

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6970



Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

EXPLANATORY NOTE

This bill has a two-fold underlying objective. While it seeks to encourage those who left their provinces to return to their home provinces, it likewise encourages those who remain in their home provinces to stay and not seek opportunities outside of their home provinces.

Both must then be incentivized otherwise the Balik Probinsya Program will be counterproductive. Hence, employment and self-employment opportunities must be provided for both returning and staying residents in their home provinces.

The rationale for filing this bill are provided hereunder:

With a population density of 20,785 persons per square kilometer – 60 times higher than the 337 persons per square kilometer at the national level – Metro Manila is ranked 15th among the most densely populated cities in the world¹. In 2019, the Asian Development Bank tagged Metro Manila as the most congested natural city in Asia with a population greater than five million.

As large industries, major commercial and financial activities, and employment opportunities remain concentrated in the region, Filipinos from the provinces are naturally drawn towards the country's capital, seeking jobs and livelihood. With serious

¹ Elzy Kolb. **75,000 people per square mile? These are the most densely populated cities in the world.** 24/7 Wall Street, July 11, 2019. <https://www.usatoday.com/story/news/world/2019/07/11/the-50-most-densely-populated-cities-in-the-world/39664259/>

and decisive government support in strengthening rural physical infrastructure only beginning to take-off under the administration of President Rodrigo Roa Duterte, the migration of Filipinos from the provinces to Metro Manila and its surrounding urban centers (the Greater Manila Area which includes the provinces of Cavite, Laguna, Rizal, and Bulacan) over the past few decades has resulted to cramped housing, congested roads and highways, higher crime rates and other societal ills. As government policy follows the demand of private sector-led growth, the gentrification of unsightly urban poor areas has consequently led to social and political tensions or even conflict.

The economic costs of urban congestion in the region have also been well documented. According to the Japan International Cooperation Agency (JICA), the economic cost of transportation in Metro Manila is at PhP3.5 billion pesos per day and is projected to further rise to PhP5.4 billion a day in 2035 without decisive government intervention.

Studies have also shown that the inequalities caused by uneven economic growth and development puts urban poor populations at high risks of vulnerability in the face of calamities and natural disasters² which includes public health emergencies such as the ongoing Covid-19 pandemic.

As of May 1, 2020, 5,968 of the total 8,772 infected cases were recorded in the National Capital Region (NCR) or some 68% of the country's total cases representing seven out of ten infected Filipinos. Given high density of communities in the region and the mechanisms by which the Covid-19 virus is spread, it is not surprising that Metro Manila would register the most number of cases across the Philippines.

Government restrictions to curb the transmission of the virus have put further strain on the well-being of Metro Manila's urban poor population. With public and private construction work suspended, malls and commercial centers closed, and other economic activities highly regulated, unemployment has consequently risen. As the country enters into economic recession for the first time since 1998, further retrenchment in the workforce is foreseeable. On top of these, thousands of overseas Filipino workers (OFWs) have been forced by global circumstances to undergo repatriation or have voluntarily agreed to go back to the country.

Under these domestic and global circumstances, the government is finally reckoning with the reality that labor and the workforce is indeed at the core of economic growth and development.

² Emma Porio. **Prosperity and Inequality in Metro Manila: Reflections on Housing the Poor, Climate Risk, and Governance of Cities.**

This is why this proposed **Balik Probinsya Incentives Act of 2020** is of utmost necessity today.

Thus, while this bill seeks to encourage Metro Manila-based workers to return to their home provinces, however, it can only be meaningful if the government will also simultaneously provide the essential physical and social infrastructure and tax incentives to support the holistic well-being of not only those who will be making an exodus to the countryside but as well as to those residing in their home provinces to remain and retain their livelihood therein.

The mechanisms and modalities encouraging enterprises that will offer opportunities for employment and self-employment are stated in the main text of this bill. The incentives herein provided apply to new enterprises or relocation , whether in whole or in part, of enterprises including expansion of commercial operations outside Metro Manila.

In cases of relocation in part or expanding of operation in the countryside, without incorporating a separate and distinct entity, such operations shall be treated singly for tax accounting purposes in order to avail of the incentives.

Building on President Duterte's **Executive Order No. 114** which establishes "a multi-sectoral comprehensive program to decongest Metro Manila by helping stranded workers and OFWs, assisting people who want to relocate to the provinces, and encouraging people to settle down in the provinces for good" this **Balik Probinsya Incentives Act of 2020** institutionalizes the statutory framework for strengthening rural development in the country.

