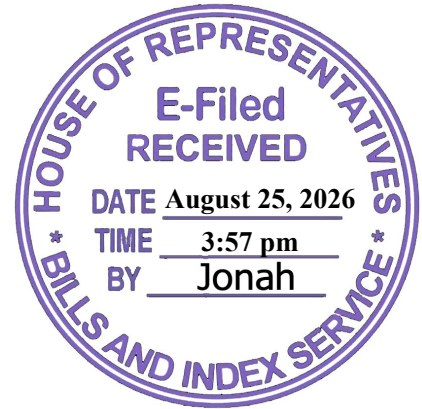


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
Second Regular Session

House Bill No. 10955



Introduced by **REPRESENTATIVE MARCELINO ‘MARCY’ R. TEODORO**

EXPLANATORY NOTE

The contiguous corridor comprising the City of Marikina and the Municipalities of San Mateo and Rodriguez (Montalban) in the Province of Rizal serves as a critical strategic gateway bridging Metro Manila and the Sierra Madre mountain range. This interconnected geographic area shares vital natural resources, such as the Upper Marikina River Basin, while facing common socio-economic, environmental, and infrastructure challenges.

Despite rapid urban expansion, this contiguous territory possesses great potential for sustainable economic growth through ecotourism, low-impact industrial development, modern infrastructure integration, and unified watershed protection.

To attract catalytic investments, encourage green industry adoption, and ensure sustainable development, this bill establishes the **Marikina-San Mateo-Rodriguez (MARISARO) Growth Area**, creates the **MARISARO Growth Area Development Authority (MGADA)**, and provides a targeted framework of fiscal, non-fiscal, and administrative incentives for eligible projects and enterprises.

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

REP. MARCELINO “MARCY” TEODORO
1st District, Marikina City

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Introduced by **REPRESENTATIVE MARCELINO ‘MARCY’ R. TEODORO**

AN ACT
ESTABLISHING THE MARIKINA-SAN MATEO-RODRIGUEZ GROWTH AREA,
CREATING THE MARIKINA-SAN MATEO-RODRIGUEZ GROWTH AREA
DEVELOPMENT AUTHORITY, PROVIDING INCENTIVES THEREFOR, DEFINING ITS
POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR

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 "**MARISARO Growth Area Act.**"

SEC. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to promote balanced, sustainable, and inclusive regional development. To this end, the State shall foster inter-local government coordination to accelerate economic growth through:

- a) The development of ecotourism hubs;
- b) The promotion of environmentally sustainable industrial sectors;
- c) The convergence of resilient infrastructure networks;
- d) The perpetual protection and management of shared river basins and watersheds; and
- e) The provision of targeted fiscal and administrative incentives to registered enterprises operating within designated priority sectors.

SEC. 3. *Coverage of the Growth Area.* - The Marikina-San Mateo-Rodriguez Growth Area, hereinafter referred to as the MARISARO Growth Area, shall cover the entire

administrative territories of the City of Marikina, the Municipality of San Mateo, and the Municipality of Rodriguez, Province of Rizal.

SEC. 4. Creation of the MARISARO Growth Area Development Authority. - There is hereby created a body corporate to be known as the MARISARO Growth Area Development Authority, hereinafter referred to as the Authority. The Authority shall be attached to the Department of Economy, Planning and Development (DEPDev) for policy coordination.

SEC. 5. Powers and Functions of the Authority. - The Authority shall exercise the following powers and functions:

- a) Strategic Planning: Formulate and implement the MARISARO Integrated Master Development Plan, incorporating eco-zoning, land-use harmonization, and sustainable growth targets;
- b) Ecotourism Development: Identify, conserve, and develop ecotourism zones, biodiversity reserves, and heritage sites within the Growth Area;
- c) Sustainable Industrial Development: Delineate eco-industrial zones for low-emission, tech-driven, and green manufacturing activities;
- d) Infrastructure Integration: Plan, coordinate, and monitor inter-jurisdictional infrastructure projects, including flood management, mass transportation, road networks, and renewable energy integration.;
- e) Environmental Protection: Formulate and enforce strict environmental guidelines for the preservation of the Upper Marikina River Basin and surrounding ecosystems in coordination with the Department of Environment and Natural Resources (DENR);
- f) Incentive Administration: Process, review, and evaluate applications for local administrative benefits, fast-track processing, and qualification for national tax incentives under Title XIII of the National Internal Revenue Code, as amended.

