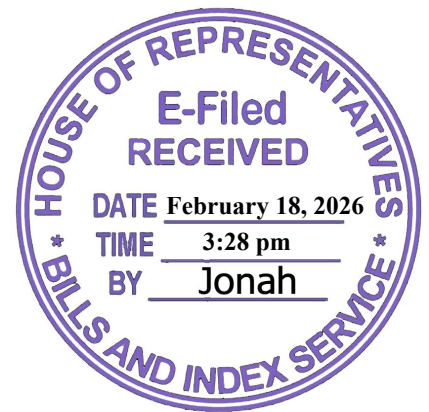




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 7875



**Introduced by Representatives Ferdinand Martin G. Romualdez,
Yedda Marie K. Romualdez, Andrew Julian K. Romualdez
and Jude A. Acidre**

EXPLANATORY NOTE

The Philippines faces an increasingly competitive global landscape for higher education, research, and innovation. While the country produces a large pool of skilled and English-proficient graduates, it continues to experience outward migration of top talent and limited inflow of world-class academic institutions. At the same time, global demand for cross-border education, medical training, research collaboration, and educational tourism is rapidly expanding.

This bill seeks to address these structural challenges by establishing a clear legal and regulatory framework for the creation of Global Education Cities (GECs)—designated geographic zones exclusively developed to host Foreign Higher Education Institutions (FHEIs) of recognized international standing. The proposed framework positions higher education as a strategic economic sector that generates high-value jobs, research output, technology transfer, and international mobility, while remaining fully consistent with constitutional safeguards on educational integrity and national interest.

The measure authorizes the Commission on Higher Education (CHED), in coordination with relevant agencies, to designate and regulate GECs with integrated, climate-resilient, and smart infrastructure. Within these zones, qualified FHEIs are allowed full foreign ownership and operational control, subject to strict accreditation, reporting, and student protection standards. To prevent unfair competition with domestic institutions, the bill introduces a Filipino enrollment safeguard mechanism, ensuring that FHEIs maintain their

international character while prioritizing niche, high-demand, and under-supplied academic fields.

The bill further establishes specialized academic clusters—including medicine, marine and maritime sciences, engineering, information technology, business, tourism, and governance—each supported by targeted fiscal and operational incentives. These incentives are performance-based and aligned with national development priorities such as healthcare capacity, disaster resilience, digital transformation, maritime leadership, and ASEAN policy engagement. In the medical and health sciences cluster, the bill directly addresses the country’s persistent healthcare brain drain by mandating localization plans, competitive compensation, and structured knowledge transfer.

Fiscal incentives under the measure are harmonized with existing constitutional provisions and investment laws, balancing competitiveness with accountability. These include time-bound income tax incentives for proprietary institutions, duty-free importation of specialized educational equipment, real property tax exemptions for educational use, and donor tax incentives to encourage philanthropic and research funding. Robust compliance, audit, and claw-back mechanisms are included to protect public interest and government revenues.

Ultimately, this bill aims to transform the Philippines into a premier education, research, and educational tourism hub in Asia, attract foreign direct investment in knowledge industries, create globally competitive career pathways for Filipinos, and reverse long-standing talent outflows. By doing so, it advances inclusive growth, strengthens national competitiveness, and operationalizes the State’s constitutional mandate to prioritize education, science, and technology for sustainable development.

In view of the foregoing, approval of this bill is earnestly requested.



FERDINAND MARTIN G. ROMUALDEZ



YEDDA MARIE K. ROMUALDEZ

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ANDREW JULIAN K. ROMUALDEZ

A stylized handwritten signature in black ink, featuring a large, looped 'J' and 'A'.

JUDE A. ACIDRE



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HOUSE BILL NO. 7875

Introduced by Representatives Ferdinand Martin G. Romualdez,
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AN ACT
ESTABLISHING THE FRAMEWORK FOR THE CREATION,
ADMINISTRATION, AND REGULATION OF GLOBAL EDUCATION
CITIES, RECOGNIZING THEIR INTERNATIONAL CHARACTER,
AND PROVIDING INCENTIVES TO ATTRACT WORLD-CLASS
FOREIGN HIGHER EDUCATION INSTITUTIONS, THEREBY
PROMOTING EDUCATIONAL TOURISM AND NATIONAL
COMPETITIVENESS

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

CHAPTER 1
GENERAL PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as the “Philippine Global Education City Act of 2025.”

