bangsamoro Development Plan.** – The Bangsamoro Government
14 shall formulate its development plans taking into consideration the Bangsamoro
15 people's unique needs and aspirations and consistent with national development
16 goals. The plan shall also consider the revenue generation efforts needed for the
17 post-conflict rehabilitation, reconstruction and development of its territory.

18
19 The plan shall include the promotion of growth and full employment, human
20 development, and address social and economic inequities that have resulted from
21 decades of neglect, historical injustice, poverty and inequality.

22
23 For this purpose, the Bangsamoro Parliament shall create an economic planning
24 office.

25
26 **Section 6. Gender and Development.** – The Bangsamoro Government
27 recognizes the role of women in governance and shall ensure the fundamental
28 equality before the law of women and men. It shall guarantee full and direct
29 participation of women in governance and in the development process and shall,

1 further, ensure that women benefit equally in the implementation of development
2 programs and projects.

3
4 In the utilization of public funds, the Bangsamoro Government shall ensure that
5 the needs of women and men are adequately addressed. For this purpose, at least
6 five percent (5%) of the total budget appropriation of each ministry, office, and
7 constituent local government unit of the Bangsamoro shall be set aside for
8 gender-responsive programs, in accordance with a gender and development
9 (GAD) plan. In the same manner, at least five percent (5%) up to thirty percent
10 (30%) of the official development funds received by the Bangsamoro shall be set
11 aside to complement said GAD budget allocation.

12
13 The Bangsamoro Government shall establish a mechanism for consultation with
14 women and local communities to further ensure the allocation and proper
15 utilization of said funds. It shall identify and implement special development
16 programs and laws for women.

17
18 **Section 7. Participation of the Bangsamoro in National Development**
19 **Planning.** – The preceding section notwithstanding, and in order to ensure that
20 the Bangsamoro development plans are reflected in the national development
21 plans, the Bangsamoro shall participate in national development planning. The
22 Chief Minister shall be a fullfledged member of the Board of the National
23 Economic and Development Authority (NEDA). The Chief Minister or his duly-
24 appointed representative shall participate in the said offices.

25 26 27 **Natural Resources** 28

1 **Section 8. Natural Resources, Nature Reserves and Protected Areas.** – The
2 Bangsamoro Government shall have the authority, power, and right to explore,
3 develop and utilize the natural resources, including surface and sub-surface
4 rights, inland waters, coastal waters, and renewable and non-renewable resources
5 in the Bangsamoro.

6

7 The protection, conservation, rehabilitation, and development of forests, coastal,
8 and marine resources, including the adoption of programs and projects to ensure
9 the maintenance of ecological balance, shall be given priority.

10

11 The Bangsamoro Government shall also have the power to declare nature
12 reserves and aquatic parks, forests, watershed reservations and other protected
13 areas in the Bangsamoro, except Lake Lanao.

14

15 The Bangsamoro Parliament shall pass a law on protected areas, regarding the
16 procedure for the declaration, and the management of those that are so declared,
17 and the role of the Bangsamoro Government and other stakeholders in the
18 process.

19

20 **Section 9. Transfer of Existing Nature Reserves and Protected Areas.** – The
21 management and protection of nature reserves and aquatic parks, forests,
22 watershed reservations, and other protected areas in the Bangsamoro territory that
23 have already been defined by and under the authority of the Central Government
24 shall be transferred to the Bangsamoro Government.

25

26 Within three months from the establishment of the Bangsamoro Transition
27 Authority, the Bangsamoro Government and Department of Environment and
28 Natural Resources (DENR) as well as other relevant government agencies shall
29 start the process of transferring these areas including the conduct of surveys of

1 all affected areas and the planning and transition for each and every protected
2 area. Such process shall be completed within a period not exceeding two years.

3
4 **Section 10. Exploration, Development, and Utilization of Fossil Fuels and**
5 **Uranium.** - The Bangsamoro Government and the Central Government shall
6 jointly exercise the power to grant rights, privileges and concessions over the
7 exploration, development and utilization of fossil fuels (petroleum, natural gas,
8 and coal) and uranium in the Bangsamoro.

9
10 The Central Government, through the Department of Energy (DOE), and the
11 Bangsamoro Government shall adopt a competitive and transparent process for
12 the grant of rights, privileges and concessions in the exploration, development
13 and utilization of fossil fuels and uranium.

14
15 The DOE and the Bangsamoro Government will identify and select prospective
16 contract areas to be offered for exploration and development. A qualified
17 Filipino citizen who is a bona fide resident of the Bangsamoro will receive a
18 rating higher than other proponents during the evaluation process. The award
19 of the service contract shall be made jointly by the DOE and the Bangsamoro
20 Government.

21
22 **Section 11. Preferential Rights of Bona Fide Inhabitants of the Bangsamoro.**
23 - Qualified citizens who are *bona fide* inhabitants of the Bangsamoro shall have
24 preferential rights over the exploration, development, and utilization of natural
25 resources, including fossil fuels (petroleum, natural gas, and coal) and uranium,
26 within the Bangsamoro territory. Existing rights over the exploration,
27 development and utilization of natural resources shall be respected until the
28 expiration of the corresponding leases, permits, franchises or concessions, unless
29 legally terminated.

1

2 **Section 12. Rights of Indigenous Peoples Over Natural Resources.** – The
3 Bangsamoro Parliament shall enact a law recognizing the rights of indigenous
4 peoples in the Bangsamoro in relation to natural resources within the territories
5 covered by a native title, including their share in revenues, as provided in this
6 Basic Law, and preferential rights in the exploration, development and utilization
7 of such natural resources within their area.

8

9 The right of indigenous peoples to free and prior informed consent in relation to
10 development initiatives shall be respected.

