



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

**TWENTIETH CONGRESS**  
First Regular Session

HOUSE BILL NO. 227



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**Introduced by Representative Crispin Diego “Ping” D. Remulla**

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**AN ACT**  
**ESTABLISHING GUIDELINES AND INCENTIVES FOR THE DEVELOPMENT OF**  
**SCIENCE AND TECHNOLOGY PARKS (STPs) IN THE PHILIPPINES,**  
**AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

The Philippine Economic Zone Authority (PEZA) and the Department of Science and Technology (DOST) signaled a clear direction for the country in 2023. Both of these agencies formalized a joint memorandum to establish Knowledge, Innovation, Science and Technology (KIST) Parks. PEZA Director General Tereso Panga highlighted the importance of these parks in fostering innovation and developing a more skilled and future-ready workforce. DOST Secretary Renato Solidum stressed that these parks will serve as platforms for launching startups, nurturing tech-based firms, and integrating regional science and technology efforts.

This measure seeks to institutionalize that vision by setting national guidelines and creating incentives for the development of Science and Technology Parks across the country. This measure will help transform the abstract concepts of science and technology into everyday tools that would improve the lives of Filipinos, strengthen the country's industries, and build a more competent and self-reliant nation.

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

A handwritten signature in black ink, appearing to read 'Remulla', with a stylized flourish at the end.

**CRISPIN DIEGO "PING" D. REMULLA**



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

**ARTICLE I**

**TITLE, DECLARATION OF POLICY, AND DEFINITION OF TERMS**

**SECTION 1. *Short Title.*** – This Act shall be known as the “*Science and Technology Parks Act*”

**SEC. 2. *Declaration of State Policy.*** – The State recognizes science and technology as essential for national development and progress and shall give priority to research and development, invention, innovation and their utilization, and to science and technology education, training, and services. It shall support indigenous, appropriate, and self-reliant scientific and technological capabilities, and their application to the country's productive systems and national life. Towards this end, the State shall develop a national strategy for, and incentivize the building of a knowledge-based economy anchored on a national workforce that is well-equipped with 21st century skills, through the establishment of Science and Technology Parks throughout the country.

**SEC. 3. *Definition of Terms.*** – The following terms as used in this Act shall mean:

(a) *Digital Transformation* means the strategic adoption or use of digital technologies to transform services or businesses, through the replacement of non-digital or manual

processes with digital processes tools and solutions to improve productivity, deliver better user experiences, manage business risk, and control costs;

(b) *E-readiness (electronic readiness)* is a measure of the degree to which a country or any given geographical area is prepared to partake in electronic and ICT-driven activities and, thus, benefit from ICT in education;

(c) *Innovation* refers to the creation of new ideas using new or existing technologies that results in the development of new or improved products, processes, or services,; which are then spread or transferred across the market;

(d) *Research Parks* are master-planned properties and buildings designed primarily for private and public research and development facilities, high technology and science-based companies, and any related support services thereof;

(e) *Science and Technology Park* – encompasses any kind of high technology cluster such as technopolis, science park, science city, cyber park, industrial park, innovation center, research and development (R&D) park, university research park, research and technology park, science and technology park, science city, science town, technology park, technology incubator, technology park, technopark, technopole and technology business incubator run by an organization managed by specialized professionals whose main aim is to increase the wealth of its community by promoting the culture of innovation and the competitiveness of its associated businesses and knowledge-based institutions;

(f) *Technology Business Incubator* is a facility designed to help start up technology-based businesses by providing them with the necessary resources, services and support needed during the development stage.

## ARTICLE II

### DEVELOPMENT OBJECTIVES AND STRATEGIES

**SEC.4. *Development of a National Ecosystem.*** – To leverage science, technology and innovation (STI) which are the major pillars of developing economies in the Fourth Industrial Revolution, the State shall ensure the development of a national ICT ecosystem that will lead towards the achievement of Sustainable Development Goal (SDG) 9 which involves building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation by 2030. To achieve the foregoing goal, the State shall:

(a) Develop, promote, and grant subsidies and incentives for the development of science and technology parks or science parks, which may include research and

development centers, technology business incubators and other innovation centers;

(b) Develop, promote, and support capacity-building activities to upgrade the knowledge, know-how, and competencies of managers, administrators and other individuals in leadership positions of science and technology parks across the country;

(c) Provide technical assistance, policy advice and support for the establishment of centers for science park development around the country;

(d) Develop, promote, and ensure mechanisms and platforms for the integration of a developmental approach into science, technology and innovation, organizing capacity building, providing policy advice, facilitating the exchange of experience and best practices, and conducting research and problem solving in science park and technology incubator development.

**SEC.5. Government Support for Science and Technology Park Projects.** – In the identification of science and technology park projects that shall qualify for government support, the following essential precursory conditions shall be in place or that public and/or private sector initiatives towards the progressive realization of these conditions are already ongoing:

(a) The presence of key or anchor tenants, such as national research institutes which are committed to staying in the STP, must be assured;

(b) A management team with all the skills and know-how necessary for managing the STP can be assembled;

(c) A strong science and technology base in the surrounding areas of the STP is already available;

(d) The city or area where an STP is located is attractive to talented people and students;

(e) An entrepreneurial culture is available in the city or country where an STP is to be located;

(f) Finance, especially seed and venture capital, is available in the city or country where an STP is to be located.