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to provide quality education relevant to the changing needs of the people and society, positioning higher education as a principal instrument for generating

productive knowledge, innovation, and technology needed to compete in the knowledge economy.

Recognizing that globalization and the liberalization of services create a climate for borderless teaching and learning, the State shall actively encourage, promote, and accelerate the establishment of Foreign Higher Education Institutions (FHEIs). This strategy is designed to achieve two core goals: first, to promote internationalization and modernization of the Philippine higher education sector by attracting world-class academic standards, expertise, and research capacity; and second, to position the Philippines as a premier destination for educational tourism, particularly in high-demand and niche fields of Philippine excellence.

Finally, the State shall create high-value, locally competitive career opportunities for Filipino talent and researchers, thereby reversing brain drain. This strategy is anchored in the constitutional mandate of *Article II, Section 17* to give priority to education, science, and technology for national development, while also upholding the requirement under *Article XIV, Section 4(2)* on educational control and administration. To comply, the Act includes strict regulatory safeguards necessary to protect the interests of domestic HEIs and national educational integrity.

SEC. 3. *Creation of Global Education Cities (GECs).* – The Commission on Higher Education (CHED), in consultation with the Philippine Economic Zone Authority (PEZA) and the Board of Investments (BOI), shall designate specific, contiguous geographical areas as Global Education Cities (GECs). These GECs shall be established exclusively for Foreign Higher Education Institutions (FHEIs) of recognized international repute that offer specialized programs.

SEC. 4. *GEC Master Planning and Sustainable Infrastructure.* – To ensure that GECs serve as models of modern, sustainable urban living, the designation of any

area as a GEC shall be contingent upon the submission and approval of a Comprehensive Master Plan. This Master Plan must adhere to the following standards:

1. **Green and Smart Infrastructure.** All buildings and facilities within the GEC shall comply with the Philippine Green Building Code and integrate “Smart City” technologies, including high-speed digital backbones, smart grids, and automated campus management systems.
2. **Integrated Mobility.** The GEC must be designed with a pedestrian-centric layout, featuring dedicated bike lanes, electric vehicle (EV) charging stations, and seamless connectivity to major public transport hubs.

Resilience. The infrastructure planning must incorporate climate-resilient engineering standards to withstand typhoons, flooding, and seismic events, serving as a benchmark for disaster-resilient urban planning in the Philippines.

SEC. 5. *Ownership and Administration of the GEC.* — To ensure the integrity, security, and world-class standard of the GEC, its ownership structure shall be governed by the following provisions:

1. **Condominium Corporation Ownership.** The entire land area of the GEC shall be owned by and registered in the name of a Condominium Corporation organized under Philippine laws.
2. **Horizontal Condominiums.** The GEC shall be divided into horizontal condominium units, hereinafter referred to as “Estate Units,” which shall constitute the alienable and disposable portions of the estate.
3. **Institutional Estate Units.** Estate Units covering up to thirty percent (30%) of the total land area of the GEC may be designated as Institutional Estate Units.

These units shall be utilized primarily for the FHEI's educational campus, research centers, and directly related facilities.

4. Residential Estate Units. Estate Units covering up to ten percent (10%) of the total land area of the GEC may be designated as Residential Estate Units. These units shall be developed for residential purposes and may be acquired by employees or students residing in the GEC and their families.

5. Foreign Ownership of Estate Units. Notwithstanding the provisions of Republic Act No. 4726, otherwise known as the "Condominium Act," as amended, foreign ownership of Estate Units within the GEC shall be allowed as follows:

a. Institutional Estate Units may be acquired and fully owned by the FHEI operating within the GEC; and

b. Residential Estate Units may be acquired and fully owned by foreigners who can establish a medium to long-term tie or connection with an FHEI or other businesses related thereto operating within the GEC.

CHAPTER 2

THE FOREIGN HIGHER EDUCATION INSTITUTIONS

SEC. 6. *Recognition of International Status.* – To achieve the policy of educational tourism and internationalization, FHEIs establishing a branch campus within a designated GEC shall be classified as an "Educational Institution of International Character" established primarily for "foreign temporary residents."

An FHEI operating solely within a designated GEC shall be allowed 100% foreign equity and full operational control of its branch campus, provided it adheres strictly to the enrollment safeguard stipulated in Section 15.