11

12 **Section 13. Mines and Mineral Resources.** – The Bangsamoro Government
13 shall have authority and jurisdiction over the exploration, development, and
14 utilization of mines and minerals in its territory. Permits and licenses and the
15 granting of contracts for this purpose shall be within the powers of the
16 Bangsamoro Government.

17

18 **Section 14. Financial and Technical Assistance Agreements.** – The
19 applications for financial and technical assistance agreements (FTAAs) covering
20 mineral resources within the Bangsamoro shall be commenced at and
21 recommended by the Bangsamoro Government to the President.

22

23 The manner by which the Bangsamoro Government shall make the
24 recommendation shall be in accordance with the mining policy that shall be
25 adopted by the Bangsamoro Parliament.

26

27 **Section 15. Regulation of Small-Scale Mining.** – Small-scale mining shall be
28 regulated by the Bangsamoro Government to the end that the ecological balance,
29 safety and health, and the interests of the affected communities, the miners, the

1 indigenous peoples, and the local government units of the place where such
2 operations are conducted are duly protected and safeguarded.

3

4 **Section 16. Legislating Benefits, Compensation for Victims and**
5 **Communities Adversely Affected by Mining and Other Activities that**

6 **Harness Natural Resources.** - The Bangsamoro Parliament shall enact laws for
7 the benefit and welfare of the inhabitants injured, harmed or adversely affected
8 by the harnessing of natural and mineral resources in the Bangsamoro. Such laws
9 may include payment of just compensation to and relocation of the people and
10 rehabilitation of the areas adversely affected by the harnessing of natural and
11 mineral resources mentioned above.

12

13 The Bangsamoro Parliament may, by law, require the persons, natural or
14 juridical, responsible for causing the harm or injury mentioned above to bear the
15 costs of compensation, relocation and rehabilitation mentioned above wholly or
16 partially.

17

18 **Section 17. Bangsamoro Mining Policy.** - Policies on mining and other
19 extractive industries shall be drawn up by the Bangsamoro Parliament in
20 accordance with its Comprehensive Sustainable Development Plan, as well as its
21 over-all medium-term and long-term Bangsamoro Development Plan.

22

23 **Section 18. Land Tenure And Conflicting Claims.** - In order to address
24 conflicting land claims, the Bangsamoro shall develop a land tenure improvement
25 program to be designed and implemented by the concerned ministries of the
26 Bangsamoro. Measures shall be undertaken to facilitate the identification of land
27 ownership and the generation of land titles. The plan may include measures that
28 would provide the necessary titling assistance for legitimate landowners and
29 abbreviated procedures for the registration of lands. For this purpose, the

1 Bangsamoro Parliament may enact a law and create the necessary office.

2

3 **Section 19. Zones of Joint Cooperation.** – Zones of Joint Cooperation in the
4 Sulu Sea and the Moro Gulf are hereby created, the coordinates of which shall be
5 defined by an ad hoc joint body composed of representatives from the
6 Department of Environment and Natural Resources (DENR) and the National
7 Mapping and Resource Information Authority (NAMRIA) and an equal number
8 of representatives from appropriate agencies of the Bangsamoro Government.

9

10 The Joint Body shall be convened within thirty (30) days after the ratification of
11 this Basic Law and shall cease to exist after it has established the coordinates of
12 the Bangsamoro territory, including the Bangsamoro Waters and the Zones of
13 Joint Cooperation. However, the said joint body shall be reconvened within thirty
14 (30) days after the conduct of a plebiscite for the inclusion of other territories as
15 provided in the Basic Law.

16

17 **Section 20. Joint Body for the Zones of Joint Cooperation.** – There shall be
18 created a Joint Body for the Zones of Joint Cooperation composed of a
19 Bangsamoro Minister as Chair, at least one (1) representative of a constituent
20 local government unit of the Bangsamoro adjacent to the Sulu Sea, at least one
21 (1) representative of a constituent local government unit of the Bangsamoro
22 adjacent to the Moro Gulf, the Secretary of Environment and Natural Resources,
23 the Secretary of Agriculture, and the Secretary of Transportation and
24 Communication of the Central Government, or their authorized representatives,
25 and their counterpart officials from the appropriate Bangsamoro offices and/or
26 agencies. There shall be at least one (1) representative from an adjoining local
27 government unit that is not part of the Bangsamoro, and adjacent to the Sulu Sea,
28 and at least one (1) representative from an adjoining local government unit that
29 is not part of the Bangsamoro, and adjacent to the Moro Gulf. The Joint Body

1 shall be responsible for drawing up of policies mentioned in the preceding
2 Section, as well as those necessarily related thereto.

3

4 The joint body may invite private sector representatives from the fishing and
5 transportation industries whenever necessary.

6

7 The Central and the Bangsamoro Governments shall work together to regulate
8 the waters that comprise the Zones of Joint Cooperation in the Sulu Sea and the
9 Moro Gulf. Policies shall be jointly drawn up for the following purposes:

10

11 a. protection of the traditional fishing grounds;

12

13 b. benefitting from the resources therein;

14 c. ensuring the interconnectivity of the islands and mainland parts of the
15 Bangsamoro so that they are parts of a cohesive Bangsamoro political entity;
16 and

17

18 d. ensuring the exercise of the preferential rights of the Bangsamoro people,
19 other indigenous peoples in the adjoining provinces, and the resident fishers
20 in the Bangsamoro over fishery, aquamarine, and other living resources in
21 the Zones of Joint Cooperation. The Joint Body shall promulgate rules and
22 regulations as to the exercise of these preferential rights. The preferential
23 rights granted to the Bangsamoro people under this section shall extend only
24 to those who can establish that they are Bangsamoro as defined in this Basic
25 Law or descendants of a Bangsamoro as of February 2, 1987.

26

27 The Bangsamoro Government and the Central Governments shall ensure that
28 there shall be free movement of vessels, goods, and people in these Zones of Joint
29 Cooperation.