**SEC.6. Technologies for Business Commercialization Through the Science and Technology Parks.** – The DOST in consultation with the DTI, the DICT, and NEDA shall identify, list, and recommend for prioritization the technologies that are ideal and desirable for business commercialization through the STPs.

**SEC.7. *Design and Plans of Science and Technology Parks.*** – The DOST, DTI, DICT, and DPWH shall prepare the design and plans of the proposed science and technology parks in every location and shall propose project timelines for each.

### ARTICLE III

## DEVELOPMENT OF SCIENCE AND TECHNOLOGY PARKS

**SEC.8. *Support for the Development of Science and Technology Parks.*** – The Department of Science and Technology (DOST), the Department of Trade and Industry (DTI), the Department of Information and Communications Technology (DICT), the Department of Finance (DOF), the Department of Public Works and Highways (DPWH), and the National Economic and Development Authority (NEDA) shall collaborate to create specific mechanisms to identify the extent of incentives and support for the development of science and technology parks, as provided by existing laws, rules and regulations.

**SEC.9. *Regional Science and Technology Parks.*** – The DOST in consultation with DTI, DICT, and NEDA shall design, prepare, develop, and recommend various components of a science and technology park in every region, subject to the following:

- (a) Effectiveness of the incubation and innovation programs to be offered by an STP, ideal for the generation of Innovative business ideas, growth of entrepreneurial spirit, and responsiveness to global market demand;
- (b) List of potential key anchor tenants of the STP which shall eventually constitute the backbone of the STP and help ensure that the STP can deliver its most important designated functions;
- (c) Possibility of clusters and spin-offs of universities into science and technology parks; and,
- (d) Presence of collaborative efforts among government agencies, the academe, and the private sector, which includes but is not limited to existing Regional Inclusive Innovation Centers (RIICs);

**SEC.10. *Proof of Social Benefits.*** – If public funds were utilized in any manner to support the development of an STP, said STP shall sufficiently report, prove, and demonstrate that its continuous operations provide social benefits such as advanced research and development (R&D) or boost economic development in the region, province, city or municipality where it is located.

The economic or social contribution of an STP should be measured and monitored by a framework to be developed by DOST in consultation with the National Economic Development Authority (NEDA).

**SEC. 11. *Environmental Sustainability and Climate Resilience.*** - All STPs shall be planned, designed, and operated in accordance with the principles of environmental sustainability and climate resilience. STPs shall incorporate green infrastructure, such as but not limited to, energy-efficient buildings, renewable energy systems, sustainable water use, and integrated solid waste management practices.

STPs shall conduct hazard and vulnerability assessments and implement disaster risk reduction and climate adaptation measures. The location and construction of STPs shall consider climate-resilient urban planning, ensuring protection against floods, earthquakes, and other environmental hazards.

## ARTICLE IV

## INCENTIVES

**SEC.12. *Incentives.*** – A qualified science and technology park (STP) developer and/or locator, whose activities may form part of the Strategic Investments Priority Plan, shall be entitled to such fiscal and non-fiscal incentives, including but not limited to income tax holiday, special corporate income tax, enhanced deductions and such incentives as may be provided under the National Internal Revenue Code, as amended.

Local government units are encouraged to provide for their own set of incentives according to their taxation power.

## ARTICLE V

## DEVELOPMENTAL PROGRAMS

**SEC.13. *Promotion of Science and Technology Parks.*** – The DOST, DTI, DICT, and NEDA shall regularly develop, guide, assist or spearhead programs, projects and activities to promote science and technology parks.

## ARTICLE VI

## SUPPORT ECOSYSTEM

**SEC.14. *Linkages to Existing Projects and Initiatives Anchored on Innovation.*** –The DOST, DTI, DICT, and NEDA shall ensure appropriate linkages between existing projects and initiatives related to innovation and whichever science and technology park is closest to the location or area of the aforementioned projects or initiatives.

## ARTICLE VII

## GENERAL PROVISIONS

**SEC.15. *Implementing Rules and Regulations.*** – The DOST, DICT, DTI, DOF, DPWH, and NEDA in coordination with relevant government agencies and industry stakeholders concerned, shall issue the necessary rules and regulations for the effective

1 implementation of this Act within a period of ninety (90) days after its effectivity. The non-  
2 promulgation of the implementing rules and regulations shall not prevent the implementation  
3 of this Act upon its effectivity.

4 **SEC.16. *Appropriations.*** – The amount necessary to effectively carry out the  
5 provisions of this Act shall be charged against the current appropriations of the concerned  
6 government agencies. Thereafter, such sums as may be necessary for the continued  
7 implementation of this Act shall be included in the annual General Appropriations Act.

8 **SEC.17. *Repealing Clause.*** – All laws, executive orders, presidential decrees, rules and  
9 regulations or parts thereof which are in conflict or inconsistent with the provisions of this Act  
10 are hereby repealed, amended or modified accordingly.

11 **SEC.18. *Separability Clause.*** – If any part or provision of this Act shall be declared as  
12 unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby  
13 shall continue to be in full force and effect.

14 **SEC.19. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication  
15 in the Official Gazette or in a newspaper of general circulation.

*Approved,*