Article XII, Section 1 of the 1987 Constitution provides that "the goals of the national economy are a more equitable distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged" and that "in the pursuit of these goals, all sectors of the economy and all regions of the country shall be given optimum opportunity to develop".

To achieve this constitutional imperative, the **Balik Probinsya Incentives Act of 2020** establishes a **National Action Plan (BP-NAP)** that shall guide the **Balik Probinsya, Bagong Pag-aso (BP2) Council** in realizing the hereto defined statutory goals and objectives. Anchored on a two-pronged approach of **Public Investment and Incentives**, the BP-NAP shall steer the **dispersal of economic activity from Metro Manila to the Philippine countryside**.

This two-pronged approach of **Public Investment** and **Incentives** has been a proven catalyst for rural economic development documented in the United States and other European nations. In the US, various forms of tax incentives were implemented to attract new businesses and encourage existing businesses to expand and create new jobs. Literature suggests that tax incentives constitute a multiplier effect that increases the revenues of businesses that support the new business and its employees manifesting into an increase in economic activity³. Tax-based incentives were accompanied by legislations on rural development such as the Consolidated Farm and Rural Development Act of 1972 that provided loans to residents of rural areas to establish small business enterprises, which will provide residents with essential income. The said law also provided grants for water and waste disposal systems, and the construction of various public facilities. The 1972 Act follows up on the "Year 2000 Plan" which sought to establish townships and new growth areas in rural communities across the United States in the 1960s⁴.

In the United Kingdom, the New Towns Movement from 1946-1976 was responsible for the establishment of towns or garden cities after World War II which improved housing conditions in Britain's towns and helped decentralize London's population and industries. The New Towns Movement led to a redistribution of the population to a series of satellite towns⁵ and addressed the overcrowding and congestion in industrialized cities like London.

The French model *Contrats de Plan Etat Région* implemented in 1982 is also worth noting. Under this model, regional governments entered into contracts with the French national government towards the piloting of territorially defined economic development projects. Each project encouraged local actors to participate in the design and

³ Smith, J. K. (1999). Use of business tax incentives: Part 1. *Journal of State Taxation*, 17(4), 1-21

⁴ Carr-Fanning, E. (1977). From the asphalt jungle to the glasshouse: New communities and urban growth policy. *New England Law Review*, 13(1), 1-62.

⁵ Mervyn Miller. English Garden Cities: An Introduction. *English Heritage* 2010. <https://historicengland.org.uk/images-books/publications/english-garden-cities-introduction/english-garden-cities/>. See also: Helena Rivera. Political ideology and housing supply: Rethinking New Towns and the Building of New Communities in England. The Bartlett School of Planning. University College of London 2015. [https://discovery.ucl.ac.uk/id/eprint/1463369/1/RIVERA,H\[1\].pdf](https://discovery.ucl.ac.uk/id/eprint/1463369/1/RIVERA,H[1].pdf) and Marsh Halberg. New Towns Movement. Chaska Herald Newspaper. October 2008. <https://www.jonathaninchaska.com/wp-content/uploads/2018/01/The-New-Town-Movement-1.pdf>

implementation of place-based policies for their respective rural development strategies⁶.

The examples discussed here all point to the same essential ingredients in encouraging business to relocate or expand to rural areas and bring jobs therein: **comprehensive, multi-sectoral planning** and a mix of **top-down and bottom-up policy interventions** that will channel **public investment** and create **incentives** for growth in the countryside.

To this end and in light of successful comparative cases, the **BP-NAP** established in this Act shall have the following as its strategic outline:

- A. **Work Skills Profiling** and Matching
- B. Comprehensive Mapping of **Balik Probinsya Special Economic Zones**
- C. Public Investment in **Physical and Social Infrastructure**
- D. **Incentives** for Locators or Re-locators under Balik Probinsya, Bagong Pag-Asa Program
- E. **Work Skills Upgrading or Re-Orientation** and Capacity Development
- F. **Township Revitalization** Programs

To realize these goals, all relevant government agencies shall be called upon to work collectively to satisfy the immediate requirements of the BP Program such as mass transportation, logistics, food and housing, among others, while also providing medium-to long-term measures to ensure sustainability of the Program, such as, but not limited to, the following:

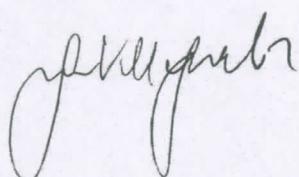
- Support for agri-fishery entrepreneurship and Improvement of agricultural productivity by the Department of Agriculture
- Employment facilitation and provision of trainings by the Department of Labor and Employment
- Support for local industries and micro, small and medium enterprises, and provision of incentives to investors by the Department of Trade and Industry
- Identification of land tenurial instruments by the Department of Agrarian Reform
- Promotion of responsible allocation and administration of land resources and environment by the Department of Environment and Natural Resources

⁶ Designing and Implementing Rural Development Policies. <https://www.oecd.org/regional/regional-policy/Designing-and%20Implementing-Rural-Development-Policies.pdf?fbclid=IwAR2CIwvx9SMkBrOtL3HTy8rwDT8P7WzSeybIctpStwxqi1vScjRyZQUHfk>

- Construction and improvement of basic education facilities by the Department of Education
- Improvement of local health care systems by the Department of Health
- Construction of access roads and improvement of transportation networks by the Department of Public Works and Highways, and the Department of Transportation
- Establishment of sustainable communities and provision of resettlement assistance by the National Housing Authority
- Provision of social service assistance and support to relocating families by the Department of Social Welfare and Development.
- Provision of assistance, training, and entrepreneurial capacity-building, and workforce integration programs to Filipino youth by the National Youth Commission.

Legislating the *Balik Probinsya Incentives Bill* will relieve the socio-economic effects of urban congestion and concentration of economic activity in Metro Manila. It will assist in stimulating growth at the Philippine countryside as workers who lost their jobs during the pandemic are constrained to go back to their respective provinces. By incentivizing business and other economic activities in the provinces, this bill will encourage workers in Metro Manila and other urban centers to go back to their hometowns where gainful employment awaits them.

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



LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

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6970
HOUSE BILL NO. _____

Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.,**

**AN ACT PRESCRIBING INCENTIVES AND ITS IMPLEMENTING MECHANISM TO
THE COMPANIES ESTABLISHING NEW ENTERPRISES, EXPANDING OR
RELOCATING THEIR BUSINESS OPERATIONS UNDER BALIK PROBINSYA
PROGRAM IN PURSUIT OF PHILIPPINE RECOVERY AND RURAL DEVELOPMENT
(PRRD), PROVIDING POLICIES OF SUPPLEMENTAL APPLICATION TO
EXECUTIVE ORDER NO. 114, "INSTITUTIONALIZING BALIK PROBINSYA,
BAGONG PAG-ASA PROGRAM" APPROPRIATING THE NECESSARY FUNDS
THEREFOR AND FOR OTHER PURPOSES**

Section 1. Title. - This Act shall be known as the "*Balik Probinsya Incentives Act of 2020*".

Section 2. Declaration of Policy. – Article XII, Section 1 of the 1987 Constitution provides that "the goals of the national economy are a more equitable distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged" and that "in the pursuit of these goals, all sectors of the economy and all regions of the country shall be given optimum opportunity to develop".

Furthermore, the resumption of economic and social activities following the implementation of various mechanisms instituting public health, safety, and security measures through community quarantines or forms thereof in order to stem the

transmission of the Covid-19 virus requires the institution and establishment of standards and protocols that would simultaneously protect the vulnerable from the disease and prevent transmission from asymptomatic or untested carriers of the virus, while ensuring the restoration of livelihood opportunities and sources of income for all, especially the country's poor.

Thus, there is an urgent need for: a) the decongestion of Metro Manila being the most densely populated; b) rehabilitation of outdated infrastructures caused by increasing population in National Capital Region (NCR); c) redirection and decentralization of opportunities to all regions of the country d) establishment of new normal requiring decreased number of people in proportion to the area occupied and e) urbanization of other underdeveloped provinces with wide-ranging potential for progress.