The FHEI shall have the prerogative to determine its own curriculum, academic calendar, standards, and medium of instruction, provided it is accredited by a recognized international body and offers degrees from the parent institution.

SEC. 7. *Designated Fields of Philippine Excellence.* – FHEIs shall be prioritized for establishment in GECs if they offer specialized, world-class programs in the following fields where the Philippines seeks regional distinction:

1. Medicine and Health Sciences;
2. Coastal and Marine Resource Management;
3. Maritime Sciences;
4. Engineering and Architecture;
5. International Business, Finance and Economics;
6. Information and Data Technology; and
7. Asian Studies and Governance.

CHAPTER 2

SPECIALIZED ACADEMIC CLUSTERS AND INCENTIVES

SEC. 8. *Medical Education and Healthcare Cluster.* – To maximize impact on the national healthcare sector and directly combat the exodus of highly skilled Filipino medical professionals, FHEIs establishing medical programs shall be allowed to establish and operate an accompanying world-class teaching and research hospital within the GEC.

The government shall streamline the process and provide necessary support for the construction and operation of such facilities by FHEIs offering advanced medical and allied health programs within the GEC through:

1. Single-Window Permitting. The Department of Health (DOH) and the CHED shall create a single-window process for the issuance of all necessary permits (including Certificate of Need and Operation) for the hospital and medical school, with processing times guaranteed not to exceed thirty (30) days.
2. Utility Infrastructure Funding. The national government shall prioritize funding for the connection of the GEC hospital and medical school to essential utilities (power, water, and digital infrastructure) at subsidized, non-commercial rates not to exceed a maximum of fifty percent (50%) of the prevailing commercial rate during the construction phase.
3. Fast-Track Accreditation. CHED, in coordination with the Professional Regulation Commission (PRC) and the DOH, shall establish a fast-track system for the recognition and accreditation of the FHEI's medical and allied health programs and the hospital's residency and fellowship programs, ensuring immediate alignment with international regulatory bodies.
4. Fiscal Incentives. The hospital and medical facilities shall be entitled to the Real Property Tax Exemption and Duty-Free Importation of construction materials and equipment provided in Section 17.

5. Medical Tourism Support. These high-standard healthcare facilities shall be integrated into the national strategy for medical tourism, providing services accessible to foreign medical travelers.

As a condition for receiving the aforementioned specialized incentives, the FHEI must adhere to the following hiring quotas to address local brain drain and retain highly skilled professionals:

1. Non-Physician Staff. The FHEI hospital must allocate a minimum of eighty percent (80%) of non-physician staff positions (nurses, allied medical professionals, and administrators) to ASEAN/Asian nationals, with priority given to Filipino citizens, offering globally competitive salaries.
2. Physicians and Consultants. To ensure the transfer of specialized medical knowledge while gradually integrating local expertise, the FHEI shall submit an escalating “Physician Localization Plan” to the DOH and Department of Labor and Employment (DOLE). The plan shall ensure that Filipino/ASEAN/Asian nationals comprise:
 - a. At least fifteen percent (15%) of the medical staff/consultants by the 5th year of operation; and
 - b. At least thirty percent (30%) of the medical staff/consultants by the 10th year of operation.

Compliance with these limits must be certified annually by the DOLE as a condition for the continued enjoyment of the incentives under this Act.

SEC. 9. *Coastal and Marine Science Cluster.* – To leverage the Philippines’ position as a global center of marine biodiversity and promote educational tourism, FHEIs specializing in coastal and marine research shall be granted the following incentives:

1. **Exclusive Field Research Authority.** FHEIs shall be granted authority to establish and operate exclusive marine field laboratories or coastal research stations within the GEC boundaries or nearby coastal areas, subject to existing environmental and territorial laws and Department of Environment and Natural Resources (DENR) regulations.
2. **Resource Management Focus.** The curricula shall prioritize programs in Tropical Marine Biology, Coastal Resource Management, Blue Economy Development, and Sustainable Ecotourism.
3. **Coastal Tourism Integration.** The Department of Tourism (DOT) shall prioritize and support the FHEI in utilizing its research stations and facilities for specialized educational tourism packages and field training programs aimed at attracting international students and researchers.

Other Fiscal and Operational Incentives. The FHEI shall be entitled to the Real Property Tax Exemption and Duty-Free Importation of specialized equipment and vessels provided in Section 17, to the extent such equipment is necessary for marine research.

