

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City  
**NINETEENTH CONGRESS**  
First Regular Session



---

COMMITTEE REPORT NO. 446

Submitted by the Special Committee on East ASEAN Growth Area on **March 15, 2023**  
Re: House Resolution No. 454  
Recommending its adoption without amendment  
Sponsor : Rep. Princess Rihan Mangudadatu Sakaluran

---

*Mr. Speaker:*

The Special Committee on East ASEAN Growth Area to which was referred House Resolution No. 454 introduced by Rep. Princess Rihan Mangudadatu Sakaluran, entitled:

“RESOLUTION  
URGING HIS EXCELLENCY, PRESIDENT FERDINAND ROMUALDEZ MARCOS, JR., TO RENEW THE POLICY WHICH GRANTS TRAVEL TAX EXEMPTION TO TRAVELLERS DEPARTING FROM ALL INTERNATIONAL AIRPORTS AND SEAPORTS IN MINDANAO AND PALAWAN TO ANY DESTINATION IN THE BRUNEI DARUSSALAM- INDONESIA-MALAYSIA-PHILIPPINES – EAST ASEAN GROWTH AREA (BIMP-EAGA) WHICH IS SET TO EXPIRE ON MAY 2023”

has considered the same and recommends its adoption, without amendment, with Representatives Princess Rihan M. Sakaluran, Jurdin Jesus M. Romualdo, Romeo S. Momo, Edward S. Hagedorn, Loreto B. Acharon, John Tracy F. Cagas, Samier A. Tan, Adrian Michael A. Amatong, Khymer Adan T. Olaso, Ma. Alana Samantha T. Santos, Ziaur-Rahman “Zia” Alonto Adiong, Jose Ma. R. Zubiri Jr., Rudy S. Caoagdan, Jonathan Clement M. Abalos, Milagros Aquino-Magsaysay, Jose C. Alvarez, Alfelito “Alfel” M. Bascug, Nelson L. Dayanghirang, Yevgeny Vincent B. Emano, Antonieta “Ate Tata” R. Eudela, Glona G. Labadlabad, Bai Dimple I. Mastura, Mohamad P. Paglas Sr., Laarni L. Roque, Dimszar M. Sali, Lordan G. Suan, and Reynaldo S. Tamayo, as authors thereof.

Respectfully submitted:

A handwritten signature in black ink, appearing to be "Rihan", written over a circular stamp.

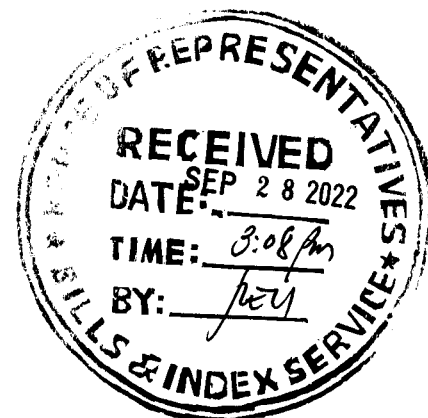
**HON. PRINCESS RIHAN MANGUDADATU SAKALURAN**  
Chairperson  
Special Committee on East ASEAN Growth Area

**THE HONORABLE SPEAKER**  
HOUSE OF REPRESENTATIVES  
QUEZON CITY

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Batasan Hills, Quezon City

**NINETEENTH CONGRESS**  
First Regular Session

**HOUSE RESOLUTION No. 454**



---

**INTRODUCED BY REP. PRINCESS RIHAN MANGUDADATU SAKALURAN**

---

**RESOLUTION**

**URGING HIS EXCELLENCY, PRESIDENT FERDINAND ROMUALDEZ MARCOS, JR., TO RENEW THE POLICY WHICH GRANTS TRAVEL TAX EXEMPTION TO TRAVELLERS DEPARTING FROM ALL INTERNATIONAL AIRPORTS AND SEAPORTS IN MINDANAO AND PALAWAN TO ANY DESTINATION IN THE BRUNEI DARUSSALAM-INDONESIA-MALAYSIA-PHILIPPINES - EAST ASEAN GROWTH AREA (BIMP-EAGA) WHICH IS SET TO EXPIRE ON MAY 2023**

