

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 3112



Introduced by Representative CHING BERNOS

AN ACT
ESTABLISHING THE GREEN INDUSTRIAL ZONE PROGRAM TO PROMOTE
ENVIRONMENTALLY SUSTAINABLE INDUSTRIAL DEVELOPMENT, PROVIDE
INCENTIVES TO ECO-FRIENDLY ENTERPRISES, SUPPORT THE CREATION OF
GREEN JOBS, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The Philippines is at a critical juncture. As we face the dual challenges of economic recovery and climate vulnerability, the country must pursue a development path that is both environmentally sustainable and socially inclusive. This proposed measure seeks to support that transition by establishing a Green Industrial Zone (GIZ) Program—a framework that promotes regionally balanced industrialization while aligning with global goals for decarbonization, ecological preservation, and green job creation.

Industrial zones have long been engines of growth. However, conventional industrial estates are often associated with high pollution, extractive business models, and the marginalization of host communities. This bill offers an alternative: a Green Industrial Zone model that integrates clean technologies, circular economy practices, renewable energy use, and local labor empowerment into the foundation of industrial development.

Under the program, qualified Green Industrial Zones shall be designated in strategic locations across the country — especially in underdeveloped regions with untapped potential for renewable energy, sustainable raw materials, and green entrepreneurship. Enterprises operating within these zones will be encouraged and

incentivized to adopt eco-friendly operations, produce sustainable goods, and help generate decent green jobs. The program will likewise establish a support system for skills training, technical assistance, and financial access, particularly for small and medium enterprises and cooperatives.

Of particular importance is the bill's emphasis on regions such as Northern Luzon — including Ilocos Region, Cagayan Valley, Cordillera Administrative Region, and adjacent provinces — where local industries such as bamboo processing, agro-industrial manufacturing, eco-textiles, solar assembly, and sustainable packaging offer high potential for inclusive green growth. By promoting green industrialization in these areas, the bill also addresses regional development gaps and helps stem the tide of labor migration and rural stagnation.

Furthermore, the bill contains strong environmental safeguards, ensures the participation of local and indigenous communities in decision-making, and fosters collaboration among national government agencies, local government units, the private sector, and civil society.

In line with the Philippine Development Plan, the Green Jobs Act of 2016, and the country's Nationally Determined Contributions (NDCs) under the Paris Agreement, this measure seeks to provide a coherent and practical policy mechanism for achieving a just, resilient, and future-ready economy.

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



REP. CHING BERNOS
SOLID NORTH Party-List

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

SECTION 1. Short Title. This Act shall be known as the “**Green Industrial Zone Program Act.**”

SEC. 2. Declaration of Policy. It is the declared policy of the State to pursue inclusive and sustainable industrial development that advances the goals of environmental stewardship, economic resilience, and social equity. The State recognizes the growing risks posed by climate change and ecological degradation and affirms the urgent need to transition toward low-carbon, resource-efficient, and community-centered industries.

To this end, the State shall encourage and support the establishment of Green Industrial Zones (GIZs) that facilitate the development of environmentally sustainable enterprises, promote the use of renewable energy, and create decent green jobs—especially in rural and underdeveloped regions.

SEC. 3. Definition of Terms. For the purpose of this Act:

- a. Green Industrial Zone (GIZ) – refers to a designated area for industrial activities where businesses and enterprises comply with environmental sustainability criteria, including but not limited to: use of renewable energy,

waste minimization, resource efficiency, circular economy practices, and low-carbon production methods.

- b. Green Enterprise – an enterprise that adopts practices, products, and technologies that reduce environmental harm and carbon footprint, improve energy efficiency, and ensure sustainable use of natural resources, while contributing to economic growth and local job creation.
- c. Green Jobs – employment in agriculture, manufacturing, services, and administrative functions that directly contribute to preserving or restoring environmental quality and promoting climate adaptation and mitigation.
- d. Circular Economy – an economic model that emphasizes the continual use and reuse of materials and resources, minimizing waste and pollution through design, recycling, and sustainable consumption practices.

SEC. 4. Establishment of the Green Industrial Zone Program. There is hereby established the Green Industrial Zone Program, hereinafter referred to as the Program, to be implemented by the Department of Trade and Industry (DTI) as the lead agency. The Program shall serve as the national framework for the development, support, and regulation of Green Industrial Zones and the promotion of sustainable manufacturing and enterprise ecosystems.