SEC. 10. *Maritime Cluster.* – To capitalize on the Philippines' global standing in maritime and technical industries, the Maritime Industry Authority (MARINA) shall grant exclusive authority to FHEIs in GECs specializing in Advanced Maritime Sciences, Naval Architecture, Marine Engineering, and specialized training programs for modern, autonomous, and green shipping technologies to

self-certify its graduates for specific advanced local professional requirements (excluding PRC licensing), effectively removing the time-consuming and inconsistent government bottleneck that foreign shipping companies currently face when hiring Filipino seafarers, provided:

1. Curriculum and Audit Commitment. The FHEI shall prioritize curricula designed to upgrade local certification standards and integrate state-of-the-art simulator technologies. In exchange for the FHEI submitting to an annual independent quality audit; and
2. Guaranteed Placement. The FHEI must establish formal, legally binding agreements with at least two international shipping companies for the guaranteed internship placement of its Filipino and ASEAN graduates to ensure practical training and employment pathways are immediately available.

SEC. 11. *Engineering and Architecture Cluster.* – Recognizing the Philippines as a primary location for studying tropical climates, climate change adaptation, and disaster resilience, the following incentives shall be provided to FHEIs offering specialized degrees in Engineering and Architecture that focus on “Tropical, Green, and Resilient Infrastructure”:

1. Living Lab Permits. Priority access to partnerships with the Department of Public Works and Highways (DPWH) and Local Government Units (LGUs) to utilize specific public infrastructure projects as case studies or field laboratories for students.
2. Enhanced R&D Tax Deductions. FHEIs in this cluster shall be entitled to one hundred percent (100%) additional deduction on research and development expenses incurred for developing disaster-resilient

construction materials or low-cost sustainable housing technologies relevant to the Philippine context.

3. **Power Expense Deduction.** Recognizing the energy-intensive nature of engineering laboratories and simulations, FHEIs in this cluster shall be entitled to one hundred percent (100%) additional deduction on power expenses incurred for their educational and research operations.

SEC. 12. *Business, Finance, and Tourism Cluster.* – To leverage the Philippines' status as a leader in Service Exports, Business Process Outsourcing (BPO), and Global Tourism, FHEIs offering programs in Business, Finance, Economics, and Hospitality shall be prioritized and given the following incentives if they focus on Emerging Markets, Fintech, and/or Sustainable Tourism:

1. **Training Hotels and Facilities.** FHEIs offering Hospitality and Tourism programs shall be allowed to operate commercial “Training Hotels” within the GEC. These facilities shall be entitled to Duty-Free Importation of specialized hotel equipment, kitchen machinery, and furniture not locally available in sufficient quantity or comparable quality.
2. **Tourism Reinvestment Allowance.** FHEIs in this cluster shall be entitled to a fifty percent (50%) reinvestment allowance on net income reinvested in the expansion or upgrade of tourism-related educational facilities or training equipment.
3. **Fintech Regulatory Sandbox.** In coordination with the Bangko Sentral ng Pilipinas (BSP) and the Securities and Exchange Commission (SEC), the FHEI’s research centers shall be granted “Observer Status” in government

Fintech regulatory sandboxes, allowing faculty and students access to real-time data on digital finance policy and innovation.

4. Regional Headquarters Integration. The BOI shall facilitate partnerships between the FHEI and Multinational Corporations with Regional Headquarters (RHQs) in the Philippines, creating a direct pipeline for internships and executive education tailored to Asian market nuances.

SEC. 13. *Information and Data Technology Cluster.* – Recognizing the Philippines as a global powerhouse in the Information Technology-Business Process Management (IT-BPM) sector, FHEIs offering programs in Data Science, Artificial Intelligence (AI), Cybersecurity, and Cloud Computing shall be prioritized to sustain the country’s climb up the global value chain. To attract leading technology institutions, the State grants the following incentives:

1. Digital Infrastructure Subsidy. The national government shall ensure the GEC is connected to the national fiber backbone. FHEIs in this cluster shall be entitled to a subsidy on high-bandwidth internet connectivity costs for their first five (5) years of operation.
2. Tech Hardware Importation. In addition to standard educational duty-free privileges, FHEIs in this cluster shall be entitled to Duty-Free Importation of high-performance computing equipment, supercomputers, servers, and data center infrastructure necessary for advanced AI and data research.
3. Power Expense Deduction. Recognizing the energy-intensive nature of data centers and server farms, FHEIs in this cluster shall be entitled to one hundred percent (100%) additional deduction on power expenses incurred for their data laboratories and research facilities.

