

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

HOUSE OF REPRESENTATIVES	
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SEVENTEENTH CONGRESS

First Regular Session

Begun and held in Metro Manila, the twenty-fifth day of July, two thousand and sixteen

House Bill No. 092

INTRODUCED BY REPRESENTATIVE BAI SANDRA SINSUAT A. SEMA

EXPLANATORY NOTE

It is a great privilege for the undersigned to re-file the proposed Bangsamoro Basic Law. This proposed measure which was formerly principally authored by Hon. Feliciano Belmonte, Jr. had undergone meticulous scrutiny in the 16th Congress, having to wade in numerous public hearings not only in the committee rooms of the House of Representatives but also in different venues nationwide.

Peoples of different persuasions and considerations had freely spoken for and against the bill, and their suggestions found their way in the substitute measure of the Ad Hoc Committee on the Bangsamoro of the 16th Congress. The Legislature closed its curtains without having passed the bill into law. But the aspiration to attain genuine autonomy for the Bangsamoro Homeland has never died.

Perhaps it is fitting that the proposed measure be laid again before this 17th Congress to once again undergo the process of perfection in the crucible of the newly elected set of lawmakers. This Representation is confident that sooner or later the ultimate basic law for the Bangsamoro will emerge in fulfillment of the Constitutional mandate to create an autonomous region in Muslim Mindanao – truly reflective of the desires of the framers of the 1987 Constitution and the sacrifices of the Bangsamoro people.



BAI SANDRA SINSUAT A. SEMA, MNSA

Representative

*First District of Maguinadanao
and Cotabato City*

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INTRODUCED BY REPRESENTATIVE BAI SANDRA SINSUAT A. SEMA

AN ACT PROVIDING FOR THE BASIC LAW FOR THE BANGSAMORO AND ABOLISHING THE AUTONOMOUS REGION IN MUSLIM MINDANAO, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 9054, ENTITLED "AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO, "AND FOR OTHER PURPOSES

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

Preamble:

We, the Bangsamoro people and other inhabitants of the Bangsamoro, imploring the aid of the Almighty, aspiring to establish an enduring peace on the basis of justice in our communities and a justly balanced society, and asserting our right to conserve and develop our patrimony;

In consonance with the Constitution and the universally accepted principles of human rights, liberty, justice, democracy, and the norms and standards of international law, reflective of our system of life prescribed by our faith, and in harmony with our customary laws, cultures and traditions.

Affirming the distinct historical identity and birthright of the Bangsamoro people to their ancestral homeland and their right to self-determination – beginning with the struggle for freedom of their forefathers in generations past and extending to the present – to chart their political future through a democratic process that will secure their identity and posterity, and allow for genuine and meaningful self-governance as stipulated under the Comprehensive Agreement on the Bangsamoro (CAB);

With the blessings of the Almighty, do hereby ordain and promulgate this Bangsamoro Basic Law, through the Congress of the Republic of the Philippines, as the basic law of the Bangsamoro that establishes the asymmetrical political relationship with the Central Government founded on the principles of subsidiarity and parity of esteem.

Article I

NAME AND PURPOSE

Section 1. Short Title.– This law shall be known and cited as the “*Bangsamoro Basic Law*.”

Section 2. Name. – The name of the political entity under this Basic Law shall be the Bangsamoro.

Section 3. Purpose. – The purpose of this Basic Law is to establish a political entity, provide for its basic structure of government in recognition of the justness and legitimacy of the cause of the Bangsamoro people and their aspiration to chart their political future through a democratic process that will secure their identity and posterity and allow for meaningful self-governance.

Article II

BANGSAMORO IDENTITY

Section 1. Bangsamoro People. – Those who at the time of conquest and colonization were considered natives or original inhabitants of Mindanao and the Sulu archipelago and its adjacent islands including Palawan, and their descendants, whether of mixed or of full blood, shall have the right to identify themselves as Bangsamoro by ascription or self-ascription. Spouses and their descendants are classified as Bangsamoro.

Section 2. Freedom of Choice. – The freedom of choice of other indigenous peoples shall be respected.

Section 3. Bangsamoro Symbol. – The Bangsamoro Parliament shall adopt the official flag, emblem and anthem of the Bangsamoro.

Article III

TERRITORY

Section 1. Definition of Territory - Territory refers to the land mass as well as the maritime, terrestrial, fluvial and alluvial domains, and the aerial domain above it. The Bangsamoro territory shall remain a part of the Philippines.

Section 2. Core Territory – The core territory of the Bangsamoro shall be composed of:

- a. the present geographical area of the Autonomous Region in Muslim Mindanao;
- b. the Municipalities of Baloi, Munai, Nunungan, Pantar, Tagolom and Tangkal in the province of Lanao del Norte and all other barangays in the Municipalities of Kabacan, Carmen, Aleosan, Pigkawayan, Pikit and Midsayap that voted for inclusion in the ARMM during the 2001 plebiscite;
- c. the cities of Cotabato and Isabela; and
- d. all other contiguous areas where there is resolution of the local government unit or a petition of at least ten percent (10%) of the registered voters in the area asking for their inclusion at least two months prior to the conduct of the ratification of the Bangsamoro Basic Law and the process of delimitation of the Bangsamoro.

In order to ensure the widest acceptability of the Bangsamoro Basic Law in the core areas above-mentioned, a popular ratification shall be conducted among all the Bangsamoro within the areas for their adoption.

Section 3. Contiguous Territory – The areas which are contiguous and outside the core territory may opt at any time to be part of the territory upon petition of at least ten percent (10%) of the registered voters and approved by a majority of qualified votes cast in a plebiscite.

Section 4. Inland Waters. – All inland waters, such as lakes, rivers, river systems, and streams within the Bangsamoro territory shall be part of the

Bangsamoro. The preservation and management thereof shall be under the jurisdiction of the Bangsamoro Government.

Section 5. Bangsamoro Waters – The Bangsamoro waters shall extend up to 22.224 kilometers (12 nautical miles) from the low-water mark of the coasts that are part of the Bangsamoro territory. The Bangsamoro Waters shall be part of the territorial jurisdiction of the Bangsamoro political entity.

Where a constituent local government unit of the Bangsamoro and an adjoining local government unit are so situated on the opposite shores such that there is thirty (30) kilometers of waters or less between them, a line equally distant from the opposite shores shall be drawn to demarcate the Bangsamoro Waters and the municipal waters of the adjoining local government unit.

Should they be so situated that there is more than thirty (30) kilometers but less than 37.224 kilometers of waters between them, a line shall be drawn at the edge of the 15 kilometers municipal waters of the adjoining local government unit to demarcate it from the Bangsamoro Waters.

Ten years after the passage of this Basic Law, the Central Government and the Bangsamoro Government shall discuss the enhancement of the area of the Bangsamoro Waters through the necessary processes and modalities.

Section 6. Constituent Units. – The provinces, cities, municipalities, barangays and geographical areas within its territory shall be the constituent units of the Bangsamoro.

Section 7. Collective Democratic Rights of the Bangsamoro People. - The collective rights of the constituents of the Bangsamoro shall be recognized.

Article IV GENERAL PRINCIPLES AND POLICIES

Section 1. Self-Governance. In the exercise of its right to self-governance and self-determination, the Bangsamoro is free to pursue its economic, social and cultural development.

Section 2. Democratic Political System. The Bangsamoro Government shall be parliamentary. Its political system is democratic, allowing its people to freely participate in the political processes within its territory.

Section 3. Electoral System. - The Bangsamoro Government shall adopt an electoral system suitable to a ministerial form of government, which shall allow democratic participation, encourage formation of genuinely principled political parties, and ensure accountability.

Section 4. Civilian Government. Governance in the Bangsamoro is the responsibility of the duly-elected civilian government. Civilian authority is, at all times, supreme over the military.

Section 5. Promotion of Unity. The Bangsamoro Government shall promote unity, peace, justice, and goodwill among all peoples, as well as encourage a just and peaceful settlement of disputes.

The Bangsamoro abides by the principle that the country renounces war as an instrument of national policy, adopts the generally accepted principles of international law as part of the law of the land and adheres to the policy of peace, equality, justice, freedom, cooperation, and amity with all nations.

Section 6. Promotion of Right. - The Bangsamoro shall adhere to the principle of enjoining what is right and forbidding what is wrong.

Section 7. Social Justice. - The Bangsamoro shall establish a government that ensures that every citizen in the Bangsamoro is provided the basic necessities and equal opportunities in life. Social Justice shall be promoted in all phases of development and facets of life within the Bangsamoro.

Section 8. International Treaties and Agreements. - The Bangsamoro Government shall respect and adhere to all international treaties and agreements binding upon the Central Government.

Article V

POWERS OF GOVERNMENT

Section 1. Reserved Powers. - Reserved powers are matters over which authority and jurisdiction are retained by the Central Government. The Central Government shall exercise the following reserved powers:

1. Defense and external security;
2. Foreign policy;
3. Coinage and monetary policy;
4. Postal service;
5. Citizenship and naturalization;

6. Immigration;
7. Customs and tariff as qualified by Section 2(10), Article V of this Basic Law;
8. Common market and global trade, provided that the power to enter into economic agreements given to the ARMM under R.A. 9054 is hereby transferred to the Bangsamoro Government as provided in Article XII, Section 25 of this Basic Law; and
9. Intellectual property rights.

Section 2. Concurrent Powers. - Concurrent powers shall refer to the powers shared between the Central Government and the Bangsamoro Government within the Bangsamoro, as provided in this Basic Law.

The Central Government and the Bangsamoro Government shall exercise shared powers within the Bangsamoro on the following matters:

Social security and pensions. - The Bangsamoro Government may organize its own social security and pension systems alongside the existing Central Government social security and pension systems.

The Bangsamoro Government and the Central Government through the intergovernmental relations mechanism, and other consultative processes shall, among others, ensure that the investment of the contributions from the members from the Bangsamoro in the Central Government social security and pensions is responsive to their cultural and religious sensitivities.

The future relationship of the Central Government system with the Bangsamoro Government system with respect to new government

employees and other qualified individuals in the Bangsamoro shall be further provided for in law duly enacted for the purpose.

1. *Quarantine.* – There is hereby created an office for quarantine services in the Bangsamoro. It shall cooperate and coordinate with its counterpart offices in the Central Government.
2. *Land Registration.* – The Bangsamoro Government, in accordance with the land registration system of the Central Government, shall administer land registration in the Bangsamoro territory through an office it shall create for this purpose. The Bangsamoro Government shall furnish copies of the titles, deeds and other instruments to the relevant Central Government agencies. The Bangsamoro Government can act on *consultas*.

The Bangsamoro Government may institute processes to promote more efficient registration of lands within the Bangsamoro.

3. *Pollution control* -The Central Government and the Bangsamoro Government agencies shall cooperate and coordinate through the intergovernmental relations mechanism on pollution control matters.
4. *Human rights and humanitarian protection and promotion.* – The Bangsamoro Government may organize its own bodies for human rights and humanitarian protection and promotion that will work cooperatively with relevant national institutions.
5. *Penology and penitentiary.* – The Central Government and the Bangsamoro Government institutions shall cooperate and coordinate through the

intergovernmental relations mechanism on the matter of granting parole and recommending to the President the grant of executive clemency. The Bangsamoro Government shall create an office that shall administer the parole system and recommend the grant of executive clemency to the Office of the President.