*WHEREAS*, on 24 March 1994, the Brunei Darussalam-Indonesia-Malaysia-Philippines – East ASEAN Growth Area (BIMP-EAGA) was formally launched in Davao City as a major economic and diplomatic initiative in the Association of Southeast Asian Nations (ASEAN) by four (4) of its most economically dynamic countries: Brunei Darussalam, Indonesia, Malaysia, and the Philippines;

*WHEREAS*, in October 2021, the 24<sup>th</sup> BIMP-EAGA Ministerial Meeting committed to fortify BIMP-EAGA cooperation in all sectors, build on significant achievements in connectivity, and strengthen economic corridors and special economic zones (SEZs) development to sustain trade and supply chains, attract quality investments, and promote inclusive growth in the new normal;

*WHEREAS*, the ministers of BIMP-EAGA are deeply concerned with the protracted impact brought about by the COVID-19 pandemic as it continues to affect lives and livelihoods in the subregion. They reiterate their support for the BIMP-EAGA member countries' collective efforts to mitigate the impacts of the COVID-19 crisis;

*WHEREAS*, the objective of the BIMP-EAGA Vision 2025 is to increase trade, tourism and investments that will guide cooperation over a nine (9)-year period covering CYs 2017-2025, anchored on five (5) strategic pillars: (1) Enhancing connectivity within the BIMP-EAGA and other regions; (2) Establishing the BIMP-EAGA as the food basket for the ASEAN and the rest of Asia; (3) Promoting the BIMP-EAGA as a premier regional tourism destination; (4) Ensuring the sustainable environmental management; and (5) Promoting sociocultural development and education;

**WHEREAS**, the 24<sup>th</sup> BIMP-EAGA Ministerial Meeting is guided by the BIMP-EAGA Vision 2025 as they steer the path towards economic recovery and deliver the three main outcomes of clean and green manufacturing; competitive and climate-resilient agro-industry and fisheries; and well-developed multi-country tourism destination;

**WHEREAS**, in order to promote mobility of travellers across the subregional areas, and for airline companies to open up services within the Philippines -EAGA routes, former President Rodrigo Roa Duterte issued Memorandum Order No. 23 in 2018 granting tax exemption to all passengers originating from Mindanao and Palawan, by air and/or by sea, to any destination within the BIMP-EAGA;

**WHEREAS**, said incentive was implemented for a period of five (5) years from its effectivity, which will expire on May 2023;

**WHEREAS**, the travel tax exemption policy that the national government has been granting travelers from Mindanao and Palawan to any area in the BIMP-EAGA has continued to revitalize the BIMP-EAGA's programs and activities and has made a positive impact on the growth of tourism, trade and investments in the subregion. More particularly, it has produced economic benefits in terms of increased business activities, remarkable growth in tourism development, additional air and sea services in the transportation sector, and heightened sociocultural ties among the people in the growth area;

**WHEREAS**, the BIMP-EAGA reaffirm increased connectivity remains the cornerstone of the cooperation and quality infrastructure in the BIMP-EAGA economic corridors, which is crucial to pandemic recovery. In the Philippines, the General Santos Astropolis Airport boosts domestic and international trade and tourism;

**WHEREAS**, it may be worthy to note that among the member-countries of the BIMP-EAGA, only the Philippines collects travel tax on its outbound international travels, which runs counter to the subregional objective of promoting the connectivity and accessibility of the EAGA focus areas as well as facilitating freer movement of people, goods and services;

**WHEREAS**, the call to renew the travel tax exemption policy of the government comes in this very opportune time when the subregions are working towards tourism revival under the BIMP-EAGA Tourism Recovery Framework aligned with the ASEAN Post Pandemic Recovery Plan;

**WHEREAS**, it is essential for the government to continue to capture the interest of travel service providers to invest in Philippine-EAGA routes by providing the necessary incentives, one of which is the travel tax exemption for international travels from Mindanao and Palawan to all EAGA destinations;

