

Republic of the Philippines
Bangsamoro Autonomous Region in Muslim Mindanao
Cotabato City

Bangsamoro Transition Authority
Parliament Bill No. 48

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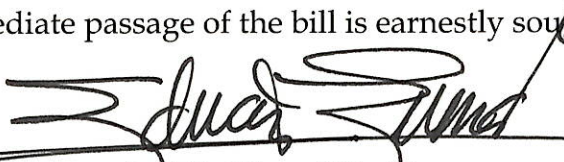
EXPLANATORY NOTE

The Bangsamoro Government fought in the struggle because of the unaddressed economic and social problems of the Bangsamoro. There is a need to address this concern by way of providing employment and livelihood opportunities that can only be brought about by investments. An accelerated promotion of economic and social development of the Bangsamoro territories is needed, and we should be cognizant of the vital role of the private sector and the local government units in this.

There is a pressing need to enhance the inflow of private capital and broaden the ownership base to fund development initiatives, including that of infrastructure facilities. The best way to pursue the inflow of private capital while ensuring fair and non-discriminatory treatment of public and private sector entities in the process of development, is to create a development corporation.

We not only establish a strong and purely independent regulatory body and system to ensure consumer protection and enhance the competitive operation the investment market but also minimize the financial risk exposure of the Bangsamoro Government at the same time.

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


Arch't. Eduard Uy Guerra
Member of the Parliament

Republic of the Philippines
Bangsamoro Autonomous Region in Muslim Mindanao
Bangsamoro Transition Authority Parliament
OFFICE OF THE SECRETARY GENERAL

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By: NORIA Y. TAHA

Signature: 

Date: 6-26-20

Time: 3:10

**AN ACT CREATING THE BANGSAMORO DEVELOPMENT CORPORATION,
DEFINING ITS POWERS AND FUNCTIONS, PROVIDING FUNDS THEREFOR,
AND FOR OTHER PURPOSES**

Bangsamoro Transition Authority
Parliament Bill No. 48

Section 1. *The Short Title.*- This Act shall be known as the " Charter of the Bangsamoro Development Corporation". It shall hereinafter be referred to as the Charter.

Section 2. *Declaration of Policy.* - It is hereby declared the policy of the Bangsamoro:

- (a) To ensure and accelerate the development of the Bangsamoro Territories;
- (b) To enhance the inflow of private capital and broaden the ownership base of development projects, including that of infrastructure facilities in order to minimize the financial risk exposure of the Bangsamoro Government;
- (c) To ensure fair and non-discriminatory treatment of public and private sector entities in the process of development;
- (d) To assure socially and environmentally compatible development projects and infrastructure;
- (e) To establish a strong and purely independent regulatory body and system to ensure consumer protection and enhance the competitive operation the investment market; and
- (f) To encourage the efficient use of resources and other modalities of demand side management.

Section 3. *Creation of the Bangsamoro Development Corporation.* - There is hereby created a Bangsamoro Development Corporation, hereinafter referred to as BDC which shall have the powers and functions hereinafter granted.

Section 4. *Scope.* - This Charter shall provide a framework for the BDC and the definition of the responsibilities of the various Ministries and private entities.

Section 5. *Capital Stock* - The capital stock of the BDC shall be fifty million pesos, divided into five hundred thousand shares of stock, having a par value of one hundred pesos each, and no stock of the BDC shall be issued at less than par or except for cash.

Fifty-one per centum, at least, of said capital stock shall be subscribed by the Bangsamoro Government, and the remainder thereof may be offered to provincial, municipal, and city governments within the Bangsamoro Territories. Ten per centum of the value of all stock subscribed shall be paid at the time of subscription, and the balance thereof shall be subject to call upon the vote of three-fifths of the Board of Directors of the BDC, with the approval of the Minister of Finance, Budget and Management at such time or times as may be deemed advisable.

The voting power of all such stock owned by the Bangsamoro Government shall be vested in the Chief Minister or in such person or persons as he may designate, and the voting power of the stock owned by the provincial, municipal, or city governments shall be vested in the chief executive officer of such respective governments.

Section 6. *Powers.* - The BDC shall be subject to the provisions of the existing Corporation Laws, or the purposes for which the corporation is formed,

and shall have the general powers mentioned in said Law, and such other powers as may be necessary to enable it to serve its mandates. The BDC is vested with the power to:

- a. organize and cause itself to be registered with the Securities and Exchange Commission.
- b. engage in commercial, industrial, mining, agricultural, and other enterprises which may be necessary or contributory to the economic development of the country, or important in the public interest, and for this purpose, it may hold public agricultural lands and mineral lands in excess of the areas permitted to private corporations, associations, and persons by the Constitution and by the laws of the Philippines, for a period not exceeding twenty-five years, renewable by the Chief Minister of the Bangsamoro Government for another period not exceeding twenty-five years;
- c. acquire, hold, mortgage, and alienate personal and real property in the Bangsamoro Territories or elsewhere, subject to national laws;
- d. enter into contracts and such arrangements as it may consider convenient and advantageous to its interests, for the development, exploitation, and operation of any of its land or mineral holdings, as well as of its industrial enterprises;
- e. contract loans, to issue bonds and other obligations as security therefor, and for property purchased or acquired by it, or for any other object in or about its business;
- f. mortgage or pledge any share, stock, bond or other obligation, or any property which may be acquired by it;
- g. secure any bond or other obligation by it issued or incurred, to make contracts of any kind and description;
- h. purchase, hold, alienate, mortgage, pledge, or otherwise dispose of the shares of the capital stock of, or any bond, security, or other evidence of indebtedness created by, any other corporation or corporations, co-partnership or co-partnerships of this or any other country subject to national laws, and while the owner of said stock, to exercise all the rights of ownership, including the right to vote thereon; and
- i. carry on its business, or for the purpose of attaining or furthering any of its objects, or authorized in this Act, to perform any and all acts which a co-partnership or natural person is authorized to perform under the laws now existing or which may be enacted hereafter.