4. IT-BPM Industry Linkage. The Board of Investments (BOI) shall facilitate formal academic partnerships between the FHEI and top-tier IT-BPM locators in the Philippines to co-develop curricula and guarantee internship placements, effectively integrating the FHEI into the country's largest export industry.

SEC. 14. *Asian Studies and Governance Cluster.* – To leverage the Philippines' status as a vibrant democracy in Southeast Asia and its strategic role in ASEAN affairs, FHEIs offering programs in Political Science, International Relations, Public Administration, and Asian Studies shall be entitled to the following incentives:

1. Policy Research Partnerships. FHEIs in this cluster shall be granted priority status to enter into Memoranda of Agreement (MOA) with key government agencies, such as the Department of Economy, Planning, and Development (DEPDev), Department of Foreign Affairs (DFA), and Department of the Interior and Local Government (DILG) for the commissioning of policy papers, utilization of government data for research, and internship placements for students.
2. Visiting Scholar Visas. To facilitate high-level academic exchange, the Bureau of Immigration (BI) shall establish a streamlined “Visiting Scholar” visa category for guest lecturers, diplomats-in-residence, and policy experts invited by the FHEI for short-term engagements, exempting them from standard Alien Employment Permit (AEP) requirements for tenures under six (6) months.
3. ASEAN Conference Support. The DOT and the DFA shall provide logistical and promotional support for international conferences and

summits hosted by the FHEI within the GEC, positioning the institution as a regional hub for policy dialogue.

CHAPTER 4

SAFEGUARDS AND STANDARDS

SEC. 15. *Safeguard Mechanism and Filipino Enrollment Limitation.* – To ensure that the institutions operating within an GEC maintain their “international character” and do not compete unfairly with local Filipino HEIs, the total enrollment of Filipino citizens in a single FHEI branch campus within an GEC shall adhere to the following limits:

1. Enrollment in Baccalaureate and Master’s Degree programs that are substantially offered by existing local educational institutions shall not exceed one-third (1/3) of the total student population for these programs; and
2. The Filipino enrollment limit shall be waived entirely for Doctoral (Ph.D.) programs and for Master’s Degree programs in the fields identified in Section 7, provided that CHED certifies that the specific program or specialization is not substantially offered by existing local HEIs, or that there is a demonstrable national demand for additional graduates in that field.

For purposes of this Section, CHED shall issue detailed technical guidelines in the Implementing Rules and Regulations (IRR) to define programs that are “substantially offered.” These guidelines shall consider any or all of the following:

1. Saturation Rate. The number of existing graduates from local HEIs relative to current industry demand;

2. Program Availability. The number of local HEIs offering the specific degree program within the region; and
3. Employability Data: The absorption rate of graduates from local HEIs in the specific field. Programs with high local graduate unemployment or high saturation shall be deemed “substantially offered,” thereby triggering the 1/3 enrollment cap for the FHEI.

FHEIs shall submit mandatory enrollment reports to CHED and the BI annually. Failure to comply with the foreign enrollment minimum necessary to comply with the Filipino enrollment limits stipulated above shall be grounds for suspension or revocation of the international character status and the incentives under this Act.

In the event that the incentives are suspended or revoked due to non-compliance with the safeguard mechanisms or other provisions of this Act, the FHEI shall be liable to reimburse the National Government the monetary equivalent of all fiscal incentives (including waived Income Taxes, Custom Duties, and VAT) availed of during the period of verified non-compliance.

SEC. 16. *Student Protection.* – To safeguard the interest of all students, the FHEI shall adhere to the following protection measures:

1. Termination or Closure of Program. In the event of program phaseout or closure, the FHEI branch campus shall ensure that commitments made to enrolled students are met, including offering students suitable alternative pathways for completing the program to which they have been accepted.
2. Termination or Closure of the FHEI branch. The FHEI shall provide a guarantee, approved by the CHED, ensuring that in the event of program termination, campus closure, or loss of international accreditation, enrolled

students shall be provided a clear and funded pathway to complete their degree without additional cost, including potential credit transfer to the FHEI's home campus or an alternative partner institution.

