

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

8211

HOUSE BILL NO. _____



Introduced by Representative **ANTONIO R. FLOIRENDO, JR.**

EXPLANATORY NOTE

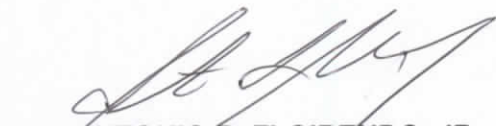
This bill seeks the establishment of a Special Economic Zone and Freeport in the Island Garden City of Samal, Province of Davao del Norte.

Poverty of majority of Filipinos is an issue of national concern. Amidst this prevailing condition in many areas in Mindanao, many resources and great potentials in the Island Garden City of Samal in the Province of Davao del Norte remain untapped. It is but just that we urgently address such issue by relentlessly seeking and developing innovative strategies to capacitate our people and our communities, and incorporate in our poverty eradication stratagems the maximum utilization of available local resources to respond to the needs of the people.

The establishment of an economic zone in the Island Garden City of Samal is proffered as a vehicle that would contribute to the urgent national effort of curbing poverty. The aforementioned zone will be a self-sustaining industrial, commercial, tourist/recreational, banking, investment and financial center, introducing attractive features of free port commerce similar to Hong Kong, Singapore, and Labuan, Malaysia. Customs duty and tariff-free trade or imported goods, preferential tax treatment for operators, lenient Immigration laws and other forms of incentives will characterize the business climate within the economic zone to encourage potential foreign investors.

Likewise, the Samal Island Special Economic Zone and Freeport Authority (SISEZA) is also created to oversee the operation and management of economic zone. The proposed measure once enacted into law will bolster the realization of the country's dream of becoming the "Economic Miracle of Asia."

Hence, the early approval of this bill is earnestly sought.



ANTONIO R. FLOIRENDO, JR.
Representative
Second District, Davao del Norte

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HOUSE BILL NO. 8211

Introduced by Representative **ANTONIO R. FLOIRENDO, JR.**

AN ACT
ESTABLISHING A SPECIAL ECONOMIC ZONE IN THE ISLAND GARDEN CITY OF
SAMAL IN THE PROVINCE OF DAVAO DEL NORTE, CREATING FOR THIS
PURPOSE THE SAMAL ISLAND SPECIAL ECONOMIC ZONE AND FREEPORT
AUTHORITY, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

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

CHAPTER 1
GENERAL PROVISIONS

SECTION 1. *Short Title.* - This Act shall be known as the "Samal Island Special Economic Zone Act."

SEC. 2. *Declaration of Policy.* - It is declared the policy of the State to encourage, promote, and accelerate the sound and balanced industrial, economic and social development of the country. The establishment of special economic zones shall attract legitimate and productive foreign investments in strategic locations in the country. It shall generate employment and increase productivity and individual, as well as family incomes thereby enhancing the quality of life of the Filipino people.

CHAPTER II
GOVERNING STRUCTURES

SEC. 3. *Creation of the Samal Island Special Economic Zone and Freeport Authority.* - There is hereby created a body corporate to be known as the "Samal Island Special Economic Zone and Freeport Authority" hereinafter referred to as the SISEZA, which shall manage and operate the Samal Island Ecozone, in accordance with the provisions of this Act. This corporate franchise shall expire in fifty (50) years counted from

1 the first year after the effectivity of this Act, unless otherwise extended by Congress. It
2 shall be organized within one hundred eighty (180) days after the effectivity of this Act.

3 **SEC. 4. Capitalization.** - The SISEZA shall have an authorized capital stock of Two
4 Billion (2,000,000,000) no par shares with a minimum issue of Ten Pesos (P10.00) each,
5 the majority shares of which shall be subscribed and paid for by the National Government
6 and the Local Government Units (LGUs) embracing the Samal Island Special Economic
7 Zone and Freeport. The Board of Directors of the SISEZA may, with the written
8 concurrence of the Secretary of Finance, sell shares, representing not more than forty *per*
9 *centum* (40%) of the capital stock of the SISEZA to the general public under such policy
10 as the Board and the Secretary of Finance may determine. The National Government and
11 the LGUs shall in no case own less than sixty *per centum* (60%) of the total issued and
12 outstanding capital of the SISEZA.

13
14 The amount necessary to subscribe and pay for the shares of the National
15 Government to the capital stock of the SISEZA shall be included in the Annual General
16 Appropriations Act. For LGUs, the funds shall be taken from their internal revenue
17 allotment and other local funds.