Section 3. Coverage. This Act shall apply to all business enterprise that shall establish, relocate, expand and invest to economic endeavours and activities such as production of goods, trade, rendering of services and construction of facilities that provides employment and self-employment opportunities. These shall include but not be limited to the following:

- a) Any **Contract-Farming or Grower's Agreement** entered into with the arrangement for the production or growing of crops, the output of which are designed for the processing of such goods by the contracting manufacturer or processor.
- b) Any enterprise established under **agri-business systems** whereby production of raw materials are processed or manufactured into intermediate and finished products.
- c) Any enterprise established under **Special Economic Zones** in selected areas in the countryside which have the potential to be developed into agro-industrial zones; fisheries and aquatic special economic zones; import-export processing zones; tourism/recreational zones; mineral development zones; or free trade economic zones.
- d) Registered Enterprises with domestic and/or foreign investment, Business Expansion as defined and classified under Omnibus Investment Act whether a pioneer or a non-pioneer enterprise status.
- e) Enterprises established under the Township Revitalization Program mentioned in Section 11 of this Act.
- f) Such any other enterprise as the Balik Probinsya, Bagong Pag-Asa Council (BP² Council) may prescribe and authorize to be entitled to the incentives under this Act.

The abovementioned covered entities shall apply for endorsement from Balik Probinsya, Bagong Pag-Asa Council (BP² Council) to the respective agencies of the government authorized by law to grant incentives provided, as modified, in this Act.

Section 4. Balik Probinsya, Bagong Pag-Asa Council (BP² Council) - In addition to the Powers and Functions of the Council provided for under Section 3 of **Executive Order No. 114, INSTITUTIONALIZING THE BALIK PROBINSYA, BAGONG PAG-ASA PROGRAM AS A PILLAR OF BALANCED REGIONAL DEVELOPMENT, CREATING A COUNCIL THEREFOR, AND FOR OTHER PURPOSES**, it shall be the duty of BP² Council to:

- a) develop and establish a **Balik Probinsya National Action Plan (BP-NAP)** which shall serve as the framework for the implementation of this Act specifically on the identification of the cities and municipalities of provinces outside the National Capital Region to which the incentives under this Act shall apply. Such process of identification may exclude cities and municipalities which the council may deem to be already highly-developed such that the incentives in this Act should apply to other cities and municipalities within the same province that need to be strengthened. These latter areas shall be given preference in the grant of the incentives under this Act.
- b) mandate all the public and private financial institutions through **Department of Finance and Bangko Sentral ng Pilipinas** to create a **loan program** providing support and assistance to the rural enterprises established under this Act;
- c) recommend to the **National Economic Development Authority (NEDA)** and **Office of the President** that official development assistance from multilateral financial institutions in support of the enterprises covered by this Act. Such financial assistance may be coursing through government-owned and operated financial institutions.
- d) appropriations thereof shall be incorporated in the General Appropriations Act and/or charge to official development assistance particularly expansion of port facilities, airport facilities, railways or roads going to or from the location of enterprises established under this Act.

Section 5. The Balik Probinsya Workforce Survey – The BP² Council established in the preceding section shall immediately **conduct or commission the conduct of a study/survey**, in cooperation with appropriate department or government agency profiling of all workers that potentially could be encouraged to join the Balik Probinsya Program including workers displaced or at risk for displacement (such

as repatriated OFWs or those who have applied for repatriation) due to Covid-19, other epidemics and pandemics that may emerge, or any other causes that disrupt their continuing employment. The survey shall primarily a) document the skill sets and employment histories of these workers; b) their provinces of origin; and c) the socio-economic profile of the communities to where they will be returning.

The Workforce Survey shall be continuously updated and shall serve as a primary data set in informing government policy making of their status.

Section 6. Recommendations of the Provincial Development Councils. – The Provincial Development Councils of the provinces, cities and municipalities entitled to the incentives under this Act shall recommend annually to the BP² Council the priority enterprises that they respectively consider to be given preferential grant of the incentives. Such recommendation shall include the grant, use, lease or usufruct of public lands under the Department of Environment and Natural Resources (DENR), National Housing Authority (NHA) and other agencies of the government in order to align the incentives provided under this Act.

Section 7. Tax Incentives.– All enterprises established under this Act as stated in Section 3 shall be entitled to the following incentives:

A. Income Tax Holidays- For a period of two (2) years from commercial operation, covered enterprises provided under Section 3 of this Act shall be fully exempt from any and all taxes and fees including exemption for importation, tariffs, and customs duties levied by the National Government. In addition to Value Added Tax (VAT)-exempt transactions mentioned on Section 109 of our Tax Code, transactions of the covered enterprise under section 3 of this act shall be included in the VAT-exempt list.

With respect to companies operating under the import and export schemes, they shall, in addition, be entitled for the import of duty-free materials to be processed into finished goods.