1

2 **Section 21. Exploration, Development and Utilization of Non-living**
3 **Resources in the Zones of Joint Cooperation.** The Joint Body for the Zones of
4 Joint Cooperation shall ensure the cooperation and coordination between the
5 Central Government and the Bangsamoro Government on the exploration,
6 development and utilization of nonliving resources in the Zones of Joint
7 Cooperation and determine the sharing of income and revenues derived
8 therefrom.

9

10 **Section 22. Transportation in the Zones of Joint Cooperation.** Transportation
11 plying direct routes connecting the islands in Sulu, Basilan, Tawi-Tawi and/or
12 the mainland parts of the Bangsamoro and passing through the Zones of Joint
13 Cooperation shall be considered intra-regional routes.

14

15 **Section 23. Inland Waters.** – The Bangsamoro Government shall have exclusive
16 powers over inland waters, including, but not limited to lakes except Lake Lanao,
17 marshes, rivers and tributaries. The Bangsamoro Parliament shall enact laws on
18 the regulation, management and protection of these resources. It may create a
19 Bangsamoro office and authorities for specific inland bodies of water that shall
20 exercise management powers over these bodies of water.

21

22 The Bangsamoro Government shall ensure that the utilization of these waters
23 shall primarily be for the benefit of the people in the Bangsamoro and shall ensure
24 that communities in the Bangsamoro in whose territory these waters are found
25 are given an equitable share from the revenues generated from such utilization.

26

27 **Section 24. Agriculture, Fisheries, and Aquatic Resources.** – The Bangsamoro
28 Government's policies and laws on agriculture, fisheries, and aquatic resources
29 shall advance agriculture as a key development strategy, promote productivity

1 measures, and provide support for farmers and fishers especially small
2 landholders and marginal fishers.

4 Trade and Industry

5
6 **Section 25. Trade and Industry in the Bangsamoro.** –The Bangsamoro
7 Government recognizes the private sector as a mover of trade, commerce, and
8 industry. It shall encourage and support the building up of entrepreneurial
9 capability in the Bangsamoro and shall recognize, promote, and protect
10 cooperatives and other medium, small and micro enterprises. It shall adopt and
11 implement cooperative development policies and programs through the
12 enactment of a Bangsamoro Cooperative Code.

13
14
15 The Bangsamoro Government shall promote trade and industry in the
16 Bangsamoro by providing avenues through which other countries can learn about
17 its unique industries, economic opportunities and culture through participation in
18 trade missions, trade fairs, and other promotional activities. It can also organize
19 trade missions to other countries observing the necessary coordination with the
20 relevant government agencies.

21
22 The Bangsamoro Government shall also promote domestic trade preference for
23 goods produced and materials sourced from within the Bangsamoro and adopt
24 measures to increase their competitiveness. The Bangsamoro Government shall
25 also ensure that Bangsamoro products and services gain considerable access to
26 the markets of its trading partners, and particular attention should also be given
27 to the markets of its trading partners who have historic and cultural ties to the
28 Bangsamoro.

29

1 The Bangsamoro Government shall ensure that the utilization of these waters
2 shall primarily be for the benefit of the people in the Bangsamoro and shall ensure
3 that host communities shall be given equitable share from the revenues generated
4 from such utilization.

5

6 **Section 26. Barter Trade and Countertrade with ASEAN Countries.** – The
7 Bangsamoro Government shall regulate traditional barter trade and counter-trade
8 with ASEAN countries. The goods or items that are traded with the said countries
9 shall not be sold elsewhere in the country without payment of appropriate
10 customs or import duties.

11

12 Traditional barter trade and counter-trade refer to all cross-border trade of all
13 goods not otherwise considered illicit since time immemorial between the
14 Bangsamoro areas with ASEAN countries. The Bangsamoro Government shall
15 ensure compliance with national standards and safety product standards
16 requirements. Any dispute in relation to compliance or non-compliance shall be
17 brought to the intergovernmental relations mechanism.

18

19 **Section 27. Economic Zones, Industrial Estates, and Free Ports.** – The
20 Bangsamoro Government may establish economic zones, industrial estates, and
21 free ports in the Bangsamoro, this shall include the establishment of a
22 Bangsamoro Economic Zone Authority which shall have similar powers as the
23 Philippine Economic Zone Authority. The Bangsamoro Parliament may provide
24 such additional powers and functions to the Bangsamoro Economic Zone
25 Authority as may be necessary to meet the special circumstances of the
26 Bangsamoro.

27

28 Once the Bangsamoro Economic Zone Authority is created by the Bangsamoro
29 Parliament, the Philippine Export Zone Authority shall no longer authorize any

1 other economic zone within the Bangsamoro. Any corporation, firm, or entity
2 established within the Bangsamoro, by authority of the Philippine Export Zone
3 Authority, shall be placed under the jurisdiction of the Bangsamoro Economic
4 Zone Authority and shall continue to enjoy the benefits granted to it by the
5 Philippine Export Zone Authority.

6

7 Through the intergovernmental relations mechanism, the Bangsamoro
8 Government and the Central Government shall cooperate on customs,
9 immigration, and quarantine service including the attendant international
10 commitments thereto, to implement and make fully operational such economic
11 zones, industrial estates, and free ports within one (1) year from their
12 establishment. Business and other enterprises operating within the Bangsamoro
13 economic zones, industrial estates, and free ports shall be entitled to the fiscal
14 incentives and other benefits provided by the Central Government to special
15 economic zones. The Bangsamoro Government shall implement the fiscal
16 incentives and other benefits to investors in economic zones, industrial estates,
17 and free ports. Bangsamoro free ports shall be contiguous/adjacent to a seaport or
18 airport. The area of coverage of a free port may be so much as may be necessary
19 of that portion of the constituent local government unit/s of the Bangsamoro,
20 subject to such criteria as the Bangsamoro Parliament may provide in law for that
21 purpose. Existing free ports in the Autonomous Region in Muslim Mindanao are
22 hereby transferred to the Bangsamoro Government.