SEC. 6. Board of Directors. - The corporate powers and functions of the Authority shall be vested in a Board of Directors, composed of:

1. Secretary of DEPDev (or representative), as *Ex-Officio Chairman*;
2. City Mayor of Marikina, as *Ex-Officio Member*;
3. Municipal Mayor of San Mateo, Rizal, as *Ex-Officio Member*;
4. Municipal Mayor of Rodriguez, Rizal, as *Ex-Officio Member*;
5. Governor of the Province of Rizal (or representative), as *Ex-Officio Member*;
6. Secretary of DENR (or representative), as *Ex-Officio Member*; and
7. Two (2) representatives from private sector/CSOs in the area, appointed by the President.

SEC. 7. *Executive Director.* - The Authority shall be headed by an Executive Director with the rank of Assistant Secretary, appointed by the President upon recommendation of the Board, to manage day-to-day operations.

SEC. 8. *Priority Sectors for Growth Area Incentives.* - Enterprises registered with the Authority may qualify for incentives if engaged in any of the following priority sectors:

- a) Ecotourism and Cultural Heritage: Eco-resorts, community-based nature trails, sustainable adventure facilities, and heritage conservation projects.
- b) Green and Eco-Industrial Enterprises: Zero-waste manufacturing, circular economy projects, electric vehicle (EV) assembly, recycling, and low-carbon tech industries.
- c) Sustainable Infrastructure and Utilities: Renewable energy generation, water purification, flood prevention systems, integrated mass transport, and green building developments.
- d) Watershed and Environmental Services: Reforestation, river rehabilitation, and waste management services operating within the Upper Marikina River Basin.

SEC. 9. *Applicable Incentives.* – Registered enterprises can avail of the following national and local tax and other incentives:

(a) National Tax Incentives

Registered enterprises operating within the Growth Area that meet the Strategic Investment Priority Plan (SIPP) criteria under Title XIII of the National Internal Revenue Code (Corporate Recovery and Tax Incentives for Enterprises Act / CREATE Law), as amended, shall be eligible to apply for:

- 1. Income Tax Holidays (ITH);
- 2. Enhanced Deductions or Special Corporate Income Tax (SCIT) rates;
- 3. Duty exemptions on imported capital equipment and raw materials used directly in registered activities; and
- 4. Value-Added Tax (VAT) zero-rating on local purchases directly linked to registered activities.

(b) Local Tax and Fee Discounts

Subject to the approval of their respective *Sanggunians*, the constituent LGUs (Marikina, San Mateo, Rodriguez) may grant registered enterprises:

- 1. Local Business Tax (LBT) Relief: A discount of up to fifty percent (50%) on LBT for the first five (5) years of operations;

2. Real Property Tax (RPT) Relief: Exemption or reduction on RPT levied on newly constructed eco-industrial facilities or ecotourism infrastructure for up to three (3) years.

(c) Green Infrastructure Incentive

Enterprises that incorporate verified green building designs, rainwater harvesting systems, or renewable power generation (such as behind-the-meter solar systems) shall receive an additional 10% rebate on local permit fees and priority processing.

(d) Administrative Incentives and One-Stop Action Center

The Authority shall establish a One-Stop Action Center (OSAC) to facilitate and streamline the issuance of all local and national permits, licenses, and clearances for registered enterprises within thirty (30) days from submission of complete requirements.

SEC. 10. *Inter-LGU Cooperation and Local Autonomy.* - Nothing in this Act shall diminish the constitutional autonomy of constituent LGUs. The Authority shall work in close consultation with the local *Sanggunians* to align local comprehensive land use plans (CLUPs) and local incentive codes with the MARISARO Master Plan.

SEC. 11. *Appropriations.* - The amount necessary for the initial implementation of this Act shall be charged against the current year's unallocated funds of the National Government. Thereafter, such sums as may be necessary, shall be included in the annual General Appropriations Act (GAA).

SEC. 12. *Implementing Rules and Regulations (IRR).* - Within ninety (90) days from the effectivity of this Act, DEPDev, in consultation with the Department of Finance (DOF), Department of Trade and Industry (DTI), DENR, Department of Tourism (DOT), and the constituent LGUs, shall issue the necessary rules and regulations.

SEC. 13. *Separability Clause.* - If any provision of this Act is declared unconstitutional or invalid, the remaining provisions shall remain in full force and effect.

SEC. 14. *Repealing Clause.* - All laws, executive orders, proclamations, issuances, rules, and regulations inconsistent with this Act are hereby repealed or modified accordingly.

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

Approved,