The Bangsamoro Government may create and manage jails, penal colonies, and other facilities. It shall ensure the compatibility of these facilities with the national jail management and penitentiary system, through the intergovernmental relations mechanism. These facilities are understood to be part of the country's administration of justice.

6. *Auditing.* – The Bangsamoro auditing body shall have auditing responsibility over public funds utilized by the Bangsamoro, without prejudice to the power, authority and duty of the national Commission on Audit (COA). The Bangsamoro Government shall ensure transparency mechanisms consistent with open government practices.
7. *Civil Service.* – The Bangsamoro Government shall develop and administer a professional civil service corps, to include the powers and privileges on civil service matters provided in R.A. No. 9054, and without prejudice to the power, authority, and duty of the national Civil Service Commission.

There is hereby created a Bangsamoro Civil Service office that shall develop and administer a professional civil service corps, without prejudice to the power, authority and duty of the national Civil Service Commission. The Bangsamoro Government shall enact a civil service law for this purpose. This law shall govern the conduct of civil servants, the qualification for non-elective positions, adopt the merit and fitness system, and protect civil

service eligibles in various government positions, including government-owned and/or controlled corporations with original charters, in the Bangsamoro. The Bangsamoro Government shall have primary disciplinary authority over its own officials and employees.

8. *Coastguard.* – The Central Government shall have primary responsibility over coastguard matters. The Central Government and the Bangsamoro Government shall cooperate and coordinate through the intergovernmental relations mechanism.
9. *Customs and Tariff.* – The Bangsamoro Government and the Central Government shall cooperate and coordinate through the intergovernmental relations mechanism with regard to the enforcement of customs and tariff laws and regulations to ensure the effective exercise of its powers on barter trade and countertrade with ASEAN countries as well as the regulation of the entry of *haram* goods in the Bangsamoro territorial jurisdiction.
10. *Administration of justice.* – Administration of justice shall be in accordance with the relevant provisions of this Basic Law and with due regard to the powers of the Supreme Court and the competence of the Bangsamoro Government over *Shari'ah* courts and the *Shari'ah* justice system in the Bangsamoro. The supremacy of *Shari'ah* and its application shall only be to Muslims.
11. *Funding for the maintenance of national roads, bridges, and irrigation systems.* – The Central Government shall be responsible for the funding, construction and maintenance of national roads, bridges and irrigation systems in the Bangsamoro and shall include in the National Road Network

Information System all national roads and bridges in the Bangsamoro. There shall be coordination through the intergovernmental relations mechanism between the relevant Central Government and Bangsamoro Government agencies on the Central Government on the matter of national roads, bridges, and irrigation systems within the Bangsamoro.

The Bangsamoro Government shall submit proposals to the appropriate national government agency for the inclusion of the cost of such maintenance in the latter's budget that shall be submitted to Congress for inclusion in the General Appropriations Act. Funding for national roads, bridges, and irrigation systems shall be regularly released to the relevant department of the Central Government.

12. *Disaster risk reduction and management.* – The Bangsamoro Government shall have primary responsibility over disaster risk reduction and management within the Bangsamoro. There shall be cooperation and coordination among relevant Central Government and Bangsamoro Government agencies on disaster risk reduction and management. There is hereby created a Bangsamoro Disaster Risk Reduction and Management Council (BDRRMC), with powers and functions that shall be defined by the Bangsamoro Parliament in a law on disaster preparedness and response. The BDRRMC shall formulate the Bangsamoro Disaster Risk Reduction and Management Plan, which shall complement the National Disaster Risk Reduction and Management Framework and Plan of the Central Government. Additionally, the BDRRMC, through its Chair, the Chief Minister, may recommend to the President the mobilization of resources of national defense in times of disasters in the Bangsamoro.

13. *Public order and safety.* – The Bangsamoro Government shall have primary responsibility over public order and safety within the Bangsamoro. It shall have powers over public order and safety including those related to jail management, fire prevention, and trainings on public safety. The Central Government and the Bangsamoro Government shall cooperate and coordinate through the intergovernmental relations mechanism.

Section 3. Exclusive Powers. – Exclusive powers are matters over which authority and jurisdiction shall pertain to the Bangsamoro Government. The Bangsamoro Government shall exercise these powers over the following matters within the Bangsamoro:

1. Agriculture, livestock and food security;
2. Economic and cultural exchange;
3. Contract loans, credits, and other forms of indebtedness with any government or private bank and other lending institutions, except those requiring sovereign guaranty, which require Central Government approval;
4. Trade, industry, investment, enterprises and regulation of businesses taking into consideration relevant laws;
5. Labor, employment, and occupation;
6. Registration of business names, with the Bangsamoro Government listing these in the Philippine Business Registry for business names;
7. Barter trade and countertrade with ASEAN countries;

8. Economic zones and industrial centers;
9. *Free ports.* – The Bangsamoro Government may establish free ports in the Bangsamoro. The Bangsamoro Government shall cooperate with the Central Government through the intergovernmental relations mechanism on customs, immigration, quarantine service, and international commitments. Business and other enterprises operating within the Bangsamoro free ports shall be entitled to the fiscal incentives and other benefits provided by the Central Government to special economic zones. Bangsamoro free ports shall be contiguous/adjacent to seaport or airport within the Bangsamoro;
10. Tourism;
11. Creation of sources of revenue;
12. Budgeting;
13. *Financial and banking system* – This is without prejudice to the power of supervision of the Bangko Sentral ng Pilipinas (BSP) and provided further that the Bangsamoro Government, the BSP, the Department of Finance (DOF), and the National Commission on Muslim Filipinos (NCMF) shall jointly promote the development of the Islamic banking system, to include among others the establishment of a *Shari'ah* supervisory board;
14. *Establishment of government-owned and/or controlled corporations (GOCCS) and financial institutions.* – The Bangsamoro Government shall legislate and implement the creation of its own GOCCs in the pursuit of the common good, and subject to economic viability. The GOCCs shall be

registered with the Securities and Exchange Commission or shall be established under legislative charter by the Bangsamoro Government;

15. The Bangsamoro Government shall have authority to regulate power generation, transmission, and distribution operating exclusively in the Bangsamoro and not connected to the national transmission grid. It shall promote investments, domestic and international, in the power sector industry in the Bangsamoro. Power plants and distribution networks in the Bangsamoro shall be able to interconnect and sell power over the national transmission grid to electric consumers. The Bangsamoro Government may assist electric cooperatives in accessing funds and technology, to ensure their financial and operational viability. When power generation, transmission, and distribution facilities are connected to the national transmission grid, the Central Government and the Bangsamoro Government shall cooperate and coordinate through the intergovernmental relations mechanism;
16. *Public utilities operations in the Bangsamoro* - In case of inter-regional utilities, there shall be cooperation and coordination among the relevant government agencies;
17. Receive grants and donations;
18. Education and skills training;
19. Science and technology;
20. Research councils and scholarships;

21. Culture and language;

22. Sports and recreation;

23. Regulation of games and amusement operations within the Bangsamoro;

24. *Libraries, museums, historical, cultural and archaeological sites.* – The Bangsamoro Government shall have the power to establish its own libraries and museums, and declare historical and cultural sites. The Central Government shall transfer the management of such sites currently under the jurisdiction of the National Museum, National Historical Commission, and other agencies of the Central Government, to the Bangsamoro Government or local governments therein following certain processes through the intergovernmental relations mechanism. With regard to archaeological sites, the Bangsamoro Government shall coordinate with relevant agencies of the Central Government on the regulation, excavation, preservation, and exportation of cultural properties, as well as on the recovery of lost historical and cultural artifacts;

25. Regulations on manufacture and distribution of foods, drinks, drugs and tobacco for the welfare of the Bangsamoro;

26. *Hajj and Umrah.* – The Bangsamoro Government shall have primary jurisdiction over *Hajj* and *Umrah* matters affecting pilgrims from within the Bangsamoro. The Central Government shall have competence over *Hajj* and *Umrah* matters affecting pilgrims coming from outside the Bangsamoro. There is hereby created a Bangsamoro pilgrimage authority that shall act in close coordination with Central Government on *hajj* and *umrah* matters involving offices and agencies outside the Bangsamoro;

27. Customary laws;
28. Declaration of Bangsamoro holidays;
29. Ancestral domain and natural resources;
30. Protection of the rights of the indigenous people in the Bangsamoro in accordance with the United Nations Declaration on the Rights of Indigenous Peoples, and taking into account in addition to economic and geographical criteria, their individual and communal property rights, cultural integrity, customary beliefs, historical and community traditions. The Bangsamoro Parliament shall create an appropriate office or ministry for the Indigenous Peoples, which shall be part of the Bangsamoro Cabinet to develop and implement the Bangsamoro programs for the indigenous peoples in accordance with a law passed by the Parliament;
31. *Land management, land distribution, and agricultural land use reclassification.* – The classification of public lands into alienable and disposable lands shall be initiated and recommended by the Bangsamoro Government to the President for the timely implementation of Bangsamoro development plans and targets;
32. *Cadastral land survey.* – The Bangsamoro Government shall have the authority to conduct cadastral surveys, lot surveys, and isolated and special surveys in the Bangsamoro. The Bangsamoro Government shall furnish the results of these surveys to, and coordinate with, relevant Central Government agencies to effect inclusion into national cadastral survey;

33. Expropriation and eminent domain;

34. *Environment, parks, forest management, wildlife, nature reserves and conservation.* – The Bangsamoro Government shall have the authority to protect and manage the environment. It shall have the power to declare nature reserves and aquatic parks, forests, and watershed reservations, and other protected areas in the Bangsamoro;

35. Inland waterways for navigation;

36. Inland waters;

37. Management, regulation and conservation of all fishery, marine and aquatic resources within the Bangsamoro territorial jurisdiction;

38. Bangsamoro settlements;

39. Customary justice;

40. *Shari'ah* courts and *Shari'ah* justice system;

41. Public administration and bureaucracy for the Bangsamoro;

42. Health, provided that the Central Government and the Bangsamoro Government shall cooperate with and assist each other in the prevention and control of epidemic and other communicable diseases;

43. Social services, social welfare and charities;

44. Waste Management;

45. Establishment and supervision of humanitarian services and institutions;
46. Identification, generation and mobilization of international human resources for capacity building and other activities involving the same within the Bangsamoro. The Central Government shall cooperate with and assist the Bangsamoro Government towards ensuring access to such relevant human resources through the intergovernmental relations mechanism;
47. Establishment of *Awqaf* (endowment) and charitable trusts;
48. *Hishbah* office for accountability as part of the *Shari'ah* justice system;
49. Registration of births, marriages, and deaths, copies of which shall be forwarded to the Philippine Statistics Authority;
50. Housing and human settlements;
51. Development planning;
52. Urban and rural development;

Water supplies and services, flood control and irrigation systems in the Bangsamoro, provided that with regard to water supplies and services, flood control and irrigation systems that connect to or from facilities outside the Bangsamoro, there shall be cooperation and coordination between the Bangsamoro Government and the appropriate Central or local government bodies;

53. Public works and highways within the Bangsamoro;
54. Establishment of appropriate mechanisms for consultations for women and marginalized sectors;
55. Special development programs and laws for women, the youth, the elderly, labor, the differently-abled, and indigenous cultural communities;
56. *Local administration, municipal corporations and other local authorities including the creation of local governments.* – The Bangsamoro Government shall manage and build its own bureaucracy and administrative organization, in accordance with the ministerial form of government;

The Bangsamoro Parliament may create, divide, merge, abolish or substantially alter boundaries of provinces, cities, municipalities or barangays in accordance with a law enacted by the Bangsamoro Parliament, and subject to the approval by a majority of the votes cast in a plebiscite in the political units directly affected. Subject to the criteria provided in said law, the Bangsamoro Parliament may likewise create appropriate local government units in the areas inhabited predominantly by indigenous peoples;

However, when such acts require the creation of a congressional district, the Bangsamoro Government shall cooperate and coordinate with Central Government through the Philippine Congress – Bangsamoro Parliament Forum to prioritize the deliberations on the creation of the congressional district; and

57. Establishment or creation of other institutions, policies and laws for the general welfare of the people in the Bangsamoro.