**WHEREAS**, for reasons of national interest and in order to sustain and accelerate economic development in Mindanao and Palawan, it is vital, reasonable and proper for the national government to renew the policy that grants travel tax exemption for a period of five (5) years, subject to review and overall assessment and impact analysis on the returns to the national government as basis for possible further extension;

***NOW, THEREFORE, BE IT RESOLVED***, as it is hereby resolved that the House of Representatives, to urge His Excellency, President Ferdinand Romualdez Marcos, Jr., to renew the policy which grants travel tax exemption to travelers departing from all international airports and seaports in Mindanao and Palawan to any destination in the Brunei Darussalam-Indonesia-Malaysia-Philippines – East ASEAN Growth area (BIMP-EAGA).

***Adopted,***

  
**REP. PRINCESS RIHAN MANGUDADATU SAKALURAN**  
*1<sup>st</sup> District, Sultan Kudarat*

House of Representatives  
Committee Affairs Department  
FACT SHEET

**House Resolution No. 454**

**“RESOLUTION  
URGING HIS EXCELLENCY, PRESIDENT FERDINAND ROMUALDEZ MARCOS, JR., TO  
RENEW THE POLICY WHICH GRANTS TRAVEL TAX EXEMPTION TO TRAVELLERS  
DEPARTING FROM ALL INTERNATIONAL AIRPORTS AND SEAPORTS IN MINDANAO  
AND PALAWAN TO ANY DESTINATION IN THE BURENIE DARUSSALAM-INDONESIA-  
MALAYSIA-PHILIPPINES – EAST ASEAN GROWTH AREA (BIMP-EAGA) WHICH IS SET  
TO EXPIRE ON MAY 2023”.**

*Introduced by the Honorable Representatives:*

Princess Rihan M. Sakaluran, Jurdin Jesus M. Romualdo, Romeo S. Momo, Edward S. Hagedorn, Loreto B. Acharon, John Tracy F. Cagas, Samier A. Tan, Adrian Michael A. Amatong, Khymer Adan T. Olaso, Ma. Alana Samantha T. Santos, Ziaur-Rahman “Zia” Alonto Adiong, Jose Ma. R. Zubiri Jr., Rudy S. Caoagdan, Jonathan Clement M. Abalos, Rep. Milagros Aquino-Magsaysay, Jose C. Alvarez, Alfelito “Alfel” M. Bascug, Nelson L. Dayanghirang, Yevgeny Vincent B. Emano, Antonieta “Ate Tata” R. Eudela, Glona G. Labadlabad, Bai Dimple I. Mastura, Mohamad P. Paglas Sr., Laarni Lavin Roque, Dimszar M. Sali, Lordan G. Suan, and Reynaldo S. Tamayo

Committee Referral: *Special Committee on East ASEAN Growth Area*

Committee Chairperson: *PRINCESS RIHAN M. SAKALURAN*

**OBJECTIVE:**

- To promote tourism and trade activities, and encourage mobility of passengers travelling by air and sea from Palawan and Mindanao to any destination in the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA) subregion.

**KEY PROVISIONS:**

- The BIMP-EAGA member countries are concerned on the economic impact brought about by the COVID-19 pandemic. The Travel Tax Exemption (TTE) shall mitigate the impacts of the health crisis and give the much needed to support to the country’s trade and tourism sectors.
- Among the member countries, only the Philippines collects travel tax on its outbound international travels. This runs counter to the subregional objective of

promoting the connectivity and accessibility of the EAGA focus areas, as well as facilitating freer movement of people, goods and services.

- Former President Rodrigo “Roa” Duterte issued Memorandum Order No. 23 in 2018 granting tax exemption to all passengers originating from Mindanao and Palawan, by air and/or by sea, to any destination within the BIMP-EAGA. The five (5) year incentive shall expire in May 2023.

**RELATED LAWS:**

- Republic Act No. 9593, or the Tourism Act of 2009
- Republic Act 9996, or the Mindanao Development Authority (MinDA) Act of 2010
- ASEAN Tourism Agreement