

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
Second Regular Session

HOUSE BILL NO. 7931



Introduced by HON. MA. LOURDES T. ARROYO

EXPLANATORY NOTE

Boracay has been cited many times as one of the best islands in the world. It is a paradise in the Visayas populated by stunning white sand beaches that are met by the island's surrounding clear waters. However, over the course of years that Boracay served as a destination spot for tourists drawn to its natural beauty and distinct features, the island suffered from over-tourism and major environmental concerns. To resolve the worsening sewage conditions on the island, among other environmental degradation issues, President Duterte ordered the six-month closure of the island resort in April 2018 to give way to its rehabilitation after branding it a "cesspool".

Section 16, Article II, of the 1987 Constitution provides that the State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature. In accordance with the aforementioned policy of the State, Executive Order no. 53 was signed by the President creating the Boracay Inter-Agency Task Force (BIATF), thereby directing it to provide measures to reverse the degradation of Boracay Island and restore it to its former glory.

Boracay reopened in October 2018 and has become the model for sustainable tourism. It has been reported that Boracay's tourism industry generated a total of P49.861 billion in revenue in the first 10 months of 2019 as the number of visitors to the island reached a total of 1,742,459. According to data from the Department of Tourism-Region 6, the reported number of visitors in 2019 was 151.76% higher than the recorded number of 692,124 visitors during the same period in 2018.

When Boracay reopened to tourists after its rehabilitation, steps such as the implementation of strict environmental accreditation procedures for hotels and resorts were taken to assure that both establishments and visitors alike continue to respect the environment. Further measures were taken to maintain Boracay's sustainability as an environment-friendly and safe tourist destination even during the Covid-19 pandemic, as the island remained open to tourists from Western Visayas since June 16, 2020, for visitors aged 21 to 60 only, based on the Modified General Community Quarantine (MGCQ) guidelines. There were no reported COVID-19 cases on the island. As of July 23, 2020 the DOT Western Visayas had issued a total of 115 certificates of authority to operate (CAO) to accommodation establishments, covering some 2,635 health protocol compliant rooms.

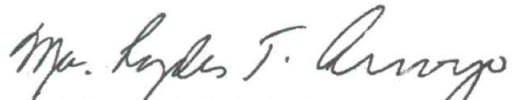
When President Rodrigo Duterte reported the success of the Boracay Rehabilitation in his 2020 State of the Nation Address (SONA), there was a clear and critical message that the creation of an independent agency will give continuity and sustainability for the full exploration and development, as well as judicious disposition, utilization, management, renewal and conservation of the forest, mineral, land, water, fisheries, wildlife, off-shore areas and other natural resources, consistent with the necessity of maintaining a sound ecological balance while sustaining socio-economic growth in the island of Boracay.

Indeed, the task of rehabilitating Boracay is not yet complete, and there is much to do in regard to administering the operations of the island in order to preserve its natural beauty that is primarily responsible for the widespread fame that has propelled the island to its status as an incomparable tourist spot amongst people all over the world who are drawn to its shores. Furthermore, the economic boons in the form of tourism that Boracay's long held reputation has brought the country cannot be denied.

Therefore the endeavor to continue maintaining and further developing Boracay as a model of sustainable tourism is imperative to ensure the island's very survival and status as an island-paradise worthy of the renown it brings to the entire Philippines.

To sustain the initial success attained by the Boracay Inter-Agency Task Force (BIATF) during the island's six-month rehabilitation in 2018, there is a need for the creation of Boracay Island Development Authority (BIDA).

Henceforth, in view of the foregoing, the passage of this bill is earnestly sought.


MA. LOURDES T. ARROYO

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
Second Regular Session

HOUSE BILL NO. **7931**

Introduced by HON. MA. LOURDES T. ARROYO

**AN ACT CREATING THE BORACAY ISLAND
DEVELOPMENT AUTHORITY (BIDA), DEFINING ITS POWER
AND FUNCTIONS AND APPROPRIATING FUNDS THEREFOR**

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

Section 1. Short Title. This Act shall be known as the BORACAY ISLAND DEVELOPMENT AUTHORITY to be briefly referred to as "BIDA".

Section 2. Declaration of Policy. It is hereby declared the national policy to promote, and accelerate sustainable development and balanced growth of the Boracay Islands consistent with the necessity of maintaining a sound ecological balance and protecting and enhancing the quality of the environment. Towards this end, the Boracay Islands Development Authority (BIDA) shall formulate policies, plans, programs, and projects for the rehabilitation, preservation, and enhancement of the Boracay Island ensuring adequate provisions for environment management and control, the preservation of the equality of human life and ecological systems, and the preservation of undue ecological distribution disturbances, degradation and pollution.