Section 4. Other Exclusive Powers. The following powers and competencies previously granted to the Autonomous Region in Muslim Mindanao (ARMM) under R.A. No. 6734, as amended by R.A. No. 9054, are hereby transferred to the Bangsamoro Government as part of its exclusive powers:

- a. To regulate and exercise authority over foreign investments within its jurisdiction. The Central Government may intervene in such matters only if national security is involved;
- b. To proclaim a state of calamity over its territorial jurisdiction or parts thereof whenever typhoons, flash floods, earthquakes, tsunamis, or other natural calamities cause widespread damage or destruction to life or property in the region. The state of calamity proclaimed by the Chief Minister shall only be for the purpose of maximizing the efforts to rescue imperiled persons and property and the expeditious rehabilitation of the damaged area;
- c. To temporarily take over or direct operation of any privately-owned public utility or business affected with public interest, in times of state of calamity declared by the Chief Minister, when the public interest so requires and under such reasonable terms and safeguards as may be prescribed by the Parliament. The public utility or business concerned may contest the take-over of its operations by the Bangsamoro Government by filing a proper case or petition with the Court of Appeals;

- d. To recognize constructive or traditional possession of lands and resources by indigenous cultural communities subject to judicial affirmation, the petition for which shall be instituted within a period of ten (10) years from the effectivity of this Basic Law. The procedure for judicial affirmation of imperfect titles under existing laws shall, as far as practicable, apply to the judicial affirmation of titles to ancestral lands;
- e. To adopt and implement a comprehensive urban land reform and land use program, to ensure the just utilization of lands within its jurisdiction;
- f. The Bangsamoro Parliament shall have the following powers:
 - 1. To enact legislation on the rights of the people of the Bangsamoro to initiate measures for the passage, amendment or repeal of regional or local legislation; to be consulted on matters that affect their environment; to call for a referendum on important issues affecting their lives; and, to recall regional or local officials;
 - 2. To conduct inquiries or public consultations in aid of legislation in accordance with its rules. In connection therewith, it shall have the power to issue *subpoena* or *subpoena duces tecum* to compel the attendance of witnesses and the production of papers, documents, or things by witnesses or persons under investigation by the Parliament, itself, or by any of its committees. It shall also have the right to cite witnesses or persons under investigation for contempt for refusal to testify before it or before any of its committees or to produce papers, documents or things required by the Parliament or any of its committees. The rights of persons appearing in or affected by such inquiries shall be respected;

3. To enact a law that would allow the Chief Minister, Speaker of the Parliament and the Presiding Justice of the Bangsamoro *Shari'ah* High Court to augment any item in the Bangsamoro General Appropriations Law for their respective offices from savings in other items of their respective appropriations;
4. To enact a law that shall regulate the grant of franchises and concessions, and empower the Chief Minister to grant leases, permits, and licenses over agricultural lands and for forest management;
- g. To create pioneering firms and other business entities needed to boost economic development in the Bangsamoro;
- h. To establish and operate pioneering public utilities in the interest of regional welfare and security. Upon payment of just compensation, it may cause the transfer of the ownership of such utilities to cooperatives or other collective organizations;
- i. To support and encourage the building up of entrepreneurial capability in the Bangsamoro and to recognize, promote, and protect cooperatives;
- j. To supervise and regulate private schools in the Bangsamoro and to allow for the participation of three (3) representatives of private schools in the deliberations of the appropriate Bangsamoro Government's ministry or office on matters dealing with private schools;
- k. To be represented in the board of the state universities and colleges (SUCs) in the Bangsamoro by the Chair of the appropriate committee of the

Bangsamoro Parliament, either as co-chair or co-vice chair. The SUCs within the Bangsamoro shall be considered part of the Bangsamoro educational system. This notwithstanding, these SUCs shall enjoy academic freedom and fiscal autonomy and shall continue to be governed by their respective charters;

- l. To supervise, through the appropriate ministry, the accredited *madaris* in the Bangsamoro;
- m. To conduct periodic competitive qualifying examinations of *madaris* teachers for permanent appointments to the Bangsamoro education system;
- n. To adopt measures to protect and promote the rights of people's organizations and other collective organizations;
- o. To adopt measures for the protection of the youth in the Bangsamoro and the promotion of their welfare, and to create the appropriate office and other mechanisms for the implementation of such measures;
- p. To enforce the policy against the appointment or designation of any member of the Armed Forces of the Philippines in the active service to a civilian position in the Bangsamoro Government, including government-owned and/or -controlled corporations, or in any of their subsidiaries or instrumentalities within the Bangsamoro.

Article VI INTERGOVERNMENTAL RELATIONS

Section 1. Asymmetric Relationship. – The relationship between the Central Government and the Bangsamoro Government shall be asymmetric. This is reflective of the recognition of their Bangsamoro identity, and their aspiration for self-governance.

This makes it distinct from other regions and other local governments.

Section 2. Parity of Esteem. – The Central Government and the Bangsamoro Government shall be guided by the principles of parity of esteem and accepted norms of good governance. The Central Government shall respect the exercise of competencies and exclusive powers of the Bangsamoro Government. The Bangsamoro Government shall respect the exercise of the competencies and reserved powers of the Central Government.

Section 3. General Supervision. Consistent with the principle of autonomy and the asymmetric relation of the Central Government and the Bangsamoro Government, the President shall exercise general supervision over the Bangsamoro Government to ensure that laws are faithfully executed.

Section 4. Intergovernmental Relations Mechanism. – The Central Government and the Bangsamoro Government shall establish a mechanism at the highest levels that will coordinate and harmonize their relationships. For this purpose, a primary mechanism shall be a Central Government – Bangsamoro Government Intergovernmental Relations Body to resolve issues on intergovernmental relations. All disputes and issues relating to these intergovernmental relations shall be resolved through regular consultations and continuing negotiations in a non-adversarial manner.

The Intergovernmental Relations Body shall exhaust all means to resolve all issues brought before it. Unresolved issues shall be elevated to the President, through the Chief Minister.

The Central Government shall appoint a head to represent the Central Government. The Bangsamoro Government shall have a Minister who shall sit in this body, representing the Bangsamoro Government. The body shall be supported by a joint secretariat.

Section 5. Council of Leaders. – The Bangsamoro Council of Leaders shall consist of the Chief Minister, provincial governors, mayors of chartered cities, and representatives from the non-Moro indigenous communities, women, settler communities, and other sectors. The Bangsamoro Council of Leaders shall be chaired by the Chief Minister. The Council shall advise the Chief Minister on matters of governance in the Bangsamoro. The representation of the non-Moro indigenous communities shall be pursuant to their customary laws and indigenous processes.

Section 6. Devolution and Subsidiarity. –The Central Government and the Bangsamoro Government accept the concept of devolution as inspired by the principles of subsidiarity. Decisions are to be made at the appropriate level to ensure public accountability and transparency, and in consideration of good governance and the general welfare.

Section 7. Bangsamoro Government and Its Constituent Local Government Units. – The provinces, cities, municipalities, barangays, and geographic areas within its territory shall be the constituent units of the Bangsamoro. The authority to regulate on its own responsibility the affairs of the local government units is

guaranteed within the limit of this Basic Law. The privileges already enjoyed by the local government units under existing laws shall not be diminished unless otherwise altered, modified or reformed for good governance in accordance with a law to be enacted by the Bangsamoro Parliament.

Section 8. Philippine Congress - Bangsamoro Parliament Forum. - There shall be a Philippine Congress-Bangsamoro Parliament Forum for purposes of cooperation and coordination of legislative initiatives.

Section 9. Bangsamoro Participation in Central Government. - It shall be the policy of the Central Government to appoint competent and qualified inhabitants of the Bangsamoro in the following offices in the Central Government: at least one (1) Cabinet Secretary; at least one (1) in each of the other departments, offices and bureaus, holding executive, primarily confidential, highly technical, policy-determining positions; and one (1) Commissioner in each of the constitutional bodies.

The recommendations of the Bangsamoro Government shall be channeled through the intergovernmental relations mechanisms.

Section 10. Assistance to Other Bangsamoro Communities. - The Central Government shall ensure the protection of the rights of the Bangsamoro people residing outside the territory of the Bangsamoro and undertake programs for the rehabilitation and development of their communities. The Bangsamoro Government may provide assistance to their communities to enhance their economic, social and cultural development.

Article VII THE BANGSAMORO GOVERNMENT

Section 1. Powers of Government. – The powers of government shall be vested in the Bangsamoro Parliament, which shall exercise those powers and functions expressly granted to it in this Basic Law, and those necessary for or incidental to the proper governance and development of the Bangsamoro. It shall set policies, legislate on matters within its authority, and elect a Chief Minister, who shall exercise executive authority in its behalf.

Section 2. Legislative Authority. – The Bangsamoro Parliament shall have the authority to enact laws on matters that are within the powers and competencies of the Bangsamoro Government.

Section 3. Executive Authority. – The executive function and authority shall be exercised by the Cabinet, which shall be headed by a Chief Minister. The Chief Minister who heads the ministerial government of the Bangsamoro shall be elected by a majority vote of the Parliament from among its members.

The Chief Minister shall appoint the Deputy Chief Minister from among the Members of Parliament, and the members of the Cabinet, majority of whom shall also come from the Parliament.

Bangsamoro Parliament

Section 4. Composition. – The Parliament shall be composed of at least sixty (60) members, unless otherwise provided by the Parliament, who are representatives of political parties elected through a system of proportional representation, those elected from single member districts and to reserved seats

to represent key sectors in the Bangsamoro, except as otherwise provided under this Article.

Section 5. Classification and Allocation of Seats. – The seats in the Bangsamoro Parliament shall be classified and allocated as follows:

- (1) *District Seats.* – Forty percent (40%) of the Members of Parliament shall be elected from single member parliamentary districts apportioned for the areas and in the manner provided in the Appendix of this Basic Law.

The Bangsamoro Parliament may by law undertake new redistricting in order to ensure a more equitable representation of the constituencies in the Bangsamoro Parliament.

The district representatives shall be elected through direct, plurality vote by the registered voters in the parliamentary districts.

- (2) *Party Representatives.* – Fifty percent (50%) of the Members of Parliament shall be representatives of political parties who win seats through a system of proportional representation based on the whole Bangsamoro territory. Parties shall submit their respective list of approved candidates prior to the election.
- (3) *Reserved Seats; Sectoral Representatives.* – Sectoral representatives, constituting ten percent (10%) of the Members of Parliament, including two (2) reserved seats each for non-Moro indigenous communities and settler communities.