Other incentives to be availed of by other enterprises covered under this Act shall be granted by the respective board, authority, department, bureaus or other government agency which under their respective charters are authorized to give such incentives. However, the grant of such incentives shall be in accordance with the modified incentives provided under the provisions of this act:

- i. Enterprises mentioned under Section 3c of this Act shall be covered by Philippine Economic Zone Authority (PEZA) after the two (2) years income tax holiday, they shall be granted a special rate of three (3) percent of gross income earned for the next five years. Thereafter, they shall follow the rate provided for under the PEZA Law, as amended if any.
- ii. The income tax holidays of the enterprises registered under the Board of Investments (BOI) shall be the same as those which are granted by the PEZA as provided in the preceding paragraph.
- iii. With respect to the enterprises under Section 3 paragraphs a, b,e and f, shall be entitled to income tax holidays provided for under PEZA and BOI in accordance with the preceding paragraph.

For purposes of granting this tax incentive, business branches that resulted from expansion or extension of commercial operation to provincial area is required to obtain a separate business and tax registration independent of the account of its main branch in order to avail of the incentive mentioned herein.

- B. Relocation Tax Credit (RTC)**— there shall be a ten per cent (10%) investment tax credit based on investment or transfer cost extended to a qualified entity under this Act, to evidence which, a tax credit certificate shall be issued by the Secretary of Finance, or his duly authorized representative, the Bureau of Internal Revenue (BIR), if so delegated. Unless otherwise provided herein, **the tax credit certificate may be used by the qualified entity to pay taxes,duties, chargers and fees due to the national government** in connection with its relocation and/ or expansion of business operations. The ITC shall not be transferable and may only be used within **ten years from the date of its issuance** entities after submitting the necessary documents substantiated by receipts, effective only for the first taxable year preceding the relocation or start of business operation in the province.
- C. Job/Employee Tax Credit(JTC/ETC)**- there shall be a one hundred pesos (P 100.00) **tax credit** for every individual employed in a **new job** created upon relocation of the businessand for every **employee** hired on the first year of business operation of newly established business entities.

For purposes of granting this incentive, **a new job** refers to the job or jobs previously not included in the job listings prior to relocation or transfer. While **an employee** is any person who is under an employment contract for a period of at least one year from the start of commercial or business operations of the qualified entity as defined herein, regardless of the employment status and rank.

- D. Sale and Transfer of Property Tax Exemptions-** Any acquisition of real property located in the new place of business related to the investment, relocation, and expansion of the business in the province by the qualified entities shall be exempt of any applicable transfer tax.

This exemption shall also be applicable to sale, transfer of ownership and any other forms of disposition of real properties located in the original place of business by the qualified entities to which transactions are related to relocation or expansion of business outside Metro Manila.

- E. Exemption to Local Government and Real Property Tax-** All qualified entities mentioned in Section 3 of this Act shall be exempt to any local government and real property taxes within a period of three (3) years. Thereafter, there shall be a special tax rate lower than the usual rate of local government and real property Tax rate.

Section 8. Financial Assistance to Enterprises under BP Special Economic Zones- All covered entities as defined in this Act shall also be eligible to avail of the following forms of financial assistance:

- A. Creation of the Rural Development Insurance Fund** - the funds therein shall be used by the Balik Probinsya, Bagong Pag-aso Council as a revolving fund for the discharge of the obligations of the council under contracts guaranteeing Rural Development Loans.
- B. Assistance to Rural Enterprise Operating Loans-** The Rural Enterprise Operating Loans applied for by the qualified entities shall be guaranteed by the government through the BP² Council utilizing the abovementioned Rural Development Insurance Fund.
- C. Granting of Low-Interest Financial Loans-** Government owned or controlled financial institutions shall provide a special low-interest rate financial loan programs for the applying qualified entities.
- D. Rural Industrialization Assistance-** the government shall provide financial assistance for the first five years reckoned from the first day of commercial operation in proportion to the corresponding employment scale:
 - a) **Fifteen thousand pesos (Php15,000)** for employment scale of thirty (30) and below
 - b) **Thirty thousand pesos (Php30,000)** for employment scale of thirty-one to fifty (31-50)