18 **SEC. 5. Principal Office of the SISEZA.** - The SISEZA shall maintain its principal
19 office in Samal District, Davao del Norte, but it may establish branches within the
20 Philippines as may be necessary for the proper conduct of its business.

21 **SEC. 6. Powers and Functions of the SISEZA.** - The SISEZA shall have the
22 following powers and functions:

- 23 a) To operate, administer, manage and develop the Samal Island Ecozone according
24 to the principles and provisions set forth in this Act,
- 25 b) To register, regulate and supervise the enterprises in the Samal Island Ecozone in
26 an efficient and decentralized manner, subject to existing laws;
- 27 c) To coordinate with LGUs and exercise general supervision over the development
28 plans, activities and operations of the Samal Island Ecozone;
- 29 d) To regulate and undertake the establishment, construction, operation and
30 maintenance of public utilities, other services, and infrastructure in the Samal Island
31 Ecozone such as, but not limited to, heat, light and power, shipping, barging,
32 stevedoring, cargo handling, hauling, warehousing, storage of cargo, port services

1 or concessions, piers, wharves, bulkheads, bulk terminals, mooring areas, storage
2 areas, roads, telecommunications transport, bridges, terminals, conveyors, water
3 supply and storage, sewerage, drainage, airport operations in coordination with the
4 Civil Aviation Authority of the Philippines (CAAP), and such other services or
5 concessions or infrastructure necessary or incidental to the accomplishment of the
6 objectives of this Act;

7 e) To construct, acquire, own, lease, operate and maintain on its own or through
8 contracts, franchise, licenses, bulk purchase from the private sector or permits under
9 any of the schemes allowed in Republic Act No. 6957 (the Build-Operate-Transfer
10 Law, as amended), or joint venture, adequate facilities and infrastructure required or
11 needed for the operation and development of the Samal Island Ecozone, in
12 coordination with appropriate national and local government authorities and in
13 conformity with applicable laws thereon;

14 f) To approve plans, programs and projects of the Samal Island Ecozone to be
15 submitted to the Regional Development Council for inclusion and inputs to the overall
16 regional development plan;

17 g) To operate on its own, either directly or through licenses to others, tourism-related
18 activities, including games, amusements, recreational and sports facilities;

19 h) To raise or borrow, within the limitation provided by law, and subject to the approval
20 or opinion of the Monetary Board of the Bangko Sentral Ng Pilipinas (BSP), as the
21 case may be, adequate and necessary funds from local or foreign sources, to finance
22 its projects and programs under this Act and for this purpose, to issue bonds,
23 promissory notes and other forms of securities, and to secure the same by a
24 guarantee, pledge, mortgage, deed of trust or an assignment of all or part of its
25 property or assets;

26 i) To protect, preserve, maintain and develop the forests, beaches, coral and coral
27 reefs, and maintain ecological balance within the Samal Island Ecozone.
28 Notwithstanding the authority of the SISEZA to create rules for such purpose, the
29 rules and regulations of the Department of Environment and Natural Resources
30 (DENR) and other government agencies involved in the above functions shall be
31 implemented by the SISEZA;

32 j) To create, operate and/or contract to operate such functional units or offices of the

1 SISEZA as it may deem necessary;

2 k) To adopt, alter and use a corporate seal; contract, lease, buy, acquire, own or
3 otherwise dispose of personal and/or real property of whatever nature; sue and be
4 sued; and otherwise carry out its functions and duties as provided for in this Act;

5 l) To issue certificates of origin for products manufactured or processed in the Samal
6 Island Ecozone in accordance with prevailing rules of origin and the pertinent
7 regulations of the Philippine Economic Zone Authority (PEZA), the Department of
8 Trade and Industry (DTI) and/or the Department of Finance (DOF);

9 m) To establish one-stop shops for the issuance of all necessary permits, clearances,
10 licenses, and other similar certifications to conduct such activities intended to
11 improve the ease of doing business within the Samal Island Ecozone, in coordination
12 with government agencies having jurisdiction over activities therein: *Provided*, That
13 all government agencies are directed to provide and extend utmost and full
14 cooperation to the Samal Island Ecozone in the establishment of such one-stop
15 shops;

16 n) To provide internal security to the Samal Island Ecozone in coordination with the
17 National government and affected LGU. For this purpose, the SISEZA shall provide
18 and establish its own internal security and firefighting forces or hire others to provide
19 the same. Military forces sent by the national government for the purpose of defense
20 shall not interfere in the internal affairs of the Samal Island Ecozone and
21 expenditures for these military forces shall be borne by the National Government;

22 o) To exercise such powers as may be essential, necessary or incidental to the powers
23 granted to it hereunder, as well as those that shall enable it to carry out, implement
24 and accomplish the purposes, objectives and policies of this Act; and

25 p) To issue rules and regulations consistent with the provisions of this Act as may be
26 necessary to accomplish and implement the purposes, objectives and policies
27 provided herein.

