

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

Third Regular Session

BTA PARLIAMENT
BTA Resolution No. 576



Introduced by:

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RESOLUTION DIRECTING THE APPROPRIATE PARLIAMENTARY COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, TO ASSESS THE PROGRAMS AND POLICIES OF THE BANGSAMORO GOVERNMENT ON REGIONAL INVESTMENTS, WITH THE END-VIEW OF CRAFTING A BANGSAMORO INVESTMENT AND INCENTIVES CODE

WHEREAS, the creation of the Bangsamoro Autonomous Region in Muslim Mindanao, anchored on the fateful signing of the Final Peace Agreement between the Philippine Government and the Moro Islamic Liberation Front, paved the way in ending the four-decade struggle of the region brought about by armed conflict. This historical milestone helped establish the Bangsamoro Region as a peaceful and conducive environment for investments;

WHEREAS, to help attain economic and genuine development in the region, the Bangsamoro Organic Law declares that in the exercise of its right to self-governance, the Bangsamoro Autonomous Region is **free to pursue its political, economic, social, and cultural development** as provided for in the Organic Law;

WHEREAS, Section 2(zz), Article V of the BOL provides that subject to Section 20, Article X of the Constitution and the Organic Law, the Bangsamoro Government shall exercise its authority over Trade and Industry without prejudice to the general supervision of the President of the Republic of the Philippines;

WHEREAS, Section 8, Article XI of the BOL provides that the Parliament may grant tax exemptions and incentives under the Organic Law upon a vote of majority of all its member: *Provided*, That these tax exemptions and incentives

shall not diminish national revenues: *Provided, further,* That the grant of tax exemptions and incentives administered by the Regional Board of Investments of the Autonomous Region in Muslim Mindanao as provided for in Executive Order No. 458, Series of 1991, in relation to Executive Order No. 226, Series of 1987, otherwise known as the "*Omnibus Investments Code,*" shall continue to apply;

WHEREAS, the BARMM does not enjoy the power to give fiscal incentives involving national taxes such as Income Tax Holiday or reduced Customs Duties except as provided in the Devolution of the Regional Board of Investments (E.O. 458) under the R.A. 9054 or the Organic Act of the Autonomous Region in Muslim Mindanao as carried over in the BOL. For the BARMM to continue giving Fiscal Incentives involving National Taxes, the devolution of the office, its powers, functions and structure as the Regional Board of Investments (now known as the Bangsamoro Board of Investments) under E.O. 458 must be retained as provided by the specific reference to it under the BOL;

WHEREAS, BARMM recorded no investments for the first quarter of 2021. There were two (2) local firms registered in the second quarter of 2021, namely: the Al-Muzafar Agriventures Incorporated (AMAVI) and the ES Maulana Global Ventures Company, Incorporated (EMGCVI), with total investments of almost Php 2.0 billion in the BARMM;

WHEREAS, Agriculture is still one of the top investment opportunities in the region due to ideal agro-climatic conditions and vast undeveloped fertile lands available in the region;

WHEREAS, the results of key informant interviews (KIIs) and the consultations conducted by the Institute of Bangsamoro Studies in Cotabato City, provinces of Lanao Del Sur, Basilan, Sulu, Tawi-Tawi and the 63 barangays which were formerly part of North Cotabato, disclosed that the participants see the urgent need for the BARMM to come up with its Regional Investment and Incentives Code to promote BARMM as a new investment hub in the Philippines and in the World;

WHEREAS, BARMM has no Regional Investments and Incentives Code;

WHEREAS, economic growth and the creation of jobs which are essential in reducing poverty and improving the quality of life of people in a community require investments. Improving the investment environment requires reforms in the legal and regulatory environment for investments;

WHEREAS, the Bangsamoro Government has an important role to play in creating conditions favorable to the inflow of private investments. This can be done through the formulation of the Regional Investments and Incentives Code. This is to provide a policy that is clear, transparent, uniform and consistently applied for business to be attracted within the Region;

WHEREAS, the development of the BARMM investments and economy should be in consonance with principles and objectives of R.A. 11534 or the

Corporate Recovery and Tax Incentives for Enterprises (CREATE). BARMM through the BBOI and Bureau of Investments – Ministry of Trade, Investments and Tourism (BOI-MTIT) needs to formulate its regional non-fiscal or ease of doing business incentives to attract further investments in the Bangsamoro Region;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, by the BTA Parliament to pass and approve this Resolution directing the appropriate parliamentary committee to conduct an inquiry, in aid of legislation, to assess the programs and policies of the Bangsamoro Government on regional investments, with the end-view of crafting a Bangsamoro Investment and Incentives Code.

Adopted,



MP ENGR. BANTAN ADIL-AMPATUAN, MNSA