CHAPTER 5

FISCAL AND OPERATIONAL FRAMEWORK

SEC. 17. *General Incentives and Taxation Regime.* FHEIs operating within a GEC shall be governed by the following fiscal and tax provisions, which are in addition to the specialized incentives provided for Academic Clusters in Chapter 3 of this Act:

1. Tax Exemptions for Non-stock, Non-profit FHEIs. Pursuant to Section 4, Article XIV of the Constitution, all revenues and assets of non-stock, non-profit FHEIs which are used actually, directly, and exclusively for educational purposes shall be exempt from taxes and duties.
2. Corporate Income Tax (CIT) Incentives and Special Preferential Rate for Proprietary FHEIs. FHEIs which do not satisfy the definition of 'non-stock, non-profit educational institutions' are deemed proprietary and shall be granted a CIT holiday for ten (10) years from the date of commercial operations, followed by a special preferential tax rate of five percent (5%) thereafter. This rate shall apply to the FHEI's taxable income derived from its activities within the GEC.
3. Duty-Free Importation. Exemption from customs duties and taxes on the importation of specialized laboratory equipment, research apparatus, library resources, and construction materials required for the educational program and accompanying facilities. The FHEI shall be entitled to the

most favorable duty and tax-free importation scheme provided under existing laws for economic zones or investment promotion agencies.

4. Real Property Tax Exemption. In accordance with Section 28, Article VI of the Constitution, all lands, buildings, and improvements, actually, directly, and exclusively used by a FHEI for educational purposes shall be exempt from Real Property Tax (RPT). This exemption shall accrue to the owner/lessor of the land or property, provided that the said property is under a valid and current lease or use agreement with the FHEI.

5. Tax Deductions and Exemptions for Donors. All grants, bequest, endowments, donations and contributions made to the FHEI to be used actually, directly and exclusively by the FHEI shall be exempt from donor's tax and the same shall be allowed as allowable deduction from the gross income of the donor for purposes of computing the taxable income of the donor in accordance with the provisions of the National Internal Revenue Code (NIRC) of 1997, as amended.

6. Taxation and Harmonization for Proprietary FHEIs. FHEIs that are proprietary in nature shall be subject to the taxes, exemptions, and other duties and privileges under the NIRC, specifically Section 27, Title II, Chapter IV thereof, and Bureau of Internal Revenue implementing rules and regulations. In the event of conflict or overlap between the incentive package under this Act and other existing laws (including the NIRC, the Omnibus Investments Code of 1987, and the Export Development Act of 1994), the FHEI shall be entitled to avail itself of the package that provides the most preferential fiscal treatment.

SEC. 18. *Operational Incentives.* – FHEIs operating within a GEC shall also be granted the following operational incentives:

1. Long-term Land Leases. FHEIs shall be allowed to secure long-term land leases for periods up to ninety-nine (99) years for educational and related facilities. For government-owned land within the GEC, the lease shall be at a preferential rate, defined as a rate substantially lower than commercial market value, such as a nominal fee or long-term rate based on non-profit educational use. For private land leases, the long-term lease shall be secured in accordance with the Investors' Lease Act, and the parties may mutually agree on preferential rates.
2. Special Non-Immigrant Status. Foreign faculty, researchers, and key administrative staff, along with their spouses and unmarried children, shall be granted Special Non-Immigrant Status under *Section 47(a)(2) of the Philippine Immigration Act of 1940*, as amended, and shall be exempt from all visa and immigration fees; processing times shall be streamlined and prioritized. Spouses seeking employment shall be granted an expedited Alien Employment Permit (AEP) process, and unmarried children under twenty-one (21) shall be exempt from securing Special Study Permits (SSP) or student visas for local enrollment.

SEC. 19. Retirement Benefits of Foreign FHEI Employees. – To enhance retention of essential foreign personnel, foreign FHEI employees shall be eligible for the following retirement incentives:

1. Special Resident Retiree's Visa (SRRV) Eligibility. Foreign personnel who have been employed by an FHEI within a GEC for a cumulative period of at least five (5) years and who opt for retirement in the Philippines shall be automatically eligible for a simplified Special Resident Retiree's Visa (SRRV) or equivalent permanent residency status. This SRRV eligibility shall be extended to the retiree's spouse, unmarried children below the age

of twenty-one (21) and other legal dependents without the requirement of additional deposit, and grants dependents exemption from student visas and special study permits.