28 **SEC. 7. Board of Directors of the SISEZA.** - The powers of the SISEZA shall
29 be vested in and exercised by a Board of Directors, hereinafter referred to as the Board,
30 which shall be composed of the following:

31 a) The Chairperson, who shall at the same time be the administrator of the SISEZA;

- 1 b) A Vice-Chairperson, who shall come from among the members of the Board;
- 2 c) Members consisting of:
- 3 1) The Governor or his/her representative from the Provincial Government of Davao
- 4 del Norte;
- 5 2) The mayor of the Island Garden City of Samal;
- 6 3) One (1) representative from the domestic investors
- 7 4) One (1) representative from the foreign investors; and
- 8 5) One (1) representative from the workers working in the Samal Island Ecozone.

9 The representative from the Provincial Government and the mayors of the

10 municipalities covered by the ecozone shall serve as *ex-officio* members of the Board,

11 whose term in the Board corresponds to their term as elected officials.

12 The Chairperson and members of the Board, except the *ex-officio* members, shall

13 be appointed by the President of the Philippines to serve for a term of six (6) years, unless

14 sooner separated from service due to death, voluntary resignation or removal for cause.

15 In case of death, resignation or removal for cause, the replacement shall serve only the

16 unexpired portion of the term.

17 The Chairperson of the Board must be a Filipino citizen, of good moral character,

18 of proven probity and integrity, and a degree- holder in any of the following fields:

19 economics, business, public administration, law, management or their equivalent, and with

20 at least ten (10) years relevant working experience preferably in the field of management

21 or public administration.

22 The members of the Board shall each receive per diem at rates to be determined

23 by the Department of Budget and Management (DBM) in accordance with existing rules

24 and regulations: *Provided, however,* That the total per diem collected each month shall

25 not exceed the equivalent per diem for four (4) meetings. Unless and until the President

26 of the Philippines has fixed a higher per diem for the members of the Board, such per diem

27 shall not be more than ten thousand pesos (P10,000.00) for every Board meeting.

28 **SEC. 8. Powers and Duties of the Chairperson-Administrator.** – The

29 Chairperson-Administrator shall have the following powers and duties:

- 30 a) To direct and manage the affairs of the SISEZA in accordance with the policies of

1 the Board;

2 b) To establish the internal organization of the SISEZA under such conditions that the
3 Board may prescribe;

4 c) To submit an annual budget and necessary supplemental budget to the Board for its
5 approval;

6 d) To submit within thirty (30) days after the close of each fiscal year an annual report
7 to the Board and such other reports as may be required;

8 e) To submit to the Board for its approval policies, systems, procedures, rules and
9 regulations that are essential to the operation of the Samal Island Ecozone;

10 f) To recommend to the Board the remuneration and other emoluments of its officers
11 and employees in accordance with existing laws on compensation and position
12 classification;

13 g) To create a mechanism in coordination with relevant agencies for the promotion of
14 industrial peace, the protection of the environment, and the advancement of the
15 quality of life in the Samal Island Ecozone; and

16 h) To perform such other duties as may be assigned to him by the Board or which are
17 necessary or incidental to his office.

18 **SEC. 9. Organization and Personnel.** – The Board of Directors of the SISEZA shall
19 provide for its organization and staff. The Board shall appoint and fix the remuneration and
20 other emoluments of its officers and employees in accordance with existing laws on
21 compensation and position classification. The Board shall have exclusive and final
22 authority to promote, transfer, assign, reassign or remove officers of the SISEZA, any
23 provision of existing law to the contrary notwithstanding. The chairperson-administrator
24 may carry out removal of such officers and employees.

25 The officers and employees of the SISEZA, including all members of the Board,
26 shall not engage directly or indirectly in partisan activities nor take part in any election,
27 except to vote.

28 No officer or employee of the SISEZA, subject to civil service laws and regulations,
29 shall be removed or suspended except for cause, as provided by law.

SEC. 10. *Legal Counsel.* - The SISEZA shall have its own internal legal counsel under the supervision of the government corporate counsel. When the exigencies of its businesses and operations demand it, the SISEZA may engage the services of an outside counsel either on a case to case or on a fixed retainer basis.