Women shall also have a reserved seat.

The Bangsamoro Parliament shall determine the manner of election of sectoral and other representation in the Parliament.

Section 6. Election for Reserved Seats for Non-Moro Indigenous Peoples. –

Notwithstanding the immediately preceding sections, reserved seats for the non-Moro indigenous peoples, such as, Teduray, Lambangian, Dulangan Manobo, B'laan and Higaonon, shall be pursuant to their customary laws and indigenous processes based on the following:

- a. Primacy of customary laws and practices;
- b. Primacy of consensus building;
- c. Acceptability of the community;
- d. Inclusivity and full participation;
- e. Representation of the collective interests and aspirations of non-Moro indigenous peoples;
- f. Sustainability and strengthening of Indigenous Political Structures;
- g. Track record and capability; and
- h. Gender equity.

Section 7. Regional Parties. – A free and open regional party system shall be allowed to evolve according to the free choice of the people. Towards this end,

only regional political parties duly accredited by the Bangsamoro Electoral Office may participate in the parliamentary elections in the Bangsamoro.

Section 8. Redistricting. – The Parliament shall have the power to reconstitute, by law, the parliamentary districts apportioned among the provinces, cities, municipalities, and geographic areas of the Bangsamoro to ensure equitable representation in the Parliament. The redistricting, merging or creation, of parliamentary districts shall be based on the number of inhabitants and additional provinces, cities, municipalities, and geographic areas, which shall become part of the territories of the Bangsamoro Government.

For the purpose of redistricting, parliamentary districts shall be apportioned based on population and geographical area; Provided that each district shall comprise, as far as practicable, contiguous, compact, and adjacent territory and should have at least a population of one hundred thousand (100,000).

Section 9. Bangsamoro Electoral Code. – The Bangsamoro Transition Authority shall enact the Bangsamoro Electoral Code, which shall be correlated to national election laws, insofar as these are consistent with this Basic Law. The electoral system shall allow democratic participation, ensure accountability of public officers primarily to their constituents and encourage formation of genuinely principled political parties.

There is hereby created a Bangsamoro Electoral Office which shall be a part of the Commission on Elections, and which shall perform the functions of the Commission on Elections in the Bangsamoro. The Bangsamoro Parliament shall submit a list of three (3) recommendees to the President, who shall choose and appoint from among them the Director General, who shall head the Office. In addition to enforcing national election laws in the Bangsamoro, the Bangsamoro

Electoral Office shall likewise implement the Bangsamoro Electoral Code enacted by Parliament in the Bangsamoro, and shall perform the following functions:

1. Register and accredit regional political parties;
2. In relation to plebiscite for joining the Bangsamoro, receive petitions/resolutions to join from geographic areas;
3. Schedule plebiscites for expansion; and
4. Prepare rules and regulations for Bangsamoro elections and plebiscites, for the promulgation of the Commission on Elections. All rules and regulations governing Bangsamoro elections and plebiscites shall emanate from the Bangsamoro Electoral Office.

Section 10. Budget for the Bangsamoro Electoral Office. – The budget for the Bangsamoro Electoral Office shall be included in the appropriations for the Commission on Elections.

Section 11. Term of Office. - The term of office of members of Parliament shall be three (3) years unless otherwise provided by law passed by the Bangsamoro Parliament. No member shall serve for more than three (3) consecutive terms.

Section 12. Qualifications. - No person shall be a Member of Parliament unless he or she is citizen of the Philippines, at least twenty-five (25) years of age on the day of the election, able to read and write, and a registered voter in the Bangsamoro. For district representatives, he or she must be a registered voter of the district in which he or she is a candidate on the day he or she files his or her certificate of candidacy, and has resided in said district for at least three (3) years immediately preceding the day of the election.

For the first regular elections immediately following the enactment of the Bangsamoro Basic Law, the abovementioned residency requirement shall be reduced to one (1) year immediately preceding the day of the election.

Section 13. Salaries of Parliament Members. – The Bangsamoro Parliament shall determine the salaries and emoluments of its members. No increase in said compensation shall take effect until after the expiration of the full term of all the members of the Bangsamoro Parliament approving such increase.

For the first Bangsamoro Parliament, salaries and emoluments of its members shall be determined by law passed by the Bangsamoro Transition Authority (BTA).

Members of the Bangsamoro Parliament shall not receive during their tenure other salary and emoluments from the Bangsamoro Government or from the Central Government except as provided by law or regulations from the Bangsamoro Parliament.

Section 14. Disclosure. – Members of the Bangsamoro Parliament shall, upon their assumption to office, make full disclosure of their financial and business interests, including those of their spouses and children. They shall notify the Bangsamoro Parliament of any potential conflict of interest that may arise from the filing of bills or resolutions of which they are authors.

Any member found guilty of non-disclosure as required under this Section may be subject to disciplinary action by the Bangsamoro Parliament in accordance with its Rules and without prejudice to his/her other liabilities under the law.

Section 15. Prohibition against Conflict of Interest. – The Chief Minister, Deputy Chief Minister and all the members of the Bangsamoro Parliament, during their term, shall not engage, directly or indirectly, in any business or commercial enterprise where there may be a conflict of interest in the exercise of the functions of their respective offices.

Section 16. Forfeiture of Seat. – A Member of Parliament shall forfeit his or her seat if:

- a. He/she resigns voluntarily in the form of either a written or oral declaration in the Parliament;
- b. He/she is convicted of a grave offense as stipulated in the House Rules that the Bangsamoro Parliament will promulgate pursuant to Art VII Sec 19 of this Basic Law, or treason, high crimes, heinous crimes, crimes against morality or other crimes punishable by more than six (6) years;
- c. He/she becomes permanently physically or mentally incapacitated and is unable to discharge his/her duties as Member of Parliament or dies while in office;
- d. He/she, having been elected under the proportional representation system, is replaced by the party to which he/she belongs with another member of said party;
- e. He/she, having been elected under the proportional representation system, transfers to another party during his/her incumbency as Member of Parliament; and

- f. Such other grounds as may be provided in the Bangsamoro Electoral Code as mentioned in Article VII, Section 9 hereof.

Section 17. Filling of Vacancy. – In case of a vacancy of a proportional representation seat, the party to which that seat belongs shall fill the vacancy.

In case of a vacancy of a district seat by an affiliated Member of Parliament, his/her party shall nominate a replacement within thirty (30) days from the occurrence of such vacancy, and the said nominee shall be appointed by the Chief Minister.

In case of a vacancy in the seat occupied by an unaffiliated Member of Parliament, a special election may be called to fill such vacancy in the manner prescribed by law enacted by Parliament.

The appointee or elected Member of Parliament, as the case may be, shall serve the unexpired term of the vacant office.

Section 18. Privileges and Immunities. – No member of the Bangsamoro Parliament may be arrested while the Bangsamoro Parliament is in session, except for crimes punishable by more than six (6) years of imprisonment. The members of the Bangsamoro Parliament may not be questioned in any other place of held liable for any speech or debate delivered in the Bangsamoro Parliament sessions or meetings of its committees.

Section 19. Sessions of the Bangsamoro Parliament. – The Bangsamoro Parliament shall conduct its regular session once every year starting on the 15th of June up to thirty (30) days before the opening of its next regular session. A special or emergency session may be called by the Speaker, upon the request of

the Chief Minister or by a majority of the members of the Bangsamoro Parliament.

Section 20. Officers of the Bangsamoro Parliament. – On the first session following their election, the members of the Bangsamoro Parliament shall, in open session, elect by a simple majority vote from all its members the Speaker, a Deputy Speaker, and the other officers of the Bangsamoro Parliament as the House Rules of the Bangsamoro Parliament may provide.

In case of death, removal, resignation, or permanent disability or legal incapacity of the Speaker, the Deputy Speaker shall act as Speaker until a new Speaker shall have been elected by the Bangsamoro Parliament.

Section 21. Presiding Officer. – The Speaker, Deputy Speaker, or any other person presiding over the Bangsamoro Parliament shall:

- a. Be independent;
- b. Serve to secure the honor and dignity of the Bangsamoro Parliament;
- c. Be responsible for ensuring – (i) the rights and privileges of all members; and (ii) public access to the proceeding of the Bangsamoro Parliament and its committees;
- d. Have the authority and moral ascendancy to maintain order and decorum in the Bangsamoro Parliament, in accordance with its House Rules; and
- e. Act impartially, and without fear, favor and prejudice.

Section 22. Rules of Procedure. – The Bangsamoro Parliament shall adopt its House Rules for the conduct of its business.

Section 23. Proceedings. – A majority of all the members of the Bangsamoro Parliament shall constitute a quorum to do business. The legislative proceedings in the Bangsamoro Parliament shall be recorded in its original form and translated in the Filipino, Arabic and English languages. Unless otherwise provided by law or the House Rules of the Bangsamoro Parliament, the members of the Bangsamoro Parliament may use any of the commonly understandable native languages during legislative deliberations.

Section 24. General Welfare. – The Bangsamoro Parliament shall pass laws that promote the general welfare of the people in the Bangsamoro.

Section 25. Appropriations. – No public money may be spent without an appropriations act clearly defining the purpose for which it is intended. The Bangsamoro Parliament shall pass an annual appropriations law.

Section 26. Budget. – The form, content, and manner of preparation of the Bangsamoro budget shall be prescribed by law enacted by the Bangsamoro Parliament. Pending the enactment of such law, the budgeting process shall be governed by existing laws, rules, and regulations on budget.

Section 27. Reenacted Budget. – If, by the end of a fiscal year, the Bangsamoro Parliament shall have failed to pass the Bangsamoro appropriations bill for the ensuing fiscal year, the Bangsamoro Appropriations Act for the preceding year shall be deemed automatically reenacted and shall remain in force and effect until a new Bangsamoro appropriations law is enacted by Parliament.

Executive Officers

Section 28. Qualifications of the Chief Minister. – No person may be elected as the Chief Minister unless he/she is at least twenty-five (25) years of age at the time of the election, a *bona fide* resident of the Bangsamoro for three (3) years immediately preceding the day of the elections, and with proven competence and probity, mentally fit, and known for his/her integrity and high moral standards.

For the first election of the Chief Minister immediately following the enactment of the Bangsamoro Basic Law, the abovementioned residency requirement shall be reduced to one (1) year immediately preceding the day of the election.

Section 29. Election of the Chief Minister. – On the inaugural session of the Bangsamoro Parliament following their elections, the members of the Parliament shall, in open session, elect the Chief Minister by a majority vote of all its members.

If no member of Bangsamoro Parliament obtains the majority vote necessary to be elected Chief Minister in the first round of voting, a runoff election shall be conducted. In such case, the members of Bangsamoro Parliament shall elect the Chief Minister from the two (2) candidates who obtained the highest number of votes cast in the first round. There shall be no abstentions allowed in the runoff election.

Section 30. Powers, Duties and Functions of the Chief Minister. - Unless otherwise provided by law, the Chief Minister shall exercise the following powers, duties and functions:

- a. Heads the government of the Bangsamoro;

- b. Appoints heads of ministries, agencies, bureaus, offices of the Bangsamoro Government or other officers of Bangsamoro owned and/or controlled corporations or entities with original charters;
- c. Appoints other officers in the Bangsamoro Government, as may be provided by the Parliament;
- d. Formulates platform of government subject to approval by the Parliament;
- e. Issues executive orders and other policies of the Bangsamoro Government;
- f. Represents the government of the Bangsamoro in affairs outside the Bangsamoro; and
- g. Exercises such other powers and functions inherent to the position.

