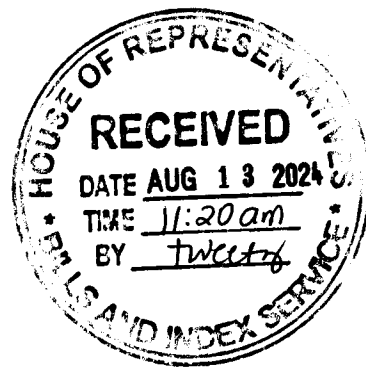




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



NINETEENTH CONGRESS

Third Regular Session

HOUSE BILL NO. 10750

Introduced by HON. BAMBI B. EMANO

AN ACT
AMENDING REPUBLIC ACT NO. 7652, OTHERWISE KNOWN AS THE
"INVESTORS' LEASE ACT," TO EXTEND THE MAXIMUM LEASE PERIOD OF
PRIVATE LANDS TO FOREIGNERS

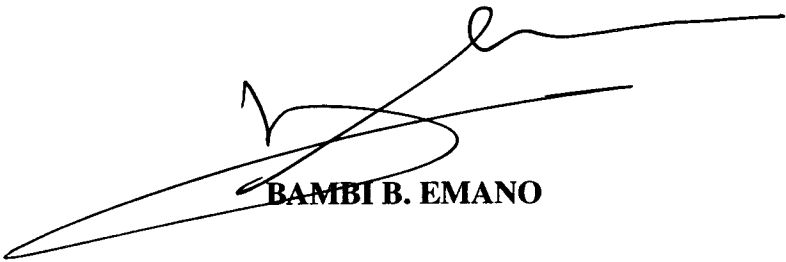
EXPLANATORY NOTE

The Philippines is committed to fostering an environment conducive to foreign investments, recognizing the critical role they play in economic development, job creation, and technological advancement. The current legal framework under Republic Act No. 7652, or the "Investors' Lease Act," permits foreign investors to lease private lands for up to 50 years, renewable for an additional 25 years, for a total of 75 years.

However, in a highly competitive global investment landscape, it is crucial to provide a more favorable legal framework to attract and retain foreign investments. Extending the maximum lease period from 75 years to 99 years will make the Philippines more competitive in attracting foreign investors who seek long-term stability and predictability in their investments.

This amendment aligns with the government's broader economic agenda of opening up the economy and enhancing the ease of doing business in the country. By reinforcing the lease terms, the Philippines can position itself as a more attractive investment destination, stimulating economic growth and development.

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


BAMBI B. EMANO



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

Section 1. Section 3 of Republic Act No. 7652 is hereby amended to read as follows:

"Section 4. Coverage. — Any foreign investor investing in the Philippines shall be allowed to lease private lands in accordance with the laws of the Republic of the Philippines subject to the following conditions:

"(1) ~~{No}~~ **THE AGGREGATE PERIOD OF THE** lease contract shall ~~[be for a period]~~ **NOT exceed**~~[ing fifty (50) years, renewable once for a period of not more than twenty-five (25) years]~~ **NINETY-NINE (99) YEARS;**

"(2) The leased area shall be used solely for the purpose of the investment upon the mutual agreement of the parties;

"(3) The leased premises shall comprise such area as may reasonably be required for the purpose of the investment subject however to the Comprehensive Agrarian Reform Law and the Local Government Code.

The leasehold right acquired under long-term lease contracts entered into pursuant to this Act may be sold, transferred, or assigned: *Provided*, That when the buyer, transferee, or assignee is a foreigner or a foreign-owned enterprise, the conditions and limitations in respect to the use of the leased property as provided for under this Act shall continue to apply."

Section 2. *Implementing Rules and Regulations.* – Upon the effectivity of this Act, the Board of Investments, the Fiscal Incentives Review Board, and the Land Registration Authority, in consultation with other concerned government agencies and stakeholders, shall promulgate the necessary implementing rules and regulations for the effective implementation of this Act.

Section 3. *Repealing Clause.* – All laws, executive orders, proclamations, rules, regulations and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

Section 4. *Separability Clause.* – If any part of this Act is held unconstitutional or invalid, other parts or provisions thereof which are not affected shall continue in full force and effect.

Section 5. *Effectivity.* – This Act shall take effect fifteen (15) days following completion of its publication in the Official Gazette or at least two (2) newspapers of general circulation.

Approved,