SEC. 11. Legal Office. - The SISEZA shall have and maintain its own internal legal office, appropriate in number under the supervision of the Government Corporate Counsel. When the exigencies of its businesses and operations demand, the SISEZA may engage the services of an outside counsel either on a case to case or a fixed retainer basis.

CHAPTER III CREATION OF THE ECONOMIC ZONE

SEC. 12. Creation of the Samal Island Special Economic Zone and Freeport

- In accordance with the foregoing declared policy and subject to the concurrence of the concerned local government units of Davao del Norte affected by the zone, there is hereby established a Special Economic Zone and Freeport in the Island Garden City of Samal in the Province of Davao del Norte, hereinafter referred to as the Samal Island Ecozone. The specific metes and bounds of the Samal Island Ecozone shall be more particularly defined in a presidential proclamation that shall be issued for this purpose: *Provided, That the lands embraced therein shall be public lands and contiguous to one another.*

SEC. 13. *Governing Principles.* - The Samal Island Ecozone shall be managed and operated by the Samal Island Special Economic Zone and Freeport Authority hereinafter referred to as the SISEZA, created under Section 3 of this Act, under the following principles:

- a) Within the framework and limitations of the Constitution and applicable provisions of the Local Government Code, the Samal Island Ecozone shall be developed into and operated as a decentralized, self-reliant and self-sustaining industrial, commercial/trading, agro-industrial, tourist, banking, financial and investment center with suitable residential areas;
- b) The Samal Island Ecozone shall be provided with transportation, telecommunications and other facilities needed to attract legitimate and productive investments, generate linkage industries and employment opportunities for the people of the Province of

1 Davao del Norte and its neighboring towns and cities;

2 c) The Samal Island Ecozone may establish a mutually beneficial economic relations
3 with other entities or enterprises within the country or, subject to the administrative
4 guidance of the Department of Foreign Affairs (DFA), the PEZA, and/or the
5 Department of Trade and Industry (DTI), with foreign entities or enterprises;

6 d) Foreign citizens and companies owned by non-Filipinos in whatever proportion may
7 set up enterprises in the Samal Island Ecozone, either by themselves or in a joint
8 venture with Filipinos in any sector of industry, international trade and commerce
9 within the Samal Island Ecozone;

10 e) The Samal Island Ecozone shall be managed and operated as a separate customs
11 territory thereby ensuring the free flow or movement of goods and capital within, into
12 and out of its territory, and shall likewise provide incentives such as tax and duty-free
13 importations of raw materials, capital and equipment to registered enterprises located
14 therein. However, exportation or removal of goods from the territory of the Samal
15 Island Ecozone to the other parts of the Philippine territory shall be subject to customs
16 duties and taxes under the Customs and Tariff Code and other relevant tax laws of
17 the Philippines;

18
19 f) The areas comprising the Samal Island Ecozone may be expanded or reduced when
20 necessary. For this purpose, the SISEZA, in consultation with the LGUs, shall have
21 the power to acquire either by purchase, negotiation or condemnation proceedings,
22 any private land within or adjacent to the Samal Island Ecozone for the following
23 purposes: (1) consolidation of lands for zone development; (2) acquisition of right of
24 way to the Samal Island Ecozone; and (3) the protection of watershed areas and
25 natural assets valuable to the prosperity of the Samal Island Ecozone;

26
27 g) Goods manufactured by a Samal Island Ecozone enterprise shall be made available
28 for immediate retail sale in the domestic market, subject to the payment of
29 corresponding taxes on raw materials and other regulations that may be formulated
30 by the SISEZA together with the PEZA, the Bureau of Customs (BOC) and the DTI.
31 However, in order to protect domestic industries, a Negative List of industries shall
32 be drawn up and regularly updated by PEZA. Enterprises engaged in industries
33 included in such Negative List shall not be allowed to sell their products locally;

34
35 h) The defense of the Samal Island Ecozone and the security of its perimeter fence shall

1 be the responsibility of the national government in coordination with the SISEZA and
2 the LGUs.

3 CHAPTER IV 4 INCENTIVES TO ECOZONE ENTERPRISES/INVESTORS

5 **SEC. 14. *Investors Visa.*** - Any foreign national who invests an amount of two
6 hundred thousand US dollars (US\$200,000.00), either in cash and/or equipment, in a
7 registered enterprise shall be entitled to an investor's visa: *Provided*, That the foreign
8 national has the following qualifications:

- 9 a) Must be at least eighteen (18) years of age;
- 10 b) Must not have been convicted by final judgment of a crime involving moral turpitude;
- 11 c) Must not be afflicted with any loathsome, dangerous or contagious disease;
- 12 d) Must not have been institutionalized for any mental disorder or disability; and
- 13 e) Must establish by verifiable and credible evidence his financial capability and
14 capacity.