Section 31. Administration of Oath of the Chief Minister. The *Wali* shall administer the oath of office of all the Members of Parliament, including the Chief Minister upon his/her election.

Section 32. Ex-Officio Membership. - The Chief Minister shall be an ex-officio member of the National Security Council (NSC) on matters concerning the Bangsamoro and of the National Economic and Development Authority Board (NEDA).

Section 33. The Deputy Chief Minister. - The Deputy Chief Minister shall be appointed by the Chief Minister from among the members of the Parliament and may hold a cabinet position.

In case of death, removal, resignation or incapacity of the Chief Minister, the Deputy Chief Minister shall temporarily act as the Chief Minister until the Parliament shall have elected a new Chief Minister. Said election shall be held within thirty (30) days from the occurrence of the vacancy.

Section 34. Call for a New Bangsamoro Parliament Election. – Within seventy-two (72) hours upon a two-thirds (2/3) vote of no confidence of all members of Parliament against the government of the day, the Chief Minister shall advise the *Wali* to dissolve the Parliament and call for a new parliamentary election. In no case shall the *Wali* countermand the advice of the Chief Minister.

The *Wali* shall call for election of a new Bangsamoro Parliament on a date not later than one hundred twenty (120) days from the date of dissolution.

In case of dissolution, the incumbent Chief Minister and the Cabinet shall continue to conduct the affairs of the Bangsamoro Government until a new Parliament is convened and a Chief Minister is elected and has qualified.

Article VIII

WALI

Section 1. Titular Head of the Bangsamoro. - There shall be a *Wali* who shall be the titular head of the Bangsamoro. As titular head, the *Wali* shall take on only ceremonial functions.

The *Wali*, as part of the Bangsamoro Government, shall be under the general supervision of the President.

Section 2. Appointment of *Wali*. – The Bangsamoro Parliament shall issue a resolution reflecting its consensus on the selection of the *Wali* from a list of names of eminent residents of the Bangsamoro submitted by the Council of Leaders.

Section 3. Term of Office of *Wali*. – The first *Wali* shall be appointed by the Bangsamoro Transition Authority (BTA) and shall hold office for three (3) years. Each succeeding *Wali* shall have a term of six (6) years.

Section 4. Allowances of the *Wali*. – The first *Wali* shall receive allowances in such amount as may be determined by the BTA. The allowances of the *Wali* subsequently chosen shall be determined by the Bangsamoro Parliament.

Such allowances shall be sourced from the funds of the Bangsamoro Government and shall be provided for in its annual appropriations law.

Article IX BASIC RIGHTS

Section 1. Basic Rights in the Bangsamoro. – In addition to the basic rights already enjoyed by the citizens residing in the Bangsamoro, the Bangsamoro Government shall guarantee the following enforceable rights:

- a. Right to life and to inviolability of one's person and dignity;
- b. Right to freedom and expression of religion and beliefs;
- c. Right to privacy;

- d. Right to freedom of speech;
- e. Right to express political opinion and pursue democratically political aspirations;
- f. Right to seek constitutional change by peaceful and legitimate means;
- g. Right of women to meaningful political participation and protection from all forms of violence;
- h. Right to freely choose one's place of residence and the inviolability of the home;
- i. Right to equal opportunity and non-discrimination in social and economic activity and the public service, regardless of class, creed, disability, gender and ethnicity;
- j. Right to establish cultural and religious associations;
- k. Right to freedom from religious, ethnic and sectarian harassment;
- l. Right to redress of grievances and due process of law; and
- m. Right to free public education in the elementary and high school levels;

The Bangsamoro Parliament may pass a law for the promotion and protection of the above-enumerated rights.

Section 2. Human Rights. – All laws and policies, including customary laws, shall conform to international human rights and humanitarian standards. The rights under the International Covenant on Economic, Social and Cultural Rights (ICESCR), the International Covenant on Civil and Political Rights (ICCPR) and other international human rights instruments shall be guaranteed by the Central Government and the Bangsamoro Government.

Section 3. Vested Property Rights. – Vested property rights shall be recognized and respected.

With respect to legitimate grievances of the Bangsamoro people arising from any unjust dispossession of their territorial and proprietary rights, customary land tenure or their marginalization shall be acknowledged. Whenever restoration is no longer possible, the Central Government and Bangsamoro Government shall take effective measures for adequate reparation of the loss in such quality, quantity and status collectively beneficial to the Bangsamoro people, and to be determined mutually by both Governments.

Section 4. Transitional Justice. – There shall be created a transitional justice mechanism to address the legitimate grievances of the Bangsamoro people, such as historical injustices, human rights violations, marginalization through unjust dispossession of their territorial and proprietary rights and customary land tenure.

Section 5. Indigenous People's Rights. – The Bangsamoro Government recognizes the rights of the indigenous peoples, and shall adopt measures for the promotion and protection of their rights, the right to their native titles and/or *fusaka inged*, indigenous customs and traditions, justice systems and indigenous political structures, the right to an equitable share in revenues from the utilization of resources in their ancestral lands, the right to free and prior informed consent,

right to political participation in the Bangsamoro Government including reserved seats for the indigenous peoples in the Bangsamoro Parliament, the right to basic services and the right to freedom of choice as to their identity.

Section 6. Customary Rights and Traditions. – The customs, beliefs and traditions of the people in the Bangsamoro are hereby recognized, protected and guaranteed.

The Bangsamoro Parliament shall adopt measures to ensure mutual respect and protection of the distinct beliefs, customs and traditions of the Bangsamoro people and the other inhabitants in the Bangsamoro.

No person in the Bangsamoro shall be subjected to any form of discrimination on account of creed, religion, ethnic origin, parentage, or sex.

Section 7. Bangsamoro Human Rights Commission. – There is hereby created a Bangsamoro Human Rights Commission, which shall be independent and impartial, to ensure the promotion and protection of human rights in the Bangsamoro. In the performance of its mandate, the Commission may exercise, among others, investigatory powers, prosecutorial powers and powers to compel attendance of witnesses and the production of evidence.

The Commission shall submit a report on its activities and performance at least once a year to the Bangsamoro Parliament. Other state instrumentalities in the Bangsamoro shall assist the Commission and ensure its independence, impartiality, dignity and effectiveness. The Commission shall have a coordinative and complementary relationship with the national Commission on Human Rights in carrying out its mandate.

Details pertaining to the establishment of the Commission, such as membership of the Commission, terms of office, and competencies and responsibilities, shall be provided by the Bangsamoro Parliament consistent with the provisions of this Basic Law.

Social Justice

Section 8. Delivery of Basic Services. – The Bangsamoro Government shall provide, maintain, and ensure the delivery of, among other things, basic and responsive health programs, quality education, appropriate services, livelihood opportunities, affordable and progressive housing projects, and water resource development to the Bangsamoro people and other inhabitants in the Bangsamoro. It shall maintain appropriate disaster preparedness units for immediate and effective relief services to victims of natural and man-made calamities. It shall also ensure the rehabilitation of calamity areas and victims of calamities.

Section 9. Rights of Labor. - The Bangsamoro Government shall guarantee all fundamental rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike, in accordance with law to be passed by Parliament. In this regard, the right of workers, whether publicly or privately employed, to form unions, associations or federations shall not be abridged.

The workers shall participate in policy and decision-making processes affecting their rights and benefits, as may be provided by law to be enacted by the Bangsamoro Parliament.

The right of workers to security of tenure, humane conditions of work, and a living wage shall be guaranteed.

No trafficking in persons and engagement of minors in any hazardous or deleterious forms of employment shall be tolerated.

These rights shall be provided for in a law to be passed by the Bangsamoro Parliament.

Section 10. Protection of Women and Children. – The Bangsamoro Government shall uphold and protect the fundamental rights of women and children including the right of women to engage in lawful employment. Women and children, especially orphans of tender age, shall be protected from exploitation, abuse or discrimination. The Bangsamoro Parliament shall enact the necessary laws for the implementation of this section.

Section 11. Participation of Women in the Bangsamoro Government. – Aside from the reserved seat for women in the Parliament, there shall be at least one (1) qualified woman to be appointed to the Bangsamoro Cabinet. The Bangsamoro Parliament shall enact a law that gives recognition to the important role of women in nation-building and regional development and ensures representation of women in other decision-making and policy-determining bodies of the Bangsamoro Government.

Section 12. Rights of Children. – The Bangsamoro Government shall respect, protect, and promote the rights of the children.

Bangsamoro policies and programs must take into utmost consideration the best interest of the child, non-discrimination of children, survival and development, protection and rights of children, youth and adolescents.

The Bangsamoro Government and constituent local government units shall provide for adequate funding and effective mechanisms for implementation of this policy.

Right to Education

Section 13. Integrated System of Quality Education. – The Bangsamoro Government shall establish, maintain, and support, as a top priority, a complete and integrated system of quality education and adopt an educational framework that is relevant, and responsive to the needs, ideals, and aspirations of the Bangsamoro.

Section 14. Tribal University System. – The Bangsamoro Parliament shall create a tribal university system within the Bangsamoro to address the higher educational needs of the indigenous cultural communities in the Bangsamoro.

Right to Health

Section 15. Comprehensive and Integrated Health Service Delivery. – The Bangsamoro shall adopt a policy on health that provides for a comprehensive and integrated health service delivery for its constituents. The Bangsamoro shall, by law, establish a general hospital system to serve the health requirements of its people, to ensure that the individual basic right to life shall be attainable through the prompt intervention of excellent and affordable medical services. The Bangsamoro shall also uphold the people's right to have access to essential goods, health and other social services that would promote their well-being.

Section 16. Support for Persons with Disabilities. – The Bangsamoro Government shall establish a special agency and support facilities for persons

with disabilities and other disadvantaged persons for their rehabilitation, and livelihood or skills training to encourage their productive integration into mainstream society.

Arts and Sports

Section 17. Physical Education and Sports Development. – The Bangsamoro educational system shall develop and maintain an integrated and comprehensive physical education program. It shall develop healthy, disciplined innovative and productive individuals, and promote good sportsmanship, cooperation and teamwork.

Section 18. Sports Programs. – The Bangsamoro education system shall encourage and support sports programs, league competitions, indigenous games, martial arts, and amateur sports including training for regional, national and international competitions.

Culture

Section 19. Preservation of Bangsamoro Cultural Heritage. – To preserve the history, culture, arts, tradition and the rich cultural heritage of the Sultanates, such as the Sultanates of Sulu, Maguindanao, and Buayan, and the Royal Houses of the Maranaos and the indigenous peoples of the Bangsamoro, there shall be created a Bangsamoro commission for the preservation of cultural heritage.

Section 20. Primary Responsibility of the Commission. – The Bangsamoro commission for the preservation of cultural heritage shall have the primary responsibility to write the history of the Bangsamoro people and to establish and sustain the cultural institutions, programs and projects in the Bangsamoro

component areas. The commission shall establish its own libraries and museums, declare and restore historical shrines and cultural sites to preserve the Bangsamoro heritage for posterity.