23 **Section 28. Prohibition Against Toxic or Hazardous Substances.** – The
24 Bangsamoro Government shall regulate, restrict or prohibit the use, importation,
25 transit, transport, deposit, disposal, and dumping of toxic or hazardous substances
26 within the Bangsamoro. It shall, in the same manner, regulate activities that may
27 adversely impact the environment and may be harmful to health, safety and
28 welfare of the Bangsamoro.

Section 29. Halal Program. – The Bangsamoro Government shall have the power to accredit *halal*-certifying bodies in the Bangsamoro. It shall promote awareness through the development and implementation of a halal campaign program.

The Bangsamoro Parliament shall enact laws to further strengthen its policy and programs on halal development.

Banking and Finance

Section 30. Banks and Financial Institutions. – The Bangsamoro Government shall encourage the establishment of:

- a. banks and financial institutions and their branches; and
- b. off-shore banking units of foreign banks within the Bangsamoro, and principles of the Islamic banking system

within the Bangsamoro, and in accordance with the principles of the Islamic banking system.

The Bangsamoro Parliament shall enact laws on Islamic finance.

Section 31. Islamic Banking and Finance. – The Bangsamoro Government, the *Bangko Sentral ng Pilipinas* (BSP), the Department of Finance (DOF), and the National Commission on Muslim Filipinos (NCMF) shall jointly promote the development of an Islamic banking and finance system, to include among others the establishment of a *Shari'ah* Supervisory Board and the promotion and development of *Shari'ah* compliant financial institutions.

To facilitate the establishment of an Islamic banking and finance system, the Central and the Bangsamoro Governments shall review existing market environment and policies and adopt measures to enhance the competitiveness of

1 Islamic finance products and that Islamic financial players are not inhibited from
2 introducing Islamic finance products. It shall further promote investor awareness
3 and acceptance in order to build a broader customer and asset base.

4
5 **Section 32. Islamic Banking Unit in the *Bangko Sentral ng Pilipinas*.** - An
6 Islamic Banking Unit shall be established in the *Bangko Sentral ng Pilipinas*
7 which shall be headed and staffed by qualified Islamic Banking experts,
8 recommended by the Chief Minister of the Bangsamoro Government. The head
9 of the Islamic Banking Unit shall be chosen from among the three (3)
10 recommended by the Chief Minister.

11
12 The Chief Minister shall nominate at least three (3) qualified persons from the
13 Bangsamoro.

14
15 **Section 33. Functions of the *Shari'ah* Supervisory Board And Qualifications**
16 **of its Members.** - Without prejudice to the crafting of the Bangsamoro Islamic
17 banking and finance framework by the Bangsamoro Parliament, the following are
18 the functions and qualifications of the *Shari'ah* Supervisory Board:

19 *a. Functions.* - The *Shariah* Supervisory Board shall be responsible for
20 monitoring the compliance of *Shari'ah* rules in banking and finance
21 transactions and issuance of *Shari'ah* products. Furthermore, as a
22 representative of the various *ulama*, it shall have the authority to issue
23 *fatwas* regarding the products and practices employed by banks and
24 other institutions.

25
26 *b. Qualifications.* - Subject to other qualifications that the Parliament may
27 enact, the members of the Board shall have the necessary knowledge of
28 both Islamic jurisprudence and conventional banking and finance.

29

Public Utilities And Infrastructure

Section 34. Energy and Power Generation. – The Bangsamoro Government shall have authority to regulate power generation, transmission, and distribution operating exclusively in the Bangsamoro through a Ministry of Energy which it shall create. It may likewise create its own public utilities in the Bangsamoro, including power generation utilities.

It shall promote investments, domestic and international, in the power sector industry in the Bangsamoro.

Power plants and distribution networks in the Bangsamoro shall be able to interconnect and sell power over the National Transmission Grid to electric consumers. When power generation, transmission, and distribution facilities are connected to the National Transmission Grid, the Central Government and the Bangsamoro Government shall cooperate and coordinate through the intergovernmental relations mechanism.

The Bangsamoro Government may assist electric cooperatives to ensure their financial and operational viability. Assistance may be in the form of restructuring of debts, with rehabilitation and efficiency improvement measures based on a set of clear time-bound operational reform programs. Other measures may be brought to the Intergovernmental Relations Mechanism Body.

Section 35. Roads, Bridges, And Irrigation. – The Bangsamoro Government shall be responsible for the public works in the Bangsamoro. However, the Central Government shall continue to fund the construction and maintenance of national roads and bridges and national irrigation systems in the Bangsamoro. Central Government shall include in the national Road Network Information System all national roads and bridges in the Bangsamoro. Funding for national

1 roads, bridges, and irrigation systems shall be automatically provided and
2 regularly released by the central government.

3

4

Transportation and Communications

5 **Section 36. Reserved, Concurrent, And Exclusive Powers.** – The Central
6 Government and the Bangsamoro Government shall have reserved, concurrent,
7 and exclusive powers, based on the principles of subsidiarity, technical and
8 financial viability, harmonization, compliance with international standards,
9 treaties and conventions, mutual respect and recognition, and recognition of the
10 aspiration of the Bangsamoro to assume further powers as may be practically
11 operational as its capacity develops. The intergovernmental mechanism shall
12 harmonize policies, programs, regulations and standards, and resolve problems of
13 implementation between the Central Government and the Bangsamoro
14 Government.

15 **Section 37. Reserved powers.** – The Central Government shall exercise reserved
16 powers over the airside operation of all existing airports within the Bangsamoro.