2. Pension and Fund Repatriation. The repatriation of their retirement funds and earned benefits shall be expedited and guaranteed through central bank regulations.

CHAPTER 6

ADMINISTRATION AND IMPLEMENTATION

SEC. 20. *Financial Guarantees and Capital Repatriation.* – Repatriation of capital and remittance of dividends, profits and earnings arising from foreign investments in GECs may be done, using foreign exchange sourced from authorized agent banks (AAB) or AAB subsidiary or affiliate foreign exchange corporations: Provided, That such foreign investments have been previously registered with the Bangko Sentral ng Pilipinas (BSP). For this purpose, the BSP rules and regulations governing registration of foreign investments shall be complied with.

SEC. 21. *Regulatory Coordination and Inter-Agency Roles.* – Effective coordination between national and local government agencies is essential for the seamless operation and success of the GEC. Consistent with the policy and objective of encouraging, promoting, and accelerating the establishment of FHEIs and programs in the country, all concerned government agencies and LGUs are hereby mandated to establish mechanisms to expedite the processing of the relevant applications, documents, and permits.

1. SEC and BIR. The Securities and Exchange Commission (SEC) and the Bureau of Internal Revenue (BIR) are hereby mandated to establish a mechanism to facilitate and expedite the processing of the applications for

registration and tax identification of FHEI branch campuses and/or auxiliary services.

2. LGUs. The concerned LGUs are hereby directed to establish a mechanism to facilitate and expedite the processing of business permits for FHEI branch campuses.
3. BI and DOLE. The BI and the DOLE are hereby directed to establish a mechanism to facilitate and expedite the processing of visa and other immigration requirements for foreign faculty, academic personnel, and all staff and students.
4. PRC. The PRC is hereby directed to establish a mechanism to facilitate and expedite the processing of certificate of registration or license and professional identification cards for foreign faculty.
5. DOT. The DOT is hereby mandated to integrate the GEC and its associated facilities into national and international tourism promotion programs.
6. DOH. The DOH is hereby directed to establish streamlined regulatory processes to implement Section 8.
7. MARINA. The MARINA is hereby directed to establish streamlined regulatory processes to implement Section 9 of this Act.
8. DICT. The Department of Information and Communications Technology (DICT) shall ensure the provision of necessary digital infrastructure and cybersecurity standards within the GECs.

Within six (6) months from the effectivity of the IRR of this Act, the foregoing government agencies shall submit a report to Congress as to the status and

progress of the respective mechanisms formulated and established under this section.

SEC. 22. *Labor and Management Relations.* – Labor and management relations in all FHEI branch campuses shall be governed by existing labor laws, consistent with the territorial application of the Labor Code. Employees and personnel of FHEIs shall enjoy working conditions not less than those provided under Presidential Decree No. 442, or the “Labor Code of the Philippines,” as amended, and other relevant laws, issuances, rules and regulations of the Philippine government and the DOLE. Provided, That if the foreign employment contract contains provisions regarding compensation, tenure, benefits, or working conditions that are more favorable to the employee than the minimum standards provided by Philippine labor law, those more favorable terms shall apply.

SEC. 23. *Continuing Research.* – The CHED shall conduct continuing research and development on the improvement of GECs and the internationalization of higher education for the purpose of enhancing knowledge creation and revenue generation.

SEC. 24. *Appropriations.* – The national government shall appropriate funds necessary to establish the core infrastructure and digital connectivity of the designated GECs, as well as to carry out the provisions of this Act.

SEC. 25. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the Chairperson of the CHED, with technical support of the Technical Committee for Transnational Education and the Technical Panel for Distance Education, and in consultation with the PRC, BI, SEC, BIR, BOI, DOT, DOH, MARINA, DICT, DepDev, and other stakeholders and relevant government agencies, shall issue the implementing rules and regulations of this

Act. Such rules and regulations shall take effect fifteen (15) days after its publication in a newspaper of general circulation in the Philippines.

SEC. 26. *Separability Clause.* – If any provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected shall remain in full force and effect.

SEC. 27. *Repealing Clause.* – All laws, acts, presidential decrees, executive orders, proclamations or administrative regulations which are inconsistent with the provisions of this Act are hereby amended, modified, superseded or repealed accordingly.

SEC. 28. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,