The state shall pursue policies to ensure a fair, orderly and environmentally sound manner of utilizing its wealth and natural resources. It shall also promote and encourage the involvement of all sectors of society and maximize people participation in natural resource management, conservation and protection.

Section 3. Definition of Terms. As used in this Act, the following terms are defined as follows:

a.) **"Boracay Island"** refers to the most popular tourist destinations, located approximately 315km (200 miles) south of Manila and 2km off the Northwest tip of the Islands of Panay in the Western Visayas Region of the Philippines.

b) **"Sustainable Development"** means the improvement in the quality of life of the present and future generations through the complementation of development and environmental protection activities and programs;

c) **“Conservation”** refers to the wise use of natural resources that assures regeneration and replenishment for continuous benefit;

d) **“Natural Resources”** refers to life-support systems such as the sea, coral reefs, soil, lakes, rivers, streams, and forests as well as useful products found therein such as minerals, wildlife, trees and other plants, including the aesthetic attributes of scenic sites that are not man-made;

e) **“Ecology”** means the life-sustaining interrelationships and interactions of Organisms with each other and with their physical surroundings;

e) **“Smart Island Community”** refers to a community where investments in human and social capital as well as traditional and modern infrastructure fuel sustainable economic growth and a high quality of life with a wise management of natural resources through participative community.

f) **“Creative Industry Clusters or Hubs”** refers to a space or location where a critical mass of creative workers concentrates supported by the local government with legislative and business backings and surrounded by thriving ecosystems and platforms of collaborative interactions.

Section 4. Objective. Pursuant to the above declaration, it is the purpose, intent and objective of this Act:

a) To create the Boracay Island Development Authority that shall perform planning, monitoring, and coordinative functions and shall exercise regulatory and supervisory authority within its jurisdiction without diminution of the autonomy of the local government units;

b) Formulation, adoption and implementation of policies and programs for Boracay Island’s urban growth including its rehabilitation of identified areas of concern;

c) Establish the legal framework and mechanism for the administration and management of Boracay Island as a world-class and eco-friendly Smart Island Community tourist destination and a Creative Industry Cluster or Hub;

d) Adopt, prepare and implement a comprehensive and detailed long-term development plan and work for its adoption and implementation in coordination with the Local Government and related National Government Agencies;

e) Develop responsible tourism taking into consideration the participation of local communities including indigenous peoples in conserving biophysical and cultural diversity;

f) Ensure the right of the people to a balanced and healthful ecology through the protection, conservation and restoration of the environment;

g) Ensure the prompt and accurate collection, analysis and dissemination of all data that will provide environmental protection and management;

h) Maintain international standards of excellence in all tourism facilities and services, and promote the country more particularly the island as an environmentally safe and conscious tourism destination;

i) Enhance international business relations for the support of tourism projects and environmental protection through partnership, joint venture undertaking involving local and foreign investors;

j) To encourage the active participation of the private sector in transforming the Boracay Island into an environmentally safe and conscious tourism destination;

k) Ensure a sustainable funding mechanism for the implementation of environment and tourism policies, plans, programs, projects and activities; and

l) To encourage and safeguard investments both foreign and local in Boracay Island that will generate revenues to sustain the environmental and tourism objectives

Section 5. Creation of Boracay Island Development Authority. – There is hereby created a body corporate to be known as the Boracay Island Development Authority, hereinafter known as BIDA, to manage, administer, operate and develop, in accordance with the provisions of this Act, the island of Boracay.

Section 6. Location of Principal Office. BIDA shall maintain its principal office in the Municipality of Malay, Province of Aklan and may establish administrative offices in such other places as are necessary for the proper conduct of its business.

Section 7. Corporate Powers of BIDA. BIDA shall have the following powers and functions:

- a) To adopt, alter, use a corporate seal; to sue and be sued in order to carry out its duties, responsibilities, privileges, powers and functions as granted and provided for in this Act; and to exercise the power of eminent domain for public use and public purpose;
- b) To contract, lease, buy, sell, acquire, own and dispose movable and immovable as well as personal and real property of whatever nature (including but not limited to shares of stock or participation in private corporations or in limited partnerships, or in joint ventures with limited liability), bonds, precious metals, billions, ingots, and easily convertible foreign exchange;
- c) To enter into, make, perform and carry out contracts of every class, kind and description which are necessary or incidental to the realization of its purposes with any person, firm or corporation, private or public, and with foreign government entities in conformity with the existing laws;
- d) Within the limitation provided by law, to raise and/or borrow adequate and necessary funds from local and foreign sources to finance its projects and programs under this Act, and for that purpose to issue bonds, promissory notes, and other forms of securities, and to secure the same by a guarantee, pledge, mortgage, deed of trust, or an assignment of all or part of its property or assets;