17 **Section 38. Concurrent Powers.** – The Central Government and Bangsamoro
18 Government shall have concurrent powers over the following:

- 19 a. The Bangsamoro Government and the Central Government shall exercise
20 concurrent powers in transportation and communications in the Zones of
21 Joint Cooperation;
- 22
- 23 b. The issuance of franchises, permits, provisional authorities for inter -
24 regional operation of land, air, and water transportation, as well as,
25 telecommunications facilities for non-Bangsamoro residents shall pertain
26 to the Central Government while the issuance of the same for Bangsamoro

- 1 residents shall be the authority of the Bangsamoro Government;
- 2 c. Establishment and regulation of inter-regional routes, zones or areas of
- 3 operation that pass through, include or involve the territory of the
- 4 bangsamoro; provided, that when the origin and the destination of a route
- 5 are within the bangsamoro territory and it passes through the zones of joint
- 6 cooperation, it shall be considered an intra- regional route;
- 7 d. Designation and establishment of inter-regional airways; and
- 8 e. Promulgation of rules and regulations to promote safety and security in the
- 9 airside operation of civil aviation in the Bangsamoro.

10 **Section 39. Exclusive Powers.** – The Bangsamoro Government shall have the
11 following exclusive powers:

- 12 a. Exercise of the powers granted under RA 6734 and RA 9054 on
- 13 transportation and communications;
- 14 b. Regulate the operation of land, air, and water transportation, as well as,
- 15 telecommunication facilities in the Bangsamoro, provided, that the Central
- 16 Government shall continue to fund the construction and maintenance of
- 17 airports and wharves;
- 18 c. Issuance of licenses, Certificates Of Public Convenience (CPCS), special
- 19 permits (SP) and provisional authority (PA) to operate land, air, and water
- 20 transportation and telecommunication companies in the Bangsamoro;
- 21 d. Registration of land, air, and water transportation of all kinds and
- 22 telecommunication companies in the Bangsamoro; and
- 23 e. Exercise quasi-judicial powers over the operation of land, air, and water
- 24 transportation and telecommunication companies in the Bangsamoro in
- 25 accordance with the rules of procedure established by the Bangsamoro
- 26 Parliament.

27 **Section 40. Intergovernmental Relations Mechanism.** – The
28 intergovernmental relations mechanism may harmonize policies, programs,

1 regulations and standards, and resolve problems of implementation between the
2 Central Government and the Bangsamoro Government.

4 **Article XIV REHABILITATION AND DEVELOPMENT**

6 **Section 1. Rehabilitation and Development.** – The Bangsamoro Government,
7 with funding support from the Central Government, shall intensify development
8 efforts for the rehabilitation, reconstruction and development of the Bangsamoro
9 as part of the normalization process. It shall formulate and implement a program
10 for rehabilitation and development that will address the needs of MILF
11 combatants/BIAF members and decommissioned women auxiliary forces,
12 internally displaced persons, and poverty-stricken communities.

14 **Section 2. Special Development Fund.** – In order for the Bangsamoro to rebuild
15 its conflict-affected communities and catch up with the rest of the country, the
16 Central Government shall provide for a Special Development Fund to the
17 Bangsamoro for the rehabilitation and development of its conflict-affected
18 communities.

20 The amount equivalent to One Hundred Billion Pesos (P100B) shall be allocated
21 for this purpose to be utilized by the Bangsamoro Government for twenty (20)
22 years from the ratification of this Basic Law. For the first year following the
23 ratification of this Basic Law, the amount of Ten Billion Pesos (P10B) shall be
24 given to the Bangsamoro Government. From the second to the fifth year, the
25 amount shall be Eight Billion Pesos (P8B) each year, and Six Billion Pesos (P6B)
26 for each year from the sixth to the tenth year. Henceforth up to the twentieth year,
27 the amount shall be Two Billion Pesos (P2B) annually. Such amount shall be
28 released at the beginning of each fiscal year to the Bangsamoro Government.

1 The utilization of the funds shall be in accordance with the Bangsamoro
2 Development Plan to be adopted by the Bangsamoro Government, as provided in
3 Article XIII, Section 5 of this law.

4 5 6 7 **Article XV PLEBISCITE** 8

9 **Section 1. Establishment of the Bangsamoro.** – (1) The establishment of the
10 Bangsamoro and the determination of the Bangsamoro territory shall take effect
11 upon ratification of this Basic Law by majority of the votes cast in the following
12 provinces, cities, and geographical areas in a plebiscite conducted for the purpose
13 in the present geographical area of the Autonomous Region in Muslim Mindanao
14 (ARMM);
15

16 **Section 2. Territorial Jurisdiction.** - The plebiscite for purposes of determining
17 the actual territorial jurisdiction of the Bangsamoro shall be conducted, as far as
18 practicable, within one hundred twenty (120) days from the effectivity of this
19 Basic Law.
20

21 For this purpose, the COMELEC shall undertake the necessary steps to enable
22 the holding of the plebiscite within the said period.
23

24 **Section 3. Results of the Plebiscite.** – For the present geographic area of the
25 ARMM: if the majority of the registered voters in each province and city vote in
26 favor of the Bangsamoro Basic Law (BBL), the respective provinces and cities
27 shall be included in the Bangsamoro.
28

1 **Section 4. Reconstitution of Local Government Units.** – The Bangsamoro
2 Parliament, may, by law, provide for the constitution of geographic areas in the
3 Bangsamoro into appropriate territorial or political subdivisions depending on the
4 results of any of the plebiscites herein. Nothing herein shall be construed to allow
5 the Bangsamoro Parliament to create congressional districts.

6

7 **Section 5. Plebiscite Questions.** The question to be asked of the voters in the
8 plebiscite shall be as follows:

9 1. For the Autonomous Region in Muslim Mindanao: Do you approve of the
10 Bangsamoro Basic Law?