15 As a holder of investor's visa, an alien shall be entitled to reside in the Philippines
16 while his investment subsists. For this purpose, the alien should submit an annual report,
17 in the form duly prescribed for the purpose, to prove that he has maintained his investment
18 in the country. Should said alien withdraw his investments from the Philippines, then the
19 investor's visa issued to said alien shall automatically expire and /or be withdrawn.

20 The authority to issue visas and work permits shall remain with the Bureau of
21 Immigration (BI) and the Department of Labor and Employment (DOLE), respectively;
22 *Provided*, That the BI and the DOLE shall implement measures to expedite the processing
23 of such visas and permits for workers in the Samal Island Ecozone and coordinate with
24 the SISEZA for the purpose of improving ease of doing business.

25 **SEC.15. *Fiscal Incentives.*** - Registered enterprises operating within the Samal
26 Island Ecozone may be entitled to the existing pertinent fiscal incentives as provided for
27 under Republic Act No. 7916, as amended by Republic Act No. 8748, also known as the
28 Special Economic Zone Act of 1995, or those provided under Executive Order No. 226, as
29 amended, otherwise known as the Omnibus Investment Code of 1987; and/or those that
30 may be further granted as the need and necessity arises by the appropriate government
31 department, agency or office: *Provided*, That in the administration, implementation and
32 monitoring of incentives, the SISEZA may impose its own conditions not otherwise
33 prohibited by this Act: *Provided, further*, That the SISEZA shall not be limited to the

conditions provided under Republic Act No. 7916, Republic Act No. 8748 or any other related issuance, rule or regulation.

SEC. 16. Imposition of a Tax Rate of Five Percent (5%) on Gross Income Earned. - No taxes, local and national, shall be imposed on business establishments operating within the Samal Island Ecozone, including income, withholding, donor's, percentage, and documentary stamp taxes. In lieu thereof, and subject to Section 18 of this Act, said business establishments shall pay a five percent (5%) final tax on their gross income earned: *Provided*, That the proceeds from such final tax shall be shared by instrumentalities of the government in accordance with the following percentages:

- a) Two per centum (2%) to the National Government;
- b) One per centum (1%) to the Province of Davao del Norte;
- c) One per centum (1%) to be shared by the city and municipalities affected by the declaration of the zone in proportion to their income from business activities within the zone; and
- d) One per centum (1%) to the SISEZA which shall be created under this Act.

The SISEZA shall have the authority to grant income tax holiday and net operating loss carry over subject to Section 18 of this Act and conditions as it may have imposed pursuant to Section 15 of this Act.

SEC. 17. Administration, Implementation and Monitoring of Incentives. - For the proper administration, implementation and monitoring of tax incentives provided under this law, the following are herein mandated:

- (a) The SISEZA shall be responsible for the administration, management, enforcement and implementation of the incentives granted to registered enterprises; *Provided*, That the BOC shall set up and establish a customs controlled area outside the gate of the Samal Island Ecozone to facilitate payment of taxes on goods entering the Philippine customs territory; *Provided further*, That notwithstanding the limitations in this Act, the SISEZA and BOC may coordinate and jointly implement measures on border protection; and
- (b) In the interest of enhancing transparency in the management and accounting of tax incentives in the Samal Island Ecozone, the SISEZA shall comply with the provisions of Republic Act No. 10708, otherwise known as "The Tax Incentives Management

and Transparency Act (TIMTA)" and its implementing rules and regulations.

SEC.18. *Duration of Incentives.* - Fiscal incentives under this Act shall be terminated after a cumulative period of twenty (20) years from date of registration or start of commercial operation, whichever is applicable, except that it could be extended with regard to industries deemed indispensable to national development and interest. The industries exempted from this provision shall be determined by the SISEZA, in consultation with other government agencies.

SEC. 19. *Sequential Availment of Incentives.* - Registered enterprises may enjoy the income tax holiday (ITH) granted by the SISEZA prior to the availment of the five percent (5%) final tax on gross income earned incentive: *Provided*, That in the event a registered enterprise elects to avail of the final tax incentive, such registered enterprise shall be barred from availing the ITH incentive.