Section 21. Management of Bangsamoro Historical and Cultural Sites. – The Central Government shall transfer the management of Bangsamoro historical and cultural sites currently under the jurisdiction of the National Museum, National Historical Commission or other agencies of the Central Government to the Bangsamoro commission for the preservation of cultural heritage, through the intergovernmental relations mechanism. The Bangsamoro commission for the preservation of cultural heritage shall coordinate with relevant agencies of the Central Government on the regulation, excavation and preservation of cultural artifacts and on the recovery of lost historical and cultural heritage.

Article X

BANGSAMORO JUSTICE SYSTEM

Section 1. Justice System in the Bangsamoro. -- The justice system in the Bangsamoro shall consist of *Shari'ah* law which shall have supremacy and application over Muslims only; the traditional or tribal justice system, for the indigenous peoples in the Bangsamoro; the local courts; and alternative dispute resolution systems.

For Muslims, the justice system in the Bangsamoro shall give primary consideration to *Shari'ah*, and customary rights and traditions of the indigenous peoples in the Bangsamoro.

Nothing herein shall be construed to operate to the prejudice of non-Muslims and nonindigenous peoples.

Shari'ah Justice System

Section 2. *Shari'ah Justice System.* – The *Shari'ah* Courts in the Bangsamoro shall have jurisdiction over *Shari'ah* law enacted by the Bangsamoro Parliament pertaining to persons and family relations, and other civil law matters, commercial law, and criminal law.

There shall be cooperation and coordination with Central Government regarding the *Shari'ah* justice system, through the different mechanisms as herein provided.

Section 3. *Laws on Shari'ah.* – The Bangsamoro Parliament shall enact laws pertaining to persons and family relations, and other civil law matters, commercial law, criminal law, including the definition of crimes and prescription of penalties thereof. These laws on *Shari'ah* shall only be applicable to Muslims. Criminal laws enacted by the Bangsamoro Parliament shall be effective within the territory of the Bangsamoro and shall be in accordance with the universally accepted principles and standards of human rights.

Section 4. *Sources of Shari'ah Law.* – The following are the sources of *Shari'ah* law, among others:

- a. *Al-Qur'an* (The Koran);
- b. *Al-Sunnah* (Prophetic traditions);
- c. *Al-Qiyas* (Analogy); and
- d. *Al-Ijima* (Consensus).

Section 5. *Shari'ah Circuit Courts.* – The *Shari'ah* Circuit Court in the Bangsamoro shall exercise exclusive original jurisdiction over the following matters:

- a. All cases involving offenses defined and punished under Presidential Decree No. 1083, where the act or omission has been committed in the Bangsamoro;
- b. All civil actions and proceedings between parties residing in the Bangsamoro, and who are Muslims or have been married in accordance with Article 13 of Presidential Decree No. 1083 involving disputes relating to:
 - i. Marriage;
 - ii. Divorce recognized under Presidential Decree No. 1083;
 - iii. Betrothal or breach of contract to marry;
 - iv. Customary dower (*mahr*);
 - v. Disposition and distribution of property upon divorce;
 - vi. Maintenance and support, and consolatory gifts, (*mut'ah*);
 - vii. Restitution of marital rights.
- c. All cases involving disputes relative to communal properties;
- d. All cases involving offenses defined and punishable under *Shari'ah* law enacted by the Bangsamoro Parliament with imprisonment not exceeding six (6) years irrespective of the amount of fine, and regardless of other imposable accessory or other penalties, including the civil liability arising from such offenses or predicated thereon, irrespective of kind, nature, value, or amount thereof;

- e. All civil actions, under *Shari'ah* law enacted by the Bangsamoro Government, involving real property in the Bangsamoro, where the assessed value of the property does not exceed Four Hundred Thousand Pesos (P400,000.00); and
- f. All civil actions in which the parties are Muslims, or where all litigants have voluntarily submitted themselves to the jurisdiction of the *Shari'ah* Circuit Courts, if they have not specified in an agreement which law shall govern their relations where the demand or claim does not exceed Two Hundred Thousand Pesos (P200,000.00).

Section 6. *Shari'ah* District Courts. – The *Shari'ah* District Court in the Bangsamoro shall exercise exclusive original jurisdiction over the following matters:

- a. All cases involving custody, guardianship, legitimacy, paternity and filiation arising under Presidential Decree No. 1083;
- b. All cases involving disposition, distribution and settlement of the estate of deceased Muslims that are residents of the Bangsamoro, probate of wills, issuance of letters of administration or appointment of administrators or executors regardless of the nature or the aggregate value of the property;
- c. Petitions for the declaration of absence and death for the cancellation or correction of entries in the Muslim Registries mentioned in Title VI of Book Two of Presidential Decree No. 1083;

- d. All actions arising from customary and *Shari'ah* compliant contracts in which the parties are Muslims, if they have not specified which law shall govern their relations;
- e. All petitions for mandamus, prohibition, injunction, *certiorari*, *habeas corpus*, and all other auxiliary writs and processes in aid of its appellate jurisdiction;
- f. Petitions by Muslims for the constitution of a family home, change of name and commitment of an insane person to an asylum;
- g. All other personal and real actions not falling under the jurisdiction of the *Shari'ah* Circuit Courts wherein the parties involved are Muslims, except those for forcible entry and unlawful detainer, which shall fall under the exclusive original jurisdiction of the Municipal Circuit Court;
- h. All special civil actions for interpleader or declaratory relief wherein the parties are Muslims residing in the Bangsamoro or the property involved belongs exclusively to Muslims and is located in the Bangsamoro;
- i. All cases involving offenses defined and punishable under *Shari'ah* law enacted by the Bangsamoro Parliament not falling within the exclusive jurisdiction of *Shari'ah* Circuit Courts or any other court, tribunal, or body;
- j. All civil actions, under *Shari'ah* law enacted by the Bangsamoro Parliament, involving real property in the Bangsamoro, where the assessed value of the property exceeds Four Hundred Thousand Pesos (P400,000.00); and

- ic. All civil actions in which the parties are Muslims, or where all litigants have voluntarily submitted themselves to the jurisdiction of the *Shari'ah* Circuit Court, if they have not specified in an agreement which law shall govern their relations where the demand or claim exceeds Two Hundred Thousand Pesos (P200,000.00)

The *Shari'ah* District Court in the Bangsamoro shall exercise appellate jurisdiction over all cases decided upon by the *Shari'ah* Circuit Courts in the Bangsamoro within its territorial jurisdiction, as provided under Article 144 of Presidential Decree No. 1083.

Section 7. Bangsamoro *Shari'ah* High Court. – There is hereby created a Bangsamoro *Shari'ah* High Court. The Bangsamoro *Shari'ah* High Court shall exercise exclusive original jurisdiction, whether or not in aid of its appellate jurisdiction, over:

- a. All petitions for mandamus, prohibition, injunction, *certiorari*, *habeas corpus*, and all other auxiliary writs and processes, in aid of its appellate jurisdiction; and
- b. All actions for annulment of judgments of *Shari'ah* District Courts.

The Bangsamoro *Shari'ah* High Court shall exercise exclusive appellate jurisdiction over cases under the jurisdiction of the *Shari'ah* District Courts in the Bangsamoro. The decisions of the *Shari'ah* High Court shall be final and executory.

Section 8. Additional *Shari'ah* Courts. – Upon the recommendation of the Bangsamoro Government, Congress may create additional *Shari'ah* Courts in the

Bangsamoro and apportion the jurisdiction of each of the *Shari'ah* Circuit and District Courts.

Section 9. Qualifications of *Shari'ah* Judges. –

- a. *Shari'ah Circuit Court.* – No person shall be appointed judge of the *Shari'ah* Circuit Court unless he is a Muslim, citizen of the Philippines, at least twenty-five (25) years of age, a graduate of a four-year course on *Shari'ah* or Islamic jurisprudence, and has passed an examination in the *Shari'ah* to be given by the Supreme Court for admission to special membership in the Philippine Bar to practice in the *Shari'ah* Courts. Provided that, for a period of seven (7) years following the ratification of this Law, the requirement on the completion of a four-year *Shari'ah* or Islamic Jurisprudence course shall not apply.
- b. *Shari'ah District Court.* – No person shall be appointed judge of the *Shari'ah* District Court unless he is a Muslim, citizen of the Philippines at least thirty-five (35) years of age, a graduate of a four-year course on *Shari'ah* or Islamic jurisprudence, and has passed an examination in the *Shari'ah* to be given by the Supreme Court for admission to special membership in the Philippine Bar to practice in the *Shari'ah* Courts. Furthermore, such person should have been engaged in the practice of *Shari'ah* law in the Philippines for at least five (5) years prior to his appointment; Provided that, for a period of seven (7) years following the ratification of this Law, the requirement on the completion of a four-year *Shari'ah* or Islamic Jurisprudence course shall not apply.
- c. *Bangsamoro Shari'ah High Court.* – No person shall be appointed Justice of the *Shari'ah* High Court unless he is a Muslim, natural-born citizen of

the Philippines, at least forty (40) years of age, a graduate of a four-year course on *Shari'ah* or Islamic jurisprudence, and has passed an examination in the *Shari'ah* to be given by the Supreme Court for admission to special membership in the Philippine Bar to practice in the *Shari'ah* Courts. Furthermore, such person should have been engaged in the practice of *Shari'ah* law in the Philippines for at least ten (10) years prior to his appointment. Provided that, for a period of seven (7) years following the ratification of this Law, the requirement on the practice of *Shari'ah* law in the Philippines shall only be for six (6) years.

The *Shari'ah* High Court shall be composed of nine (9) justices, including the Presiding Justice. It may exercise its powers, functions, and duties through three (3) divisions, each composed of three (3) members. It may sit *en banc* only for the purpose of exercising administrative or ceremonial functions. The stations of the three divisions shall be Cotabato City, Marawi City and Jolo, Sulu.

Section 10. *Shari'ah* Judicial and Bar Council. -The *Shari'ah* Judicial and Bar Council shall recommend to the Judicial and Bar Council applicants for the position of judges of *Shari'ah* District and Circuit Courts in the Bangsamoro and the justices of the *Shari'ah* High Court. The Judicial and Bar Council shall give utmost consideration to the *Shar'iah* Judicial and Bar Council nominees in recommending appointees to the President. The President shall issue the appointments within ninety (90) days from the submission by the Judicial and Bar Council of the list.

Section 11. Consultant to the Judicial and Bar Council. — The President shall appoint a consultant to the Judicial and Bar Council, recommended by the Chief Minister from among the members of the *Shari'ah* Judicial and Bar Council, who

shall advise and be consulted by the Judicial and Bar Council on appointments to *Shari'ah* judicial positions in the Bangsamoro.

Section 12. Composition of the *Shari'ah* Judicial and Bar Council. – There is hereby created a *Shari'ah* Judicial and Bar Council to be composed of five (5) members: a senior member of the *Shari'ah* High Court, as ex-officio Chairman, the Head of the *Shari'ah* Academy, and one (1) representative from the Bangsamoro Parliament, as ex-officio members. Other regular members of the Council shall be one (1) representative each from the accredited organization of *Shari'ah* lawyers and other appropriate accredited organizations in the Bangsamoro.

The regular members of the Council shall be appointed by the Chief Minister with a term of five (5) years without reappointment.