- e) To establish a mechanism for the sustainable development-defining for the purpose the mode of acquisition for certain parcels of its public domain classified as land open to disposition;
- f) To establish a graded system of protection and development control over the whole Boracay Island, including its tribal lands, forests, mines, agricultural areas, settlement areas, biodiversity, coastal areas, mangroves, coral reefs, seagrass beds and the surrounding sea;
- g) To accept any local and foreign grants, assistance and donation, subject only to such rules and regulations to be promulgated by BIDA in conformity with the internal policies of the Authority without prejudice to existing laws, rules and regulations;
- h) To authorize or undertake, on its own or through others, and regulate the establishments, operation and maintenance of public utilities, services, and infrastructure such as shipping, barging, stevedoring, cargo handling, hauling, warehousing, storage of cargo, port services or concessions, piers, wharves, bulkheads, bulk terminals, mooring areas, storage areas, roads, bridges, terminals, conveyors, water supply and storage, sewerage, drainage, airport operations in coordination with the Civil Aeronautics Board, electricity and power supply, telecommunication facilities and such other services or concessions or infrastructure necessary or incidental to the accomplishment of the objectives of this Act;
- i) To reclaim or undertake reclamation projects as it may deem necessary in areas around, between, adjacent or contiguous to the Boracay Island regardless of their breadth and dimension under Presidential Decree 1084 and subject to the condition and existing laws, rules and regulation of the Department of Environment and Natural Resources;
- j) To impose fees and charges for the protection of the environment;
- k) To manage and impose fees/charges to lands acquired by BIDA and sharing of income from the tenurial instruments issued by DENR subject to existing laws, rules and regulations of DENR;
- l) To construct, acquire, own, lease, operate and maintain on its own or through others by virtue of contracts, franchises, licenses or permits under the build-operate-transfer scheme or under a joint-venture with the private sector any or all of the public utilities and infrastructure required or needed, in coordination with the appropriate national and local government authorities and in conformity with applicable laws thereon;
- m) To recognize, protect and promote the rights of the of indigenous cultural communities/ indigenous peoples to participate in decision making matters directly affecting their lives, beliefs, institutions, spiritual well-being, and the lands they own, occupy or use in conformity with the framework of unity and development mandated by the Constitution and applicable norms and principles;

- n) To protect, maintain and develop forestlands, protected areas and wetlands in accordance with DENR rules and regulations and the pertinent national government agencies in order to conserve specific terrestrial and marine areas representative of the Philippine Natural and cultural heritage for present and future generations;
- o) To adopt and implement measures and standards for environmental pollution control of all areas within its territory, including, but not limited to all bodies of water, wetlands, coastal areas and to enforce the same;
- p) To license tourism, leisure, amusement, recreational, entertainment, eco-farm tourism and learning sites, medical tourism and sports related activities subject to priorities and standards set by BIDA; provided that gaming facilities shall continue to be licensed by the Philippine Amusement and Gaming Corporation (PAGCOR) upon recommendation of BIDA; provided furthermore, that accreditation of eco-farm tourism and learning sites shall continue to be under the authority of the Department of Agriculture upon recommendation of BIDA; and provided finally, that the designation and certification of hospitals and clinics for medical tourism purposes shall continue to be exercised by the Department of Health upon written endorsement by BIDA.
- q) Coordinate with the appropriate government agencies and local government unit concerned in the enforcement of its policies, rules and regulations and to ensure that plans, programs and projects of the local government units are aligned with the developmental, management and protection plans of the Authority;
- r) Adopt, amend, enforce and rescind rules and regulations and impose reasonable fines to effectively implement the provisions of this Act;
- s) To issue rules and regulations consistent with the provisions of this Act as may be necessary to implement and accomplish the purposes, objectives and policies herein provided; and
- t) To exercise such powers as may be essential, necessary or incidental to the powers granted to carry out, the purposes, objective and policies of this Act.