The Program shall be implemented in coordination with the following agencies:

- a. Department of Environment and Natural Resources (DENR)
- b. Department of Energy (DOE)
- c. Department of Labor and Employment (DOLE)
- d. Department of Science and Technology (DOST)
- e. Technical Education and Skills Development Authority (TESDA)
- f. Board of Investments (BOI)
- g. Local Government Units (LGUs)
- h. National Commission on Indigenous Peoples (NCIP), where applicable
- i. Government Financial Institutions (GFIs), where financing is involved

SEC. 5. Objectives of the Program. The Program shall pursue the following objectives:

- a. Encourage the establishment of Green Industrial Zones in strategic areas nationwide, particularly in regions with strong potential for sustainable resource use and renewable energy;

- b. Promote the development of green enterprises that utilize environmentally sound technologies and contribute to the reduction of greenhouse gas emissions;
- c. Support the creation and expansion of green jobs, especially in underserved and climate-vulnerable communities;
- d. Facilitate the integration of renewable energy systems into industrial production processes;
- e. Strengthen supply chains for eco-friendly local products such as engineered bamboo, organic food, native textiles, recycled goods, and solar technology;
- f. Mainstream climate-resilient, inclusive, and region-specific approaches to industrial development; and
- g. Ensure the protection of ancestral lands, water sources, and biodiversity in the planning and operation of Green Industrial Zones.

SEC. 6. Designation of Green Industrial Zones. The DTI, in consultation with DENR, DOE, and concerned LGUs, shall identify and accredit Green Industrial Zones which shall be incorporated into regional development plans and shall be based on the following criteria:

- a. Environmental suitability and zoning alignment;^[1]
- b. Proximity to renewable energy sources (e.g., hydro, wind, solar, biomass);^[2]
- c. Availability of labor and potential for green job generation;^[3]
- d. Adequate access to transportation, utilities, and logistics infrastructure;^[4]
- e. Proposed or existing presence of enterprises aligned with green standards;^[5]
- f. Availability of shared services such as waste treatment, eco-friendly packaging, and skills training facilities.

SEC. 7. Incentives and Support for Green Enterprises. Enterprises operating within accredited Green Industrial Zones and meeting DTI-DENR green certification standards shall be eligible for the following:

- a. Investment promotion assistance through BOI or PEZA;^[6]
- b. Preferential access to green finance programs through GFIs such as Land Bank, DBP, and government-supported venture capital;^[7]

- c. Technical assistance and R&D support from DOST and DTI;
- d. Market development assistance (e.g., export coaching, e-commerce onboarding;
- e. Reduced tariffs or importation support for green technologies or equipment; and
- f. Capacity-building grants for enterprise decarbonization and circular business models.

SEC. 8. Green Skills Development and Labor Transition Support. TESDA, in collaboration with DOLE, shall design and implement a Green Skills Training and Certification Track focused on:

- a. Renewable energy systems (installation, maintenance)
- b. Sustainable construction and retrofitting
- c. Eco-design and sustainable packaging
- d. Bamboo and indigenous material processing
- e. Organic agro-processing
- f. Waste recovery, composting, and recycling enterprises

DOLE shall establish a Green Labor Transition Fund to support workers shifting from extractive or high-emission sectors into sustainable employment opportunities within the zones.

SEC. 9. Participation of Indigenous and Local Communities. When applicable, LGUs and national agencies shall ensure the Free, Prior and Informed Consent (FPIC) of indigenous communities in any proposed Green Industrial Zone development affecting ancestral lands.

Indigenous peoples and local cooperatives shall be supported as partners and potential owners of green enterprises, ensuring equitable benefits and cultural preservation.

SECTION 10. Environmental and Social Safeguards. All Green Industrial Zones must comply with:

- a. DENR environmental impact assessment regulations
- b. Water and waste treatment standards
- c. Renewable energy integration guidelines from DOE

- d. Local land use and disaster risk reduction planning standards
- e. Labor rights and fair wage requirements under DOLE rules

Regular environmental audits shall be conducted, with penalties for non-compliant enterprises.

SEC. 11. Funding. An initial amount of five billion pesos (Php 5,000,000,000.00) is hereby appropriated from the General Appropriations Act for the first year of implementation. The Program may also receive funding from:

- a. Official Development Assistance (ODA)
- b. Green climate finance sources
- c. Public-private partnerships (PPP)
- d. Donations and grants from international environmental organizations
- e. Climate bonds and sustainability-linked finance

SEC. 12. Implementing Rules and Regulations. Within ninety (90) days from the effectivity of this Act, the DTI, in coordination with DENR, DOE, DOLE, and other implementing agencies, shall promulgate the rules and regulations necessary to carry out the provisions of this Act.

SEC. 13. Monitoring and Reporting. The DTI shall submit an Annual Report to Congress detailing:

- a. Zones designated and accredited
- b. Number and type of green enterprises supported
- c. Jobs created and retained
- d. Environmental impact indicators
- e. Budget utilization and outcomes

Independent evaluation may be conducted by DEPDEV or a designated third-party organization.

SEC. 14. Separability Clause. If any provision of this Act is declared unconstitutional, the remainder shall not be affected thereby.

SEC. 15. Repealing Clause. All laws, presidential decrees, executive orders, rules, and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 16. Effectivity. This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in a newspaper of general circulation.

Approved,