Section 13. Functions of the *Shari'ah* Judicial and Bar Council. The *Shari'ah* Judicial and Bar Council shall have the following functions:

- a. Recommend nominees to the *Shari'ah* Courts in the Bangsamoro which shall be submitted to the Judicial and Bar Council; and
- b. Conduct investigations over erring members of the *Shari'ah* Bar in the Bangsamoro and over judges and personnel of the *Shari'ah* Courts in the Bangsamoro, and submit the results of such investigation to the Supreme Court for the latter's action.

Section 14. *Shari'ah* Rules of Court. The rules of court for the *Shari'ah* courts in the Bangsamoro shall be promulgated by the Supreme Court, giving utmost consideration to the recommendations of the Bangsamoro *Shari'ah* High Court.

In the meantime, the special rules of court for *Shari'ah* courts, as promulgated by the Supreme Court, shall continue to be in force.

Section 15. Special Bar Examinations for *Shari'ah*. - The Supreme Court shall continue to administer *Shari'ah* Bar examinations for admission of applicants to the Philippine Bar as special members thereof, with due consideration for the special nature of the *Shari'ah* system and utmost regard to the proposals of the Bangsamoro *Shari'ah* High Court on this matter.

Section 16. Compensation. - Judges of the *Shari'ah* Circuit Court in the Bangsamoro shall receive the same compensation and enjoy the same privileges as judges of Municipal Circuit Trial Courts.

Judges of the *Shari'ah* District Court in the Bangsamoro shall receive the same compensation and enjoy the same privileges as the judges of Regional Trial Courts.

Justices of the Bangsamoro *Shari'ah* High Court shall receive the same compensation and enjoy the same privileges as the justices of the Court of Appeals.

Section 17. Appointment and Discipline of *Shari'ah* Court Personnel. The Supreme Court shall appoint the *Shari'ah* court personnel, and shall have the power of discipline over them. The *Shari'ah* Judicial and Bar Council shall conduct investigations over erring personnel in *Shari'ah* courts in the Bangsamoro, and submit the results of such investigation to the Supreme Court for the latter's action.

Section 18. *Shari'ah* Public Assistance Office. To provide free legal assistance to indigent party litigants, the Bangsamoro Parliament shall create a *Shari'ah* Public Assistance Office for the different *Shari'ah* courts in the Bangsamoro.

Section 19. *Shari'ah* Special Prosecution Service. - **There shall be created a *Shari'ah* Special Prosecution Service** for *Shari'ah* administration of justice in the Bangsamoro. The *Shari'ah* Special Prosecution Service shall be attached to the National Prosecutorial Service of the Central Government. The Bangsamoro Government shall recommend the qualified applicants for the position of the *Shari'ah* prosecutors and personnel of the *Shari'ah* Special Prosecution Service to the Secretary of Justice.

Section 20. *Shari'ah* Academy. - There is hereby created a *Shari'ah* Academy, the primary function of which is to conduct courses and trainings on the practice of *Shari'ah* law in the Bangsamoro, accredit *Shari'ah* courses and degrees obtained by Bangsamoro from schools and universities abroad, and develop the curriculum of schools and universities in the Bangsamoro. The Bangsamoro Parliament shall define its powers and additional functions and appropriate funds therefor. The *Shari'ah* Academy may coordinate with the National Commission on Muslim Filipinos (NCMF) whenever necessary.

Section 21. Bangsamoro Jurisconsult in Islamic Law. - There is hereby created an office of Jurisconsult of Islamic law in the Bangsamoro. The Parliament shall define the powers and functions of this office.

The Office of Jurisconsult shall be a collegial body composed of the Jurisconsult and three (3) Deputies who shall be appointed by the Chief Minister upon recommendation of the Parliament, taking into consideration the various ethnic groups in the Bangsamoro.

The Jurisconsult and his deputies shall be members of the Philippine *Shari'ah* Bar or the Integrated Bar of the Philippines, Muslim Bangsamoro, holders of Bachelor Degree in Islamic Law and Jurisprudence, must not be commonly known as one who violates Islamic injunctions, with proven competence and probity, mentally fit, and known for integrity and high moral standards.

Section 22. Jurisconsult Under Existing Law. - Notwithstanding the preceding section, the Office of the Jurisconsult under PD 1083 shall be strengthened by providing for salary, rank and privileges of a Justice of the Court of Appeals.

Traditional/Tribal Justice Systems

Section 23. Traditional/Tribal Justice Systems. – The Bangsamoro Parliament shall enact laws to promote and support the traditional/tribal justice systems that are appropriate for the indigenous peoples, as defined by them. The traditional justice systems are the mechanisms to determine, settle, and decide controversies and enforce decisions involving disputes between members of the indigenous peoples concerned in accordance with the tribal codes of these communities.

Section 24. Office for Traditional/Tribal Justice System. – There is hereby created an Office for Tribal Justice System responsible in overseeing the study, preservation and development of the tribal justice system within the Bangsamoro. The powers and functions of the Office shall be defined by the Bangsamoro Parliament.

The Office shall ensure the full participation of indigenous peoples in the formulation, implementation and evaluation of policies related to the strengthening of tribal justice system; ensuring further that such systems maintain

their indigenous character in accordance with the respective practices of each tribe.

Local Courts

Section 25. Local Courts. - Local courts in the Bangsamoro shall continue to exercise their judicial functions, as provided by law. The Bangsamoro Government may undertake measures to improve their workings, consistent with the powers of the Supreme Court.

Alternative Dispute Resolution System

Section 26. Alternative Dispute Resolution (ADR). - The Bangsamoro Government shall provide for the institution of alternative dispute resolution system in the Bangsamoro. The Parliament shall enact the necessary legislation for the operationalization of ADR.

The Bangsamoro Government shall adopt the principles of conciliation and mediation in settling disputes. The Bangsamoro Parliament may provide for prior recourse to alternative dispute resolution before the filing of cases in *Shari'ah* courts in the Bangsamoro or any Bangsamoro government offices.

Justices from the Bangsamoro

Section 27. Justices from Bangsamoro. It shall be the policy of the Central Government that at least one (1) justice in the Supreme Court and two (2) justices in the Court of Appeals at any one time who shall be qualified individuals of the Bangsamoro territory. For this purpose, the Chief Minister may, after consultations with the Bangsamoro Parliament and the *Shari'ah* Judicial and Bar

Council, submit the names of qualified persons to the Judicial and Bar Council for its consideration. The appointments of those recommended by the Chief Minister to the judicial positions mentioned above are without prejudice to appointments that may be extended to other qualified inhabitants of the Bangsamoro to other positions in the Judiciary.

Section 28. Deputy Court Administrator for the Bangsamoro. The Office of the

Deputy Court Administrator for the Bangsamoro is hereby created. The Deputy Court Administrator for the Bangsamoro shall be appointed by the Chief Justice of the Supreme Court from among three (3) recommendees submitted by the Chief Minister upon previous consultation with the Bangsamoro Parliament and with the concerned sectors of the Bangsamoro.

Article XI

PUBLIC ORDER AND SAFETY

Section 1. Public Order and Safety. - The Bangsamoro Government shall have primary responsibility over public order and safety within the Bangsamoro. There shall be cooperation and coordination between the Central Government and the Bangsamoro Government through the intergovernmental relations mechanism.

Section 2. Bangsamoro Police. - There is hereby created a Bangsamoro Police which shall be organized, maintained, supervised, and utilized for the primary purpose of law enforcement and maintenance of peace and order in the Bangsamoro. It shall be part of the Philippine National Police.

The Bangsamoro Police shall be professional, civilian in character, regional in scope, effective and efficient in law enforcement, fair and impartial, free from

partisan political control, and accountable under the law for its actions. It shall be responsible both to the Central Government and the Bangsamoro Government, and to the communities it serves.

Section 3. Powers and Functions of the Bangsamoro Police. – The Bangsamoro Police shall exercise within the Bangsamoro the following powers and functions:

- a. Enforce laws enacted by the Congress and by the Bangsamoro Parliament relative to the protection of lives and properties of the people;
- b. Maintain law and order and ensure public safety;
- c. Investigate and prevent crimes, arrest criminal offenders, bring criminal suspects to justice, and assist in their prosecution;
- d. Conduct searches and seizures in accordance with pertinent laws;
- e. Detain persons for a period not exceeding what is prescribed by law, inform the person so detained of all his or her rights under the Constitution and the Basic Law, and observe the human rights of all people in the Bangsamoro;
- f. Process and facilitate applications for the registration of firearms and the issuance of licenses and permits for approval by the proper official of the Philippine National Police;
- g. Initiate drives for the registration or surrender of unregistered firearms; confiscate unregistered firearms after such drives are over; prosecute or recommend to the President the grant of amnesty or pardon to possessors of unregistered firearms who surrender them; and

- h. Perform such other duties and exercise all other functions as may be provided by law enacted by Congress or by the Bangsamoro Parliament.

Section 4. Bangsamoro Police Organization. – The structural organization of the Bangsamoro Police shall be as follows:

- a. It shall be headed by a Bangsamoro Police Director, who shall be assisted by at least two (2) deputies. They shall be professional police officers with the rank of, at least, Police Chief Superintendent. For a period of ten (10) years, immediately following the enactment of this Basic Law, the head of the Bangsamoro Police and his deputies may be selected from a list of Bangsamoro Police officers with a rank of Police Senior Superintendent.
- b. It shall have regional, provincial, and city or municipal offices;
- c. The provincial office shall be headed by a provincial director, who shall be a professional police officer with the rank of, at least, police superintendent; and
- d. The city or municipal office or station shall be headed by a Chief of Police, who shall be a professional police officer with the rank of, at least, police superintendent for the city and police inspector for the municipality.

Section 5. Bangsamoro Police Board. – There is hereby created a Bangsamoro Police Board, which shall perform the functions of the National Police Commission in the Bangsamoro. The board shall be part of the National Police Commission (NAPOLCOM). The NAPOLCOM shall ensure that the

Bangsamoro Police Board performs its powers and functions within the bounds of its authority. In addition, it shall perform the following functions:

- a. To set the policing objectives and priorities in the Bangsamoro;
- b. To monitor the performance of the Bangsamoro Police against policing objectives and priorities;
- c. To monitor crime trends and patterns as well as performance in areas of human rights, crime reduction, and crime prevention, recruiting patterns and employment opportunities in the Bangsamoro;
- d. To provide information and guidance to the Bangsamoro Government and the PNP on the annual budgetary requirement of the Bangsamoro Police;
- e. To monitor police performance as against the budget allocation for the Bangsamoro Police; and
- f. To recommend the Bangsamoro Police Director and his Deputies, the Provincial Directors, and City and Municipal chiefs of the Bangsamoro Police.

The Bangsamoro Police Board shall have the power to investigate complaints against the Bangsamoro Police. Appeals from its decision may be lodged with the National Police Commission. Pending resolution of the appeal, its decisions may be executed. The rules and regulations governing the investigation of the members of the Philippine National Police shall be followed by the Bangsamoro

Police Board in the absence of rules and regulations enacted by the Bangsamoro Parliament.

Section 6. Composition of the Board. - The Board shall be composed of eleven (11) members. Six (6) members of the Board shall come from the Bangsamoro Parliament and five (5), from various sectors. All the six (6) members from the Parliament shall not hold any ministerial post. All the members thereof shall be appointed by the Chief Minister in accordance with the rules promulgated by the Bangsamoro Parliament for this purpose.

The Chairman of the Board shall be an ex-officio commissioner of the National Police Commission on matters dealing with the Bangsamoro Police.