- c) Sixty-five thousand pesos (Php65,000) for employment scale of **fifty-one to one hundred (51-100)**
- d) One hundred forty thousand pesos (Php140,000) for employment scale of **one hundred one to two hundred (100-200)**
- e) Three hundred thousand pesos (Php300,000) for employment scale of **two hundred one to four hundred (201-400)**
- f) Five hundred sixty thousand pesos (Php560,000) for employment scale of **four hundred one to seven hundred (401-700)**
- g) Eight hundred fifty thousand pesos (Php850,000) for employment scale of **seven hundred one to one thousand (701-1000)**
- h) One million pesos (Php1,000,000) for employment scale of **above one thousand**

Section 9. Other Non-Fiscal Incentives - The qualified entities under the BP Model Township Programs shall receive government intervention in the form of these non-fiscal incentives:

- a. **Empowerment of Local Industries** - there shall be an establishment of common frameworks for regional plans of rural development initiated by the Department of Interior Local Government, and other relevant agencies
- b. **Food Security and Agricultural Productivity** - Through programs to be implemented by Department of Agriculture and National Food Authority, the government shall assure the sufficient supply of food even after the relocation of business operations including number of employees and respective families.
- c. **Social Welfare, Health, and Employment** - there shall be grants for employee trainings from Department of Labor and Employment its attached agencies and local government counterparts in order to improve the employee's physical skills, efficiency and learning attitude.

The Department of Health in coordination with its provincial counterparts shall provide assurance for the accessibility of healthcare facilities and institutions that shall cater to the health needs of the displaced workers.

The Department of Social Welfare and Development along with its local government counterparts shall provide the necessary social

welfare assistance to the transferred employees. This shall also include a Rural Housing Loans Program for them to be administered by the National Housing Authority.

- d. **Development of Infrastructures**- The Department of Public Works and Highways along with Local Government shall proceed with construction of access roads and improvement of infrastructures that shall dispense convenience and will be beneficial to both the business operation and its corresponding market thereby promoting the local industries established under this program.

Section 10. Work Skills Upgrading and Capacity Development. Workers returning to their provinces shall undergo **skills upgrading and/or re-orientation training programs** to ensure their continuing development and adaptation to the rural economy. Under this Act, skills upgrading and re-orientation towards agriculture and agriculture-related economic activities shall be prioritized.

- 10.1. **Farmers/Fishers of the Future Program.** To encourage young people in the provinces to remain in their respective rural communities and discourage their migration to Metro Manila and/or other congested urban centers, the government under the leadership of the Department of Agriculture, the Department of Labor and Employment, and the National Youth Commission shall establish a Farmers/Fishers of the Future Program that shall promote youth agri-fisheries involvement or entrepreneurship.
- 10.2. **Trade-from-Home Program.** Primarily intended for stay-at-home wives and women, the Department of Trade and Industry shall promote the integration of cottage industries, crafts, and other small-medium and operated by women's groups or associations into digital platforms for marketing and trading purposes.
- 10.3. **Community Procurement. The Government Procurement Policy Board (GPPB)** is hereby mandated to promote the **Community Procurement Method** in the public procurement of goods and services in communities under the BP Model Township Program which shall serve as a primary market for goods and services produced or created by community-organized enterprises in BP Model Townships. The GPPB in coordination with the BP² Council shall draw the specific guidelines for this

purpose and conduct the necessary capacity-building and information dissemination programs.

10.4. Full Implementation of Republic Act No. 11337, or the Innovative Startup Act. All government agencies mandated under RA No. 11337 shall fully implement its provisions and rollout a **Balik Probinsya Startup Investment Development Plan** in consonance with the same law.

Section 11. Township Revitalization Programs. Provinces, municipalities, or cities under the Balik Probinsya Program shall revitalize the sense of township in their areas creating a community that contains small-scale to medium-scale commercial centers and light manufacturing districts including residential areas.

Section 12. There is hereby created a **Joint Congressional Oversight Committee** on the implementation of this Act composed of five Members from the Senate and five Members from the House of Representatives. The Members from the Senate shall be appointed by the Senate President, with at least one senator representing the minority. The Members from the House of Representatives shall be appointed by the Speaker with at least one member representing the minority.

Section 13. Separability Clause. – If, for any reason or reasons, any part or provision of this Act shall be declared as unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

Section 14. Repealing Clause. – All provisions of existing laws, orders, rules and regulations or parts thereof which are in conflict or inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

Section 15. Effectivity. – This Act shall take effect immediately upon its publication in the Official Gazette or in at least two (2) newspapers of general circulation in the Philippines.

Approved,