11 Aside from English and Filipino, these questions shall be in the dominant
12 languages of the people in the areas which shall be covered by the plebiscite.

13 **Section 7. Plebiscite Monitoring.** – The COMELEC shall also provide for the
14 accreditation of plebiscite monitors, including the international-domestic
15 monitoring body created by the GPH and the MILF negotiating panels, in
16 accordance with established international standards on election monitoring. The
17 monitoring body will have access to all operations related to the conduct of the
18 plebiscite and be able to conduct regular and random checks. The reports of the
19 monitoring body shall be made available to the Panels for their disposition.

20

21 **Section 8. Qualified Voters.** – All registered voters in the provinces, cities and
22 geographical areas mentioned in Section 1 shall be qualified to participate in the
23 plebiscite on the establishment of the Bangsamoro. Notwithstanding existing
24 laws, rules, and regulations on overseas and local absentee voters, the
25 COMELEC shall ensure that qualified voters for the plebiscite who are located
26 outside the Bangsamoro on the date of the plebiscite shall be given the
27 opportunity to vote, and that voters who are currently registered outside the areas

1 specified but are otherwise qualified to be registered voters of the areas,
2 complying with residency requirements under law, shall be given the opportunity
3 to transfer their registration accordingly, in time for the conduct of the plebiscite.
4

5 **Section 9. Special Registration.** The COMELEC shall conduct a special
6 registration before the date of the plebiscite on the Bangsamoro Basic Law.
7

8 **Section 10. Promulgation of Rules for the Conduct of Plebiscite.** The
9 COMELEC shall promulgate rules necessary for the conduct of plebiscite,
10 including those for the accreditation of plebiscite monitors, voluntary inclusion
11 in the plebiscite and the special registration of voters as provided herein, within
12 thirty (30) days from the effectivity of this Basic Law, with the primary objective
13 of optimizing the opportunity for participation in the plebiscite of qualified voters
14 in the areas specified for the creation of the Bangsamoro.
15

16 **Section 11. Information Campaigns.** – The Commission on Elections shall
17 supervise the conduct of information campaigns on the plebiscite, including
18 sectoral campaigns for indigenous communities, women, youth, religious,
19 professionals and public and private sector employees, in every municipality,
20 city, and province where the plebiscite is conducted.
21

22 Public conferences, assemblies, or meetings on dates before the plebiscite day
23 itself shall be held to inform the residents thereof regarding the significance and
24 meaning of the plebiscite and to help them to cast their votes intelligently. Free,
25 full, and constructive discussion and exchange of views on the issues shall be
26 encouraged.
27

1 For this purpose, the assistance of persons of known probity and knowledge may
 2 be enlisted by the Commission on Elections, the local government units or
 3 interested parties to act as speakers or resource persons.

4

5 Such campaign will be without prejudice to other information dissemination and
 6 public advocacy initiatives by the other government or non-government groups
 7 or individuals.

8

9 For information campaigns and other public advocacy initiatives with indigenous
 10 communities, local leaders shall be engaged to lead discussions in their respective
 11 communities.

12

13 Public advocacy initiatives shall be conducted within the framework of solidarity,
 14 cooperation, and unity among Moro, indigenous, and settler communities.
 15 Consultations shall give due respect to the roles of indigenous and Moro women,
 16 and encourage their active participation.

17

18 **Section 12. Appropriation.** – A sufficient amount is hereby appropriated for the
 19 requirements of the conduct of the plebiscite, including the monitoring,
 20 information campaign and the registration of voters; Provided, that the
 21 Commission on Elections shall determine the manner of campaigning and the
 22 deputization of government agencies for the purpose.

23

24

Article XVI

25

BANGSAMORO TRANSITION AUTHORITY

26

27 **Section 1. Transition Period.** – The transition or interim period for the
 28 establishment of the Bangsamoro shall commence upon ratification of this Basic
 29 Law.

1

2 The law shall be deemed ratified upon proclamation of the Commission on
3 Elections, or its duly authorized officers, that a majority of the votes cast in the
4 plebiscite in the constituent units are in favor of the creation of the Bangsamoro.
5 The fact of ratification shall be confirmed by the GPH and MILF negotiating
6 panels.

7

8 Transition period shall end upon the dissolution of the Bangsamoro Transition
9 Authority, as provided in this Basic Law.

10

11 The period of transition herein defined shall be without prejudice to the initiation
12 or continuation of other measures that may be required by post-conflict transition
13 and normalization even beyond the term of the BTA.

14

15 **Section 2. Bangsamoro Transition Authority.** – There is hereby created a
16 Bangsamoro Transition Authority (BTA) which shall be the interim government
17 or the governing body in the Bangsamoro during the transition period. The Moro
18 Islamic Liberation Front (MILF), being the principal party to the Comprehensive
19 Agreement on the Bangsamoro, shall lead the BTA, in its leadership and
20 membership.

21

22 The BTA shall be composed of fifty (50) members, all of whom shall be
23 appointed by the President; Provided that, non-Moro indigenous communities,
24 women, settler communities and other sectors shall have representatives in the
25 BTA. Nominations may be submitted to the office of the President for this
26 purpose.

27

28 The Council of Leaders as provided in Section 5, Article VI shall also be
29 organized during the transition period.

Section 3. Powers and Authorities. – Legislative and executive powers in the Bangsamoro during transition shall be vested in the BTA. During the transition period, executive authority shall be exercised by the interim Chief Minister, who shall be appointed by the President as such, while legislative authority shall be exercised by the BTA.

All powers and functions of the Bangsamoro Government as provided in this law is vested in the BTA during the transition period.

For purposes of mechanisms for intergovernmental relations with the Central Government and local governments units in the Bangsamoro, the BTA shall be deemed as the Bangsamoro Government for the duration of the transition period.