Section 7. Terms of Office. - The sectoral representatives to the board shall hold office for a period of three (3) years; provided that of those first appointed as sectoral representatives, two (2) will sit for three (3) years, another two (2) will sit for two (2) years, and the last will sit for one (1) year. Appointment for any vacancy shall only be for the unexpired term of the predecessor.

The members of Parliament who are likewise members of the Board shall hold office for the duration of their elective terms.

Section 8. Powers of the Chief Minister Over the Bangsamoro Police. - The Chief Minister shall have the following powers over the Bangsamoro Police:

- a. To act as deputy of the National Police Commission in the Bangsamoro and as ex officio chair of the Bangsamoro Police Board;
- b. To select the head of the Bangsamoro Police and his deputies;

- c. To exercise operational control and supervision and disciplinary powers over the
Bangsamoro Police;
- d. To employ or deploy the elements of and assign or reassign the Bangsamoro Police through the Bangsamoro Police Director. The Bangsamoro Police Director shall not countermand the order of the Chief Minister unless it is in violation of the law;
- e. To oversee the preparation and implementation of the Integrated Bangsamoro Public Safety Plan;
- f. To impose, after due notice and summary hearings of the of the citizen's complaints, administrative penalties on personnel of the Bangsamoro Police except those appointed by the President; and
- g. Do everything necessary to promote widespread support for the Bangsamoro Police by residents of the Bangsamoro.

Section 9. Manning Level. - The average manning level of the Bangsamoro Police shall be approximately in accordance with the police-to-population of one (1) police officer for every five hundred (500) persons. The actual strength by cities and municipalities shall depend on the state of peace and order, population density and actual demands of service in the particular area; provided that the minimum police to population ratio shall not be less than one (1) police officer for every one thousand (1,000) persons; provided further that urban areas shall have a higher minimum police to population ratio as may be prescribed by regulations.

Section 10. Appointment of Officers and Members of the Bangsamoro Police.

-The appointment of the officers and members of the Bangsamoro Police shall be effected in the following manner:

- a. *Police Officer I to Senior Police Officer IV.* – Appointed by the head of the Bangsamoro Police and attested by the Civil Service Commission.

Personnel for the Bangsamoro Police shall also be appointed by its head.

- b. *Inspector to Superintendent.* – Appointed by the Chief of the Philippine National Police, as recommended by the head of the Bangsamoro Police and the Chief Minister, and attested by the Civil Service Commission; and
- c. *Senior Superintendent and above.* – Appointed by the President upon recommendation of the chief of the Philippine National Police, with proper endorsement by the Chief Minister and the Civil Service Commission, and subject to confirmation by the Commission on Appointments.

Section 11. Community Police.- The Bangsamoro Police shall adopt community policing as an essential mechanism in maintaining peace and order.

Section 12. Law Governing the Bangsamoro Police. - The Bangsamoro Parliament is hereby authorized to enact laws to govern the Bangsamoro Police consistent with this Basic Law.

Section 13. Transitional Arrangements. - Upon the establishment of the Bangsamoro Transition Authority and pending the organization of the Bangsamoro Police, the Bangsamoro Transition Authority shall have substantial

participation in choosing the head and in the employment and the deployment of existing Philippine National Police in the Bangsamoro. The head of the Bangsamoro Police will be selected from a list of three (3) eligible officers recommended by the Philippine National Police.

Section 14. National Support Services. - The relationship between the Bangsamoro Police and the national support services of the Philippine National Police shall be determined by the intergovernmental relations body.

Section 15. Defense and Security.- The defense and security of the Bangsamoro shall be the responsibility of the Central Government. The Central Government may create a Bangsamoro Command of the Armed Forces of the Philippines for the Bangsamoro, which shall be organized, maintained, and utilized in accordance with national laws. Qualified inhabitants of the Bangsamoro shall be given preference for assignments in the said Bangsamoro Command.

Section 16. Calling Upon the Armed Forces. - The provisions of the preceding sections notwithstanding, the Chief Minister may request the President to call upon the Armed Forces of the Philippines:

- a. To prevent or suppress lawless violence, invasion, or rebellion, when the public safety so requires, in the Bangsamoro;
- b. To suppress the danger to or breach of peace in the Bangsamoro, when the Bangsamoro Police is not able to do so; or
- c. To avert any imminent danger to public order and security in the area of the Bangsamoro.

Section 17. Coordination. - The Central Government and the Bangsamoro Government shall establish coordination protocols, which shall govern the movement of Armed Forces of the Philippines in the Bangsamoro.

Section 18. Indigenous Structure. - The Bangsamoro Government shall recognize indigenous structures or systems which promote peace, and law and order. The Bangsamoro Parliament shall provide institutional support to these structures and systems to enhance peace and security in the Bangsamoro.

Article XII

FISCAL AUTONOMY

Section 1. Fiscal Autonomy. - The Bangsamoro shall enjoy fiscal autonomy with the end in view of attaining the highest form of economic self-sufficiency and genuine development. It shall be entitled to all fund sources enumerated herein, and shall have the power to create its sources of revenues as provided in this law. It shall prepare its budget and shall allocate funds in accordance with an annual appropriations law passed by the Bangsamoro Parliament. The form, content, and manner of preparation of the budget shall be prescribed by law enacted by the Bangsamoro Parliament.

Section 2. Auditing. - All public funds of the Bangsamoro are subject to auditing. For this purpose, a Bangsamoro Commission on Audit (BCA) is hereby created. It shall have the power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property, owned or held in trust by, or pertaining to the public funds utilized by the Bangsamoro. The utilization of the revenue generated by the Bangsamoro Government and block grants or subsidies from foreign or domestic

donors shall be subject to the auditing rules and regulations of the Bangsamoro Government and to auditing by the BCA auditors.

The BCA's power, authority and duty shall be without prejudice to the power, authority and duty of the Commission on Audit (COA) to examine, audit and settle all accounts, pertaining to the revenues and the use of funds and property owned and held in trust by any government instrumentality, including GOCCs.

With due regard to the BCA's responsibility to ensure the judicious use of funds within the Bangsamoro, disbursement vouchers of the Bangsamoro Government shall be submitted immediately to the BCA.

Section 3. Local Government Finance. – The Bangsamoro Government shall create a mechanism for coordinating, assisting, and monitoring the finances of the constituent local government units in pursuance of good governance and local autonomy.

Section 4. Central Government Assistance. – The Central Government shall extend assistance to the Bangsamoro Government in the matter of tax administration and fiscal management. This assistance shall include capacity building and training programs, in accordance with a needs assessment and capacity building plan developed by the Bangsamoro Government in consultation with the Central Government.

Section 5. Assistance to Other Regions. – The Bangsamoro Government may also assist the development efforts of other regions once the Bangsamoro has attained financial self-sustainability.

Sources of Revenue

Section 6. Revenue Sources. – The Bangsamoro Government shall have the power to create its own sources of revenues and to levy taxes, fees, and charges, subject to the provisions of this law and consistent with the principles of devolution of powers, equalization, equity, accountability, administrative simplicity, harmonization, and economic efficiency, and fiscal autonomy. Such taxes, fees, and charges shall accrue exclusively to the Bangsamoro Government.

The sources of revenue of the Bangsamoro Government shall include, among others, the following:

- a. Taxes;
- b. Fees and charges;
- c. Annual block grant coming from Central Government;
- d. Revenues from the exploration, development and utilization of natural resources derived from areas/territories, land or water, covered by and within the jurisdiction of the Bangsamoro;
- e. Revenues from Bangsamoro government-owned and/or –controlled corporations (GOCCs), financial institutions and other corporations, and shares from the revenues of national GOCCs and its subsidiaries operating in the Bangsamoro, as may be determined by the intergovernmental fiscal policy board;

- f. Grants from economic agreements entered into by the Bangsamoro Government and conventions to which the Central Government is a party;
- g. Grants and donations; and
- h. Loans and Overseas Development Assistance (ODA).

Section 7. Taxation. – The Bangsamoro Government shall exercise the power to levy taxes, fees or charges that were already given to the Autonomous Region in Muslim Mindanao and/or allowed under Republic Act 6734 and Republic Act 9054, and other legislations, as well as those that are provided herein.

In enacting revenue-raising measures, the Bangsamoro shall observe the principles of uniformity and equity in taxation. Revenues shall inure solely to the benefit of, and be subject to the disposition by, the Bangsamoro Government.

Taxes, fees, or charges shall not be unjust, excessive, oppressive, confiscatory or contrary to public policy. The collection of Bangsamoro taxes, fees, charges and other impositions shall not be let to any private person.

The power to impose a tax under this Basic Law shall be exercised by the Bangsamoro Parliament, through an appropriate legislation, which shall not be enacted without any prior public hearing conducted for the purpose. The Bangsamoro Government shall, as far as practicable, evolve a progressive system of taxation.

Section 8. Tax Incentives. – To encourage investments and other economic activities, the Bangsamoro Government shall have the power to grant tax exemptions, rebates, tax holidays and other incentives including those granted to

the Regional Board of Investment of the ARMM. As part of incentives to investors, the Bangsamoro may opt instead to impose a flat rate lump sum tax on small and medium enterprises.

Section 9. Taxing Powers. The following taxes in the Bangsamoro shall be levied by the Bangsamoro Government.

- a. *Capital Gains Tax.* – Tax imposed on the gains presumed to have been realized by the seller from the sale, exchange, or other disposition of capital assets, including *pacto de retro* sales and other forms of conditional sale;
- b. *Documentary Stamp Tax.* – Tax on documents, instruments, loan agreements and papers evidencing the acceptance, assignment, sale or transfer of an obligation rights or property incident thereto;
- c. *Donor's Tax.* – Tax on a donation or gift, and is imposed on the gratuitous transfer of property between two or more persons who are living at the time of the transfer. It shall apply whether the transfer is in trust or otherwise, whether the gift is direct or indirect and whether the property is real or personal, tangible or intangible;
- d. *Estate Tax.* – Tax on the right of the deceased person to transmit his/her estate to his/her lawful heirs and beneficiaries at the time of death and on certain transfers, which are made by law as equivalent to testamentary disposition;
- e. Income tax levied on banks and other financial institutions;

- f. Registration fees of vessels which are registered by their owners with the Bangsamoro Government and wharfage on wharves constructed and maintained by the Bangsamoro Government or the local government unit concerned;
- g. Tolls on bridges or roads constructed and maintained by the provinces, cities, municipalities, or barangays concerned or by the Bangsamoro Government;
- h. Taxes, fees, or charges on agricultural and aquatic products, except when sold by marginal farmers or fisherfolk;
- i. Excise taxes on articles that are not enumerated under the National Internal Revenue Code;
- j. Taxes, fees, or charges on countryside, barangay enterprises and cooperatives not registered under Republic Act No. 6810, the "Magna Carta for Countryside and Barangay Business Enterprises" and Republic Act No. 6938, the "Cooperatives Code of the Philippines," respectively; and
- k. Such other taxes that were allowed to be levied by the Government of the Autonomous Region in Muslim Mindanao under RA 6734, RA 9054, and other legislations and executive issuances.

Where all taxable elements are within the Bangsamoro territory, taxes under letters (a) to (d) above shall no longer be imposed by the Bureau of Internal Revenue (BIR) of the Central Government. The Intergovernmental Fiscal