Section 8. Composition of the Board. The powers of the Boracay Island Development Authority shall be vested in and exercised by a Board of Directors, hereinafter referred to as Board, which shall be composed of fifteen (15) members, as follows:

- (1) The Secretary of the Department of Environment and Natural Resources who shall serve as an *ex officio* chairman of the Board;
- (2) The Secretary of the Department of Tourism;
- (3) Representative from the Department of Public Works and Highways with a rank of director or higher, duly deputized to represent his agency;
- (4) Representative from the Department of Transportation and Communication with a rank of director or higher, duly deputized to represent his agency;
- (5) The Governor of the Provincial Government of Aklan as *ex officio* voting member;
- (6) Administrator and Chief Executive Officer of BIDA to be appointed by the President of the Philippines;

- (7) Mayor of the Municipality of Malay as ex officio voting member;
- (8) Boracay Ati Tribe Leader;
- (9) Two (2) representatives from a Non-Government Organization (NGO) that is organized for the protection of the Environment;
- (10) Two (2) representatives from the business and investment sectors; and
- (11) One representative each from the three barangays comprising the Island of Boracay namely, Manoc-Manoc, Balabag and Yapak.

Section. 9 Chairman and Members of the Board. - The Chairman and the members of the Board, except the ex officio members shall be appointed by the President to serve for a term of three (3) years, unless sooner removed for cause or dies or resigns voluntarily. In case of death, resignation or removal for cause, the replacement shall serve only the unexpired portion of the term. Except for the representatives of the business and investment sectors, no person shall be appointed by the President of the Philippines as a member of the Board unless he is a Filipino citizen, of good moral character and of recognized competence in some relevant fields in business, environment, tourism, engineering or law.

Section 10. Administrator and Chief Executive Officer. The President of the Philippines upon the recommendation of the Secretary of the Department of Environment and Natural Resources (DENR) shall appoint a full-time professional and competent Administrator and Chief Executive Officer for the Boracay Island Development Authority whose compensation shall be determined by its Board of Directors and shall be in accordance with the revised compensation and position classification system. The administrator and chief executive of BIDA shall be responsible to the Board and the President of the Philippines for the efficient administration and management of Boracay Island.

Section 11. Qualifications of the Administrator and Chief Executive Officer. No person shall be appointed as Administrator and Chief Executive Officer unless he is a natural-born Filipino citizen, of good moral character, of unquestionable integrity, with the relevant seven (7) years of experience, with a rank of an undersecretary and of recognized competence in relevant fields including, but not limited to, economics, management, international relations, law or engineering. The Administrator and Chief Executive Officer shall serve for a term of seven (7) years, in case of removal for cause the replacement will serve only the unexpired term.

Section 12. Powers and Functions of the Administrator and Chief Executive Officer. The Administrator and Chief Executive of BIDA shall have the following powers and duties:

- a) Submit for consideration of the Board the policies and measures which he believes to be necessary to carry out the purposes and provisions of this Act;
- b) Execute and administer the policies, plans, programs and projects approved by the Board;
- c) Direct and supervise the operation and internal administration of BIDA. The Administrator and CEO may delegate certain of his administrative responsibilities to other officers of BIDA subject to the rules and regulations of the Board;
- d) Appoint officials and employees below the rank of division heads to position in the approved budget upon written recommendation of the division head concerned using as guide the standard set forth in BIDA's merit system;

- e) Submit quarterly reports to the Board on personnel selection, placement and training;
- f) Submit to the National Economic Development Authority, the Senate of the Philippines and the House of Representatives and to the chairperson of the committee concerned, an annual report and such other reports as may be required, including the details of the annual and supplemental budgets of BIDA, and provided, further, that members of Congress, as the case may be, shall have the authority to look into all the matters relative to the financial and business operations and expenditures of BIDA;
- g) To exercise such other powers and duties as may be vested in him by the Board from time to time; and
- h) The Board may create such other divisions and positions as may be deemed necessary for the efficient, economical and effective conduct of the activities of BIDA.

Section 13. Capitalization and Financing. The Boracay Island Development Authority shall have an authorized capital of One Billion Pesos (P1,000,000,000). Thereafter, annual expenditures of the authority shall be provided in the General Appropriations Act. BIDA is likewise empowered to levy fines and impose fees and charges in the exercise of regulatory and supervisory authority over the delivery of services.

Section 14. Auditor. The Commission on Audit (COA) shall appoint a representative who shall be a full-time auditor of the Boracay Islands Development Authority. The Commission on Audit shall render an annual report to the House of Representatives and the Senate on the business activities, transactions and operations of BIDA.

Section 15. Implementing Rules and Regulations. The DENR and all concerned agencies shall promulgate the Implementing Rules and Regulations, after consultation with stakeholders within ninety (90) days from the effectivity of this Act.

Section 16. Separability Clause. If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Section 17. Repealing Clause. All Acts, Executive Orders, memorandum circulars/ guidelines and other issuances or parts thereof, which are inconsistent with this Act, are hereby repealed or modified accordingly.

Section 18. Effectivity. This Act shall take effect upon its publication in the Official Gazette or in at least one (1) newspaper of general circulation.

Approved,