Section 4. Functions and Priorities. – The BTA shall ensure the accomplishment of the following priorities during the transition period:

- a. Enactment of priority legislations such as the Bangsamoro Administrative Code, the Bangsamoro Revenue Code and the Bangsamoro Electoral Code, consistent with powers and prerogatives vested in the Bangsamoro Government by this Basic Law; Provided that, until the abovementioned laws are enacted for the Bangsamoro, Muslim Mindanao Autonomy Act No. 25 or the ARMM Local Government Code, and subsisting laws on elections and other electoral matters shall apply in the Bangsamoro.

The BTA may also enact a Bangsamoro Civil Service Code, as provided in this Basic Law. In the absence of the latter, national civil service laws and regulations are primarily applicable in the Bangsamoro;

The BTA shall have the power to enact a law to recognize, protect, promote, and preserve the rights of the indigenous peoples in the

1 Bangsamoro. Until such law is enacted and passed, subsisting laws on
2 indigenous peoples in the Bangsamoro shall be operational.

3

4 These rights shall be promoted, protected, and enforced by the Ministry of
5 Indigenous People's Affairs, as provided under Article XVI, Section 8.

6

7 b. Organization of the bureaucracy of the Bangsamoro Government during
8 transition, including the approval and implementation of a transition plan, and
9 the institution of a placement process for hiring of personnel during transition.
10 This shall also include the setting up of offices and other institutions necessary
11 for the continued functioning of government and delivery of social services in
12 the region, as well as those necessary for the smooth operations of the first elected
13 Bangsamoro Government in 2022;

14 c. Full transfer of powers and properties of the ARMM Regional Government to
15 the Bangsamoro Government, and the disposition of personnel, as provided in
16 this Basic Law;

17

18 a. Transition from the ARMM Regional Government to the Bangsamoro
19 Government, as provided in this Basic Law; and

20 b. Other matters that may be necessary for the protection and promotion of general
21 welfare of the constituents of the Bangsamoro.

22 **Section 5. Continuity of Government** – To foreclose any political interregnum
23 in the governance of the region, the Bangsamoro Transition Commission (BTC),
24 an independent body created by E.O. 08, shall continue to exist to wind up and
25 caretake the administration of the region until the Bangsamoro Transition
26 Authority (BTA) is constituted.

1 **Section 6. Transition Plan.** – Within the first sixty (60) days of the transition
2 period, the interim Chief Minister shall submit to the BTA a transition plan that
3 shall contain the proposed organizational plan, as well as the schedule therefor.
4 The BTA shall approve or otherwise act on the proposed transition plan within
5 ten (10) days upon submission by the interim Chief Minister. It shall be
6 implemented within fifteen (15) days from its approval.

7
8 **Section 7. Interim Officers.** – The interim Chief Minister shall organize the
9 interim Cabinet and shall appoint an interim Deputy Chief Minister, who shall
10 also be a member of the BTA. The interim Chief Minister shall also appoint such
11 other ministers as may be necessary to perform the functions of government
12 during transition, a majority of whom shall be from among members of the BTA.

13
14 Members of the BTA who are appointed to cabinet positions shall serve their
15 offices concurrently; Provided that, no member of the BTA may be appointed,
16 elected or otherwise hold more than two (2) positions at the same time.

17
18 **Section 8. Interim Cabinet.** - The Interim Cabinet shall be composed of fifteen
19 (15) primary ministries with sub-offices, namely:

- 20 a. Finance, and Budget and Management;
21 b. Social Services;
22 c. Trade, Investments, and Tourism;
23 d. Labor and Employment;
24 e. Transportation and Communication [including Information and
25 Communications Technology (ICT)];
26 f. Education, Commission on Higher Education (CHED), and Technical
27 Education and Skills Development Authority (TESDA);
28 g. Indigenous Peoples' Affairs;

- 1 h. Health;
- 2 i. Public Works;
- 3 j. Local Government;
- 4 k. Environment, Natural Resources, and Energy;
- 5 l. Human Settlements and Development;
- 6 m. Science and Technology;
- 7 n. Agriculture, Fisheries, and Agrarian Reform; and
- 8 o. Public Order and Safety.

9 Other offices on youth, women, settler communities, disaster risk reduction and
 10 management, and planning and development, among others, may be created by
 11 the Bangsamoro Transition Authority.

12 The Attorney General's Office, under the Office of the Chief Minister, shall
 13 likewise be created by the BTA.

14
 15 **Section 9. Organization of the Bureaucracy.** – The authority of the BTA to
 16 create offices and organize the bureaucracy during transition is without prejudice
 17 to the authority of the Bangsamoro Government to reorganize the bureaucracy
 18 upon its constitution, or any time thereafter. In the exercise of this authority, the
 19 BTA shall ensure the least possible disruption to the functioning of government
 20 and the delivery of services in the region.

21
 22 All offices and institutions created by laws enacted by the ARMM Regional
 23 Legislative Assembly shall be deemed part of the ARMM Government and shall
 24 be subject to the phase out plan that will be adopted by the BTA.

25
 26 **Section 10. Transfer of Powers and Properties and Disposition of Personnel.**
 27 – All powers, functions, assets, capital, receivables, equipment and facilities of

1 the ARMM Regional Government at the time of the ratification of this Basic Law
2 shall be transferred to the Bangsamoro Government.

3

4 The BTA shall schedule the gradual phasing out of offices of the ARMM, which
5 are deemed abolished upon the ratification of the Bangsamoro Basic Law. In
6 consideration of public interest and the delivery of services, officials holding
7 appointive positions shall continue to perform their functions in accordance with
8 the schedule.

9

10 The Central Government shall provide the necessary funds for the benefits and
11 entitlements of affected employees in the Autonomous Region in Muslim
12 Mindanao.

