



Republic of the Philippines
House of Representatives
Batasan Hills, Quezon City

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 6145

**Introduced by Representatives Lucy Torres-Gomez and
Florencio "Bem" Noel**

EXPLANATORY NOTE

This bill seeks to establish a special economic zone in Ormoc City, Province of Leyte to be known as the *Eastern Visayas Special Economic Zone*.

Ormoc City is a first class independent component city in the Province of Leyte. It is the largest city in land area in Leyte and second largest in Western Visayas next to Calbayog City in Samar. Ormoc is part of the Fourth Legislative District of Leyte together with Albuera, Kananga, Merida and Isabel towns.

The city's economic base is a mixture of agriculture, aquaculture, tourism, industrial and commercial services. Sugar cane, rice and pineapple comprise the bulk of the city's agricultural products.

Ormoc City supplies a large part of the country's power needs with its abundant geothermal power resource from the Tongonan Geothermal Power Plant in Barangay Tongonan and Kananga town. The city is also the gateway to the Leyte Industrial Development Estate in the nearby town of Isabel, home of the Philippine Phosphate Fertilizer Plant, the largest fertilizer factory in Asia, and the Philippine Associated Smelter and Refining Company, the country's biggest copper processing plant, among other industries.

On the commercial side, banks, virtual assistance center, restaurants, cafes, night spots and sports centers mark the city life. Sizable shopping centers in Ormoc City: Robinsons Place, Gaisano Riverside, SM Center, Ormoc Centrum, the Point Mall and A Mall complete the amenities of city life. Several giftshops,

City. Leading telecommunication companies service the area which make business and personal communications breeze comfortably.

The demographics as well as the combined economic sources of Ormoc City make it very conducive for the establishment of a special economic zone that can truly provide the city and provincial folks a decentralized, self-reliant and self-sustaining investment center with minimum government intervention.

In view of the foregoing, approval of this bill is urgently requested.



LUCY TORRES-GOMEZ



FLORENCIO "BEM" NOEL



Republic of the Philippines
House of Representatives
Batasan Hills, Quezon City

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 6145

Introduced by Representatives Lucy Torres-Gomez and Florencio “Bem” Noel

AN ACT

**ESTABLISHING A SPECIAL ECONOMIC ZONE IN ORMOC CITY,
PROVINCE OF LEYTE TO BE KNOWN AS THE "EASTERN VISAYAS
SPECIAL ECONOMIC ZONE," 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 “*Eastern Visayas*

Special Economic Zone Act.”

SEC. 2. *Declaration of Policy.*—It is hereby declared the policy of the State

13 to encourage and promote the attainment of a sound and balanced industrial,
14 economic and social development in the country through the promotion of private
15 enterprises. Towards this end, the State shall endeavor to establish special
16 economic zones in suitable and selected areas in the country where enterprises are
17 given incentives to create an environment conducive to business. A friendly

1 business environment will attract local and foreign investors, generate
2 employment opportunities, and encourage the regional dispersal of industries.

3 SEC. 3. ***Eastern Visayas Special Economic Zone.*** – In accordance with
4 the foregoing policy, there is hereby established a special economic zone in
5 Ormoc City, Province of Leyte, to be known as the “*Eastern Visayas Special*
6 *Economic Zone,*” hereinafter referred to as the EVIS Ecozone. The specific
7 metes and bounds of the EVIS Ecozone shall be more particularly defined in a
8 presidential proclamation that shall be issued for this purpose.