Registered enterprises, if eligible, may register for incentives with other investment promotion agencies: *Provided*, That registered enterprises electing to avail of the incentives of other promotion agencies shall not be able to avail of the incentives of the Samal Island Ecozone until the expiration of the incentives with such other investment promotions agencies.

SEC. 20. *Extension of Period of Availment.* - In the event that a registered enterprise has suffered cessation or suspension of operations due to force majeure, which has impaired its viability or profitability, the SISEZA may extend the period of validity of the incentives extended to such registered enterprise.

SEC. 21. *Banking Rules and Regulations.* – Banks and financial institutions to be established in the Samal Island Ecozone shall be under the supervision of the Bangko Sentral ng Pilipinas (BSP) and subject to existing banking laws, rules and regulations.

SEC. 22. *Remittances.* - In the case of foreign investments, a duly registered entity or enterprise within the Samal Island Ecozone shall have the right to remit earnings from the investment in the currency in which the investment was originally made and at the exchange rate prevailing at the time of remittance, subject to the provisions of Republic Act No. 7653, otherwise known as "The New Central Bank Act".

CHAPTER V NATIONAL GOVERNMENT AND OTHER ENTITIES

1 **SEC. 23. *Supervision and Control.*** - For purposes of policy direction and
2 coordination, the SISEZA shall be under the direct control and supervision of the Office of
3 the President of the Philippines.

4 **SEC. 24. *Regional Development Council.*** - The SISEZA shall determine the
5 development goals for the Samal Island Ecozone within the framework of national
6 development plans, policies and goals. The Chairperson & Administrator shall, upon
7 approval by the Board, submit the Samal Island Ecozone plans, programs and projects to
8 the Regional Development Council for inclusion and inputs to the overall regional
9 development plan.

10 **SEC. 25. *Relationship with Local Government Units.*** – Except as herein
11 provided, the LGUs comprising the Samal Island Ecozone shall retain their basic
12 autonomy and identity. The Island Garden City of Samal shall operate and function in
13 accordance with the framework of the 1987 Constitution, Local Government Code of 1991,
14 and Republic Act No. 7898, as amended by Republic Act No. 10349, applicable provisions
15 of the Local Government Code, and this Act.

16 In case of any conflict between the SISEZA and the LGUs and the National
17 Government on matters affecting the Samal Island Ecozone, other than national defense
18 and security matters, the decision of the SISEZA shall prevail.

19 **SEC. 26. *Interpretation/Construction.*** - The powers, authorities and functions
20 that are vested in the SISEZA are intended to establish national self-sufficiency and self-
21 reliance in the advancement of and protection of the national integrity, enhancement of
22 national security, decentralization of governmental functions and authority, and promote
23 an efficient and effective working relationship among the SISEZA, the National
24 Government and the LGUs. Any interpretation of this Act shall consider such intentions. In
25 the event of conflict of interpretation and provided the intentions cannot be harmonized,
26 the provisions of this Act shall be construed in favor of an interpretation that would tend to
27 protect national security.

28 **SEC. 27. *Audit.*** - The Commission on Audit shall appoint a full - time auditor in the
29 SISEZA or may assign such number of personnel as may be necessary in the performance
30 of their functions.

31 **CHAPTER VI**
32 **MISCELLANEOUS**

1 **SEC. 28. *Implementing Rules and Regulations.*** – The DTI, DOF and the
2 National Economic Development Authority (NEDA) shall formulate the implementing rules
3 and regulations of this Act within ninety (90) days after its approval. Such rules and
4 regulations shall take effect fifteen (15) days after its publication in a newspaper of general
5 circulation in the Philippines.

6 **SEC. 29. *Applicability Clause.*** – Insofar as these are consistent with the
7 provisions of this Act, the provisions of Sections 30 to 41 of Republic Act No. 7916,
8 otherwise known as "The Special Economic Zone Act of 1995", as amended, shall likewise
9 apply to the Samal Island Ecozone.

10 **SEC. 30. *Separability Clause.*** - If any provision of this Act shall be held
11 unconstitutional or invalid, the other provisions not otherwise affected shall remain in full
12 force and effect.

13 **SEC. 31. *Repealing Clause.*** - All laws, executive orders or issuances or any part
14 thereof, which are inconsistent herewith, are hereby repealed or amended accordingly.

15 **SEC. 32. *Effectivity Clause.*** - This Act shall take effect after fifteen (15) days
16 following its complete publication in the Official Gazette or in two (2) newspapers of
17 general circulation whichever is earlier.

18 Approved,