13

14 An inventory will be conducted by an inter-agency headed by the Office of the
15 President, Department of Budget and Management, Commission on Audit, and
16 Civil Service Commission, to ensure that the liabilities of the Autonomous
17 Region in Muslim Mindanao under law, contracts or others will be settled by the
18 Central Government prior to the turnover to the BTA.

19 For this purpose, the Office of the Regional Governor of the Autonomous Region
20 in Muslim Mindanao shall turnover to the BTA, upon the latter's constitution, a
21 summary report on the status of the Regional Government as of the date of the
22 ratification of this Basic Law, including information on the status of devolution,
23 personnel, properties, and assets of the Regional Government.

24 Employees separated from the service as a result of the abolition of the
25 Autonomous Region in Muslim Mindanao under the provisions of this Act shall
26 within two (2) months from the date of their separation, receive separation pay
27 equivalent to three (3) month's salary per year of service. In addition, those who
28 are qualified to retire from the service shall be entitled to the benefits provided

1 under existing retirement laws.

2 Qualified employees may reapply subject to qualification standard that may be
3 set by the Bangsamoro Transition Authority and CSC rules and regulations.

4 The BTA shall institute an independent, strictly merit-based and credible
5 placement and hiring process for all offices, agencies, and institutions in the
6 Bangsamoro, and shall consider gender and ethnic balance.

7

8 **Section 11. Disposition of Personnel and Assets of Central Government**

9 **Offices/Agencies.** – The Central Government shall provide for the disposition of
10 personnel of Central Government or National GOCCs whose mandate and
11 functions are transferred to or now vested in the Bangsamoro Government by
12 virtue of this Basic Law. Properties and assets shall be transferred to the
13 Bangsamoro Government within six (6) weeks from the organization of the BTA.
14 The transfer of properties and assets is without prejudice to the power of the BTA
15 to organize the bureaucracy during transition.

16

17 **Section 12. Dissolution of the BTA.** – Immediately upon the qualification of the
18 elected Chief Minister under the first Bangsamoro Parliament, the Bangsamoro
19 Transition Authority shall be deemed dissolved.

20

21 The BTA shall submit its final report and recommendations to the Bangsamoro
22 Parliament, as well as to the House of Representatives and the Senate, on the
23 status of government during the transition period within sixty (60) days from the
24 assumption into office of all members of the first Parliament.

25

26 **Section 13. Regular Elections.** – The first regular elections for the Bangsamoro
27 Government under this Basic Law shall be held on the first Monday of April

1 2022. It shall be governed by the Bangsamoro Electoral Code. The National
2 Omnibus Election Code shall apply suppletorily, whenever appropriate. The
3 Commission on Elections (COMELEC), through the Bangsamoro Electoral
4 Office, shall promulgate rules and regulations as may be necessary for the
5 conduct of said elections, and enforce and administer the same, consistent with
6 this Basic Law and the Bangsamoro Electoral Code, as correlated with relevant
7 national laws.

8

9 **Section 13. Initial Funding for Transition.** – To carry out the requirements of
10 transition, including the organizational activities of the BTA, organization of the
11 bureaucracy, hiring of personnel, and the exercise of functions and powers of the
12 BTA, as provided in this Basic Law, the amount of One Billion Pesos
13 (1,000,000,000.00) is hereby appropriated for the BTA, charged against the
14 General Funds of the Central Government. In addition, the current year's
15 appropriations for the ARMM shall also be transferred to the BTA for this
16 purpose.

17

18 This shall be without prejudice to any supplemental budget that may be
19 appropriated by Congress to support the transition.

20

21 Government functions falling within the reserved powers of the Central
22 Government in the Bangsamoro shall continue to be financed by the Central
23 Government funds.

24

25

Article XVII

26

AMENDMENTS AND REVISIONS

27

28 **Section 1. Amendments and Revisions.** – All proposals to amend or revise the
29 provisions of this Basic Law shall be first discussed and endorsed by the

1 Philippine Congress-Bangsamoro Parliament Forum to Congress for prior
2 hearings and due enactment into law.

3 Such amendment or revision, as enacted by Congress, shall become effective
4 upon approval by a majority vote of qualified voters in the Bangsamoro cast in a
5 plebiscite called for the purpose.

6

7 The plebiscite shall be held not earlier than sixty (60) days or later than ninety
8 days after the approval of such amendment or revision.

9

10 Article XVIII

11 FINAL PROVISIONS

12

13 **Section 1. Separability Clause.** – The provisions of this Basic Law are deemed
14 separate. If, for any reason, any section or provision of this Basic Law is declared
15 unconstitutional, other sections or provisions, which are not affected by such
16 declaration shall continue to be in full force and effect.

17

18 **Section 2. Repealing Clause.** – All laws, decrees, orders, rules and regulations,
19 and other issuances or parts thereof, which are inconsistent with this Basic Law,
20 are hereby repealed or modified accordingly.

21

22 **Section 3. Subsisting Regional Laws.** – All subsisting laws enacted by the
23 Regional Legislative Assembly of the Autonomous Region Muslim Mindanao by
24 virtue of authorities provided under Republic Act No. 6734, as amended by
25 Republic Act No. 9054, shall be deemed in effect, unless inconsistent with the
26 Basic Law or repealed by laws passed by the Bangsamoro.

27

28 **Section 4. Effectivity Clause.** – This Basic Law shall take effect fifteen (15) days
29 following its complete publication in at least two (2) national newspapers of

1 general circulation and one (1) local newspaper of general circulation in the
2 autonomous region.

3

4 **Section 5. Abolition of the ARMM.** – Upon the ratification of this Basic Law,
5 the Bangsamoro shall be deemed established, and the ARMM shall be deemed
6 abolished.