9 SEC. 4. ***Governing Principles.*** – The EVIS Ecozone shall be managed and
10 operated under the following principles:

11 a) Within the framework and limitations of the Constitution and the
12 applicable provisions of the Local Government Code, the EVIS Ecozone shall be
13 developed into a decentralized, self-reliant and self-sustaining export processing,
14 agro-industrial, commercial, financial, investment and tourist center with suitable
15 retirement and residential areas. The EVIS Ecozone shall be provided with
16 transportation, telecommunications, and other facilities needed to attract
17 legitimate and productive local and foreign investments, generate linkage
18 industries and employment opportunities for the people of Leyte and its
19 neighboring towns and cities;

20 b) The EVIS Ecozone may establish mutually beneficial economic
21 relations with other entities within the country, subject to the administrative

- 1 guidance of the Department of Foreign Affairs and the Department of Trade and
2 Industry with foreign entities or enterprises;
- 3 c) Foreign citizens and companies owned by non-Filipinos in whatever
4 proportion may set up enterprises within the EVIS Ecozone, either by themselves
5 or in joint venture with Filipinos in any sector of industry, international trade and
6 commerce;
- 7 d) The EVIS Ecozone shall be managed and operated as a separate customs
8 territory to ensure and facilitate the free flow, entry and movement of machinery
9 and other goods. However, exportation or removal of goods, articles and capital
10 from the zone to other parts of the Philippine territory shall be subject to customs
11 duties and taxes under the Customs and Tariff Code and other relevant tax laws
12 of the Philippines. It shall be vested with the authority to issue certificates of
13 origin for products manufactured or processed within the EVIS Ecozone in
14 accordance with prevailing rules of origin, and the pertinent regulations of the
15 duly recognized national bodies tasked to oversee all other ecozones in the
16 country;
- 17 e) Duty free shops shall be located only within the EVIS Ecozone;
- 18 f) Business establishments operating within the EVIS Ecozone are entitled
19 to the existing fiscal incentives as provided for under Presidential Decree No. 66,
20 the law creating the Export Processing Zone Authority, or those provided under
21 Book VI of Executive Order No. 226, otherwise known as the "*Omnibus*
22 *Investment Code of 1987*," and such incentives, benefits or privileges presently

1 enjoyed by business establishments operating within the Subic Special Economic
2 Zone pursuant to Republic Act No. 7227;

3 g) Any provision of existing laws, rules or regulations to the contrary
4 notwithstanding, no taxes, local and national, including final withholding taxes
5 on dividends to the parent company and branch profit remittances to the head
6 office of a business establishment, shall be imposed on business establishments
7 operating within the EVIS Ecozone. In lieu of all local and national taxes, said
8 business establishments shall pay to the National Government a final tax of eight
9 per centum (8%) of their net taxable income as determined in accordance with the
10 provisions of the National Internal Revenue Code, as amended, to be divided as
11 follows:

12 1) Three per centum (3%) shall accrue to the National Government;
13 2) Two per centum (2%) to the Province of Leyte;
14 3) One per centum (1%) to be shared by the municipalities affected
15 by the declaration of the EVIS Ecozone in proportion to their income from
16 business activities within the EVIS Ecozone; and
17 4) Two per centum (2%) to the Eastern Visayas Special Economic
18 Zone Authority which shall be created under this Act: *Provided*, That the
19 final tax of eight per centum (8%) of net income may be increased by the
20 President of the Philippines after ten years from the effectivity of this Act
21 upon the recommendation of the Secretaries of Finance, and Trade and
22 Industry, the Chairperson of the National Economic Development

1 Authority and the administrator of the Eastern Visayas Special Economic
2 Zone Authority: *Provided, further*, That in no case shall the final tax to be
3 imposed exceed fifteen per centum (15%) of net income.

4 In case of conflict between local and national tax laws on the one hand, and
5 the tax incentives herein granted on the other, the same shall be resolved in favor
6 of the grant of incentives.