Provided, That, unless the public interest so requires, the BDC shall not engage in such activities as to bring it into competition with private enterprises.

Section 7. *Management.* - The management of the BDC shall be vested in a Board of Trustees, consisting of the following:

- a. Minister of Agriculture, Fisheries and Agrarian Reform;
- b. Minister of Investments, Trade Industry and Tourism;
- c. Minister of Finance, Budget and Management;
- d. Minister of the Interior and Local Government;
- e. Minister of Labor and Employment;
- f. Minister of Environment, Natural Resources and Energy;
- g. and three other persons, to be appointed by the Chief Minister.

The Chief Minister shall designate and appoint the Chairman of the Board.

Of the three directors first appointed as above prescribed, the Chief Minister shall designate one to serve for one year, one to serve for two years, and one to serve for three years; and thereafter, each director so appointed shall serve for three years. Whenever a vacancy shall occur among the directors so appointed, the person appointed director to fill any such vacancy shall hold office for the unexpired term of the member whose place he is selected to fill. Any director, except the *ex-officio* directors designated herein, shall be subject to removal by the Chief Minister. Five members of the Board of Directors shall constitute a quorum for the transaction of business.

The members of said Board who are not in the employ of the Bangsamoro Government shall each receive a per diem for each day of meeting of the Board actually attended by them to be set by the Board, subject to existing rules and regulations.

The Board shall render reports to the Chief Minister and the Parliament.

Section 8. *Functions and Responsibilities of the Board of Trustees.* - The Board shall have the following functions:

- a. To appoint the Executive Director and the other officers and staff of the BDC, whose number, organizational structure and compensation shall be determined by the Board upon recommendation of the Executive Director;
- b. To constitute themselves or their representatives into an Advisory Committee whose functions shall be to make recommendations to the BDC with respect to the latter's programs, projects or investments;
- c. To promulgate rules and regulations necessary for the discharge of its powers and functions and the internal organization and operations of the BDC;
- d. To monitor and review periodically the programs, projects or investments of the BDC.

Section 9. *Executive Director of the Center.* - The Executive Director shall be the executive officer of the BDC and shall receive such salary and remuneration as may be determined by the Board of Trustees. He shall have the following powers and duties:

- a. To have control and supervision over the personnel, staff, operations and internal administration of the BDC in accordance with existing laws and the rules and regulations promulgated by the Board of Trustees;
- b. To recommend to the Board of Trustees such policies and measures which he deems necessary for the effective exercise and discharge of the powers and responsibilities of the BDC;
- c. To submit an annual report to the Board of Advisers on the operations, the status of the programs, projects or investments funded by, and the financial condition of, the BDC, including a recommendation for its budget for the ensuing year.

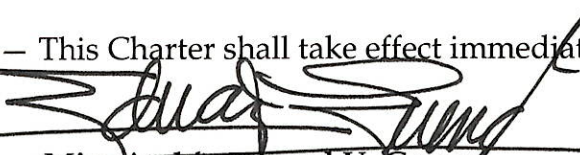
Section 10. *Finance Committee.* - The Board of Trustees shall constitute a Finance Committee, composed of at least three members, to be headed by a member of the Board of Trustees, which shall administer investments for, and shall be responsible directly to, the Board of Trustees. It shall advise and make recommendation to the Board of Trustees on matters pertaining to the funding aspect of programs proposed to be funded by the BDC, on matters pertaining to maintaining the integrity of the BDC funds.

Section 11. *Appointments and Discipline of Personnel.* Any provision of law to the contrary notwithstanding, appointments, compensation and discipline of the personnel in the staff of the BDC shall be in accordance with the rules and regulations promulgated by the Civil Service Law, and other existing laws and rules.


Section 12. *Exemption from Taxes.* Any provision of existing laws to the contrary notwithstanding, any donation, contribution, bequest, subsidiary or financial aid which may be made to the BDC shall be exempt from taxes imposed by the Bangsamoro Government, and shall constitute allowable deductions in full from the income of the donors or givers for income tax purpose.

Section 13. *Separability Clause.* – Should any provision of this Decree be held unconstitutional, no other provision hereof shall be affected from time to time.

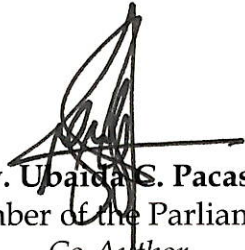
Section 14. *Effectivity.* – This Charter shall take effect immediately.



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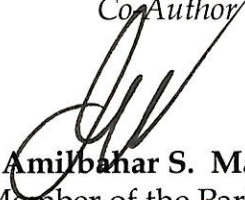
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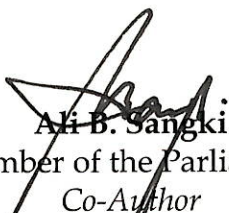
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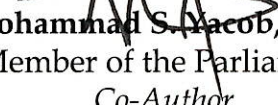
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