7 h) Except as otherwise provided herein, the local government units
8 embraced within the EVIS Ecozone shall retain and maintain their basic
9 autonomy and identity. Leyte shall operate and function in accordance with
10 Republic Act No. 7160, otherwise known as the "*Local Government Code of*
11 *1991*;"

12 i) Any foreign investor who establishes a business enterprise within the
13 EVIS Ecozone and who maintains capital investment of not less than One
14 Hundred Fifty Thousand United States Dollars (US\$150,000) shall be granted,
15 along with the foreign investor's spouse, dependents and unmarried children
16 below twenty-one years of age, a permanent resident status within the EVIS
17 Ecozone;

18 Such foreign investor, spouse, dependents and unmarried children below
19 the age of twenty-one (21) years, shall have freedom of ingress and egress in the
20 EVIS Ecozone without any need of any special authorization from the Bureau of
21 Immigration.

1 Likewise, the Eastern Visayas Special Economic Zone Authority shall
2 issue working visas renewable every two (2) years to foreign executives and
3 foreign technicians with highly specialized skills which no Filipino possesses, as
4 certified by the Department of Labor and Employment.

5 The names of the foreigners granted permanent resident status and working
6 visas by the Eastern Visayas Special Economic Zone Authority shall be reported
7 to the Bureau of Immigration within thirty (30) days from such grant.

8 The foregoing is without prejudice to a foreigner acquiring permanent
9 resident status in the Philippines in accordance with applicable immigration,
10 retirement, and other related laws.

11 j) The provisions of any law to the contrary notwithstanding, any foreigner,
12 partnership, corporation, or any other business association not created and
13 existing under the laws of the Republic of the Philippines, engaged in the
14 business of retailing goods and merchandise, shall be permitted to engage in such
15 retail trade within the EVIS Ecozone after securing license for that purpose from
16 the Eastern Visayas Special Economic Zone Authority: *Provided*, That only
17 foreign nationals engaged in medium and large-scale retail trade may be
18 permitted to engage in such business within the EVIS Ecozone. The
19 determination of the medium and large-scale retail trade operation shall be the
20 responsibility of the Eastern Visayas Special Economic Zone Authority; and

21 k) Existing banking laws and Bangko Sentral ng Pilipinas (BSP) rules and
22 regulations shall apply on foreign exchange and other current account trade and

1 non-trade transactions, local and foreign borrowings, foreign investments,
2 establishment and operation of local and foreign banks, foreign currency deposit
3 units, offshore banking units and other financial institutions under the supervision
4 of the BSP: *Provided, however,* That the Eastern Visayas Special Economic
5 Zone Authority may, in coordination with the Bangko Sentral ng Pilipinas and
6 the Department of Trade and Industry, adopt more liberal rules to attract offshore
7 banking, financial services, trust or trading institutions to operate in the zone:
8 *Provided, further,* That such rules if adopted will be deemed to repeal, modify or
9 amend existing legislation on offshore banking, finance, financial services, trust
10 or trading institutions insofar as the EVIS Ecozone is concerned.

11 SEC. 5. ***Eastern Visayas Special Economic Zone Authority.*** – Subject to
12 the concurrence of the local government units that will be affected by the creation
13 of the EVIS Ecozone, there is hereby created a body corporate to be known as the
14 Eastern Visayas Special Economic Zone Authority, hereinafter referred to as the
15 Authority, which shall manage and operate the EVIS Ecozone, in accordance
16 with this Act. It shall be organized within one hundred eighty (180) days after
17 the effectivity of this Act.

18 SEC. 6. ***Principal Office.*** – The Authority shall maintain its principal
19 office in Ormoc City, Province of Leyte, but it may establish branches and
20 agencies within the Philippines and abroad as may be necessary for the proper
21 conduct of its business.

- 1 SEC. 7. ***Powers and Functions of the Authority.*** – The Authority shall
2 have the following functions:
- 3 a) Operate, administer, and manage the EVIS Ecozone according to the
4 principles and provisions set forth in this Act;
- 5 b) Recommend to the President the issuance of a proclamation to fix and
6 delimit the site of the EVIS Ecozone;
- 7 c) Register, regulate and supervise the enterprises in the EVIS Ecozone in
8 an efficient and decentralized manner;
- 9 d) Regulate and undertake the establishment, operation and maintenance of
10 utilities, other services and infrastructure in the EVIS Ecozone such as heat, light
11 and power, water supply, telecommunications, transport, toll roads and bridges,
12 port services, and fix just, reasonable and competitive rates, fares, charges and
13 prices therefor;
- 14 e) Directly negotiate with and grant foreign or international airlines and
15 carriers entry permits and landing rights into the zone;
- 16 f) Have sole, absolute and exclusive authority to construct, acquire, own,
17 lease, assign, establish, operate and maintain on its own or through others by
18 virtue of contracts, franchises, licenses, or permits under any of the schemes
19 allowed in Republic Act No. 6957, otherwise known as the “*Build-Operate*
20 *Transfer Law*,” or in joint venture with the private sector without the necessity of
21 conducting public bidding thereon, any or all of the public utilities and
22 infrastructure required or needed in the EVIS Ecozone, which include

- 1 transportation, construction of road networks, water and sewerage systems,
2 electric power, wireline and wireless telecommunications systems, networks,
3 facilities and services, in coordination with appropriate national and local
4 government authorities and in conformity with applicable laws thereon;
- 5 g) To undertake all public infrastructure and utility projects within the
6 EVIS Ecozone and as provided for in this Act and to contract foreign loans and
7 grants in accordance with existing laws;
- 8 h) Operate on its own, either directly or through a subsidiary entity, or
9 license to other tourism related activities, including games, amusements and
10 recreational and sports facilities to provide, in cooperation with the Department
11 of Tourism, incentives to tourism-related businesses operating within the EVIS
12 Ecozone which include duty-free buying privileges for non-resident visitors;
- 13 i) Within the limitation provided by law, to raise or borrow adequate and
14 necessary funds from local or foreign sources to finance its projects and programs
15 under this Act, and for that purpose to issue bonds, promissory notes, and other
16 forms of securities, and to secure the same by a guarantee, pledge, mortgage,
17 deed of trust, or an assignment of all or part of its property or assets;
- 18 j) Provide security for the EVIS Ecozone in coordination with the national
19 and local governments. For this purpose, the Authority may establish and
20 maintain its own security force and firefighting capability or hire others to
21 provide the same;

1 k) Protect, preserve, maintain and develop, among others, the virgin
2 forests, beaches, coral and coral reefs and minerals and mineral deposits,
3 including precious metals within the EVIS Ecozone. For this purpose, the rules
4 and regulations of the Department of Environment and Natural Resources and
5 other government agencies involved in the above functions shall be implemented
6 by the EVIS Ecozone, including the issuance of environmental clearance
7 certificates, patents and leasehold rights over government lands and mining,
8 drilling and timber licenses;

9 l) Acquire private real properties or rights thereon for infrastructure and
10 other development projects, secure rights-of-way which are needed for said
11 projects and the settlement of claims for payment, without further need of
12 conducting feasibility studies, information campaign, engineering surveys,
13 project cost estimates as required by existing laws and regulations pertinent
14 thereto;

15 m) Charge reasonable fees for the provisions of services and the
16 maintenance of infrastructure and utilities;

17 n) Impose fines and penalties for violations of the provisions of this Act
18 and the rules and regulations to be issued by the Authority;

19 o) Phase the operationalization of the zone by delineating secured areas
20 within the zone: *Provided*, That privileges including tax and duty-free retailing
21 provided herein shall be accorded only to the secured areas: *Provided, further*,
22 That the Authority-registered enterprises located outside of the secured areas may

1 still enjoy the income tax incentives and duty-free importation privileges herein
2 granted but may not engage in tax and duty-free retailing: *Provided, finally,* That
3 in such secured area, the component local government units may still exercise
4 their taxing and revenue generating authority but only insofar as persons or
5 enterprises not registered with the Authority as zone enterprises;

6 p) Create, operate or contract to operate such agencies and functional units

7 or offices of the Authority, as it may deem necessary;

8 q) Adopt, alter and use a corporate seal; make contracts, leases, own or
9 otherwise dispose of personal or real property; sue and be sued; and otherwise
10 carry out its functions and duties as provided for in this Act; and

11 r) Issue rules and regulations consistent with the provisions of this Act as
12 may be necessary to implement and accomplish the purposes, objectives, and
13 policies provided therein.

14 SEC. 8. ***Non-profit Character of the Authority.*** – The Authority shall be
15 non-profit and shall devote the use of its returns from capital investments, as well
16 as excess revenues from its operations, for the development, improvement, and
17 maintenance and other related expenditures of the Authority to pay its
18 indebtedness and obligations and in furtherance and effective implementation of
19 the policy provided in this Act. In consonance thereto, the Authority is hereby
20 declared exempt from the payment of all taxes, duties, fees, imposts, charges,
21 costs and service fees as well as any other costs and charges in any court or
22 administrative proceedings in which it may be a party.

1 The foregoing exemptions may however be entirely or partially lifted by
2 the President of the Philippines upon the recommendation of the Secretary of
3 Finance, not earlier than five (5) years from the effectivity of this Act, if the
4 President finds the Authority to be self-sustaining and financially capable by then
5 to pay such taxes, customs duties, fees and other charges after providing for debt
6 service requirements of the Authority and of its projected capital and operating
7 expenditures.

8 SEC. 9. ***Board of Directors; Composition; Tenure of the Authority.*** –

9 The powers of the Authority are vested in and exercised by a Board of Directors,
10 hereinafter referred to as the Board. The Board is composed of the following;
11 a) The chairperson who is appointed by the President of the Republic of
12 the Philippines;
13 b) The president and chief executive officer (CEO) who is appointed by
14 the Board and who is the vice chairperson of the Board;
15 c) One representative from the domestic investors;
16 d) One representative from the foreign investors;
17 e) One representative from the workers working in the EVIS Ecozone; and
18 f) Two prominent citizens of the Philippines of whom one shall be a
19 resident of the Province of Leyte, as members.

20 The chairperson and the members of the Board shall be appointed by the
21 President of the Philippines to serve for a term of six (6) years, unless sooner
22 separated from service due to death, voluntary resignation or removal for cause.

1 In case of death, resignation or removal for cause, the replacement shall serve
2 only the unexpired portion of the term. The president and CEO shall serve for a
3 term of three (3) years subject to reappointment by the Board.

4 Except for the representatives of the investors and labor sectors, no person
5 shall be appointed by the President of the Philippines as a member of the Board
6 unless the person is a Filipino citizen, of good moral character, of proven probity
7 and integrity and a degree-holder in any of the following fields: economics,
8 business, public administration, law, management or their equivalent, and with
9 at least ten (10) years relevant working experience preferably in the field of
10 management or public administration.

11 The members of the Board are entitled to receive *per diem* at a rate to be
12 determined by the Department of Budget and Management in accordance with
13 existing rules and regulations: *Provided, however,* That the total per diem
14 collected each month shall not exceed the equivalent per diem for four (4)
15 meetings. Unless and until the President of the Philippines has fixed a higher
16 per diem for the members of the Board, such per diem shall not be more than
17 Ten thousand pesos (P10,000.00) for every Board meeting.

18 SEC. 10. ***Powers and Duties of the Chairperson, President and CEO of***
19 ***the Authority.*** – The chairperson shall have the following powers and duties:
20 a) To exercise supervision over the affairs of the Authority;
21 b) To preside over all the meetings of the Board;

- 1 c) To spearhead the formulation of policies and procedures for the Board
2 and the Authority with the concurrence of the majority of its members;
3 d) To direct the affairs of the Authority in accordance with the policies of
4 the Board through its president and CEO;
5 e) To ensure that the goals and objectives set forth by the Board are
6 achieved and its policies implemented; and
7 f) To lead the Board in carrying out the powers and functions of the
8 Authority as enumerated in Section 7 of this Act.

9 The president and CEO shall, among other powers and duties, execute,
10 carry out and administer the policies, measures, orders and resolutions approved
11 by the Board; direct and supervise the day to day operation and administration of
12 the EVIS Ecozone; and exercise such other powers and perform such other
13 functions or duties as may be directed to or assigned by law or by the Board
14 from time to time. Particularly, the president and CEO shall exercise the
15 following powers and duties:

- 16 a) To serve as the vice chairperson of the Board and to assist the
17 chairperson and, in case of absence or incapacity act in stead of the chairperson:
18 *Provided, however,* That in case both are absent, the Board shall designate a
19 temporary chairperson from among its members;
20 b) To sign and execute all contracts concluded by the Authority and enter
21 into all necessary obligations required or permitted by the charter upon proper

- 1 authorization by the Board; and sign all major documents, notes and checks for
2 the EVIS Ecozone;
- 3 c) To exercise full discretion in the management of the affairs of the
4 Authority in accordance with law and in accordance with the provisions of this
5 Act and be accountable to the Board;
- 6 d) To establish the internal organization of the Authority under such
7 conditions that the Board may prescribe;
- 8 e) To submit an annual budget and necessary supplemental budget to the
9 Board for its approval;
- 10 f) To submit within thirty (30) days after the close of each fiscal year an
11 annual report to the Board and such other reports as may be required;
- 12 g) To submit to the Board for its approval policies, systems, procedures,
13 rules and regulations that are essential to the operation of the EVIS Ecozone;
- 14 h) To create a mechanism in coordination with relevant agencies for the
15 promotion of industrial peace, the protection of the environment and the
16 advancement of the quality of life in the EVIS Ecozone; and
- 17 i) To perform such other duties as may be assigned by the Board or which
18 are necessary or incidental to the office.

19 SEC. 11. ***Organization and Personnel.*** – The board of directors of the

20 Authority are entitled to organize its own personnel to assist the Board in the
21 exercise of its functions and to provide for an organization of the Authority
22 officers and employees. Upon recommendation of the President and CEO, the

1 Board shall appoint and fix the remunerations and other emoluments of its
2 officers and employees in accordance with existing laws on compensation and
3 position classification: *Provided*, That the Board shall have exclusive and final
4 authority to promote, transfer, assign or reassign officers of the Authority, any
5 provision of existing law to the contrary notwithstanding: *Provided, further*,
6 That the President and CEO may carry out removal of such officers and
7 employees.

8 All positions in the Authority shall be governed by a compensation,
9 position, classification system and qualification standards approved by the
10 chairperson with the concurrence of the Board based on a comprehensive job
11 analysis and audit of actual duties and responsibilities. The compensation plan
12 must be comparable with the prevailing compensation plans in the Subic Bay
13 Metropolitan Authority (SBMA), the Clark Development Corporation (CDC),
14 the Bases Conversion and Development Authority (BCDA) and the private
15 sector and subject to the periodic review by the Board no more than once every
16 two (2) years without prejudice to yearly merit reviews or increases based on
17 productivity and profitability. The Authority shall therefore be exempt from
18 existing laws, rules and regulations on compensation, position classification and
19 qualification standards. It shall, however, endeavor to make its systems conform
20 as closely as possible with the principles under Republic Act No. 6758,
21 otherwise known as the "*Compensation and Position Classification Act of*
22 *1989*," as amended.

1 The officers and employees of the Authority, including its appointive
2 members of the Board, shall not engage directly or indirectly in partisan
3 activities nor take part in any election, except to vote.

4 No officer or employee of the Authority, subject to civil service laws and
5 regulations, shall be removed or suspended except for cause, as provided by law.

6 SEC. 12. ***Labor and Management Relations.*** – Except as otherwise
7 provided in this Act, labor and management relations in the EVIS Ecozone shall
8 be governed by applicable rules and regulations under the Labor Code of the
9 Philippines, as amended. Employees and personnel in the registered enterprises
10 shall receive salaries and benefits and shall enjoy working conditions provided
11 under the Labor Code and other relevant laws and issuances of the Philippine
12 government and the DOLE. The Authority shall allow the visitorial power of
13 the Secretary of Labor and Employment or the duly authorized representative.

14 SEC. 13. ***Ipsa Facto Clause.*** – Sections 30-41 of Republic Act No. 7916,
15 otherwise known as the “*Special Economic Zone Act of 1995*,” as amended by
16 Republic Act No. 8748, shall *ipso facto* apply to the EVIS Ecozone.

17 SEC. 14. ***Capitalization.*** – The Authority shall have an authorized capital
18 stock of Two billion pesos (P2,000,000,000) no par shares with a minimum issue
19 of Ten pesos (P10.00) each, the majority shares of which shall be subscribed and
20 paid for by the National Government and the local government units (LGUs)
21 comprising the EVIS Ecozone. The Board of Directors of the Authority may,
22 with the written concurrence of the Secretary of Finance, sell shares,

1 representing not more than forty per centum (40%) of the capital stock of the
2 Authority to the general public under such policy as the Board and the Secretary
3 of Finance may determine. The National Government and the LGUs shall, in no
4 case, own less than sixty per centum (60%) of the total issued and outstanding
5 capital of the Authority.

6 The amount necessary to subscribe and pay for the shares of the National
7 Government to the capital stock of the Authority shall be included in the annual
8 General Appropriations Act. For LGUs, the funds shall be taken from their
9 internal revenue allotment and other local funds.

10 SEC. 15. *Supervision.* – The EVIS Ecozone shall be under the direct
11 control and supervision of the Philippine Economic Zone Authority for purposes
12 of policy direction and coordination.

13 SEC. 16. *Relationship with the Regional Development Council.* – The
14 Authority shall determine the development goals for the EVIS Ecozone within
15 the framework of national development plans, policies and goals. The president
16 and CEO shall, upon approval by the Board, submit the plans, programs and
17 projects to the Regional Development Council for inclusion and inputs to the
18 overall regional development plan.

19 SEC. 17. *Relationship with Local Government Units.* – Except as herein
20 provided, the local government units comprising the EVIS Ecozone shall retain
21 their basic autonomy and identity. In case of any conflict between the Authority

1 and the Province of Leyte on matters affecting the EVIS Ecozone other than
2 defense and security matters, the decision of the Authority prevails.

3 SEC. 18. ***Interpretation and Construction.*** – The powers, authorities and
4 functions that are vested in the Authority are intended to decentralize
5 governmental functions and authority and promote an efficient and effective
6 working relationship between the EVIS Ecozone, the National Government, and
7 the local government units.

8 SEC. 19. ***Auditing.*** – The Commission on Audit shall appoint a
9 representative who shall be a full time auditor of the Authority and assign such
10 number of personnel as may be necessary to assist said representative in the
11 performance of official duties. The salaries and emoluments of the assigned
12 auditor and personnel shall be in accordance with pertinent laws, rules and
13 regulations.

14 SEC. 20. ***Separability Clause.*** – If any provision of this Act shall be held
15 unconstitutional or invalid, the other provisions not otherwise affected shall
16 remain in full force and effect.

17 SEC. 21. ***Repealing Clause.*** – All laws, executive orders and issuances,
18 or any part thereof, which are inconsistent herewith are hereby repealed or
19 amended accordingly.

20 SEC. 30. ***Effectivity.*** – This Act shall take effect fifteen (15) days after its
21 publication in the *Official Gazette* or in a newspaper of general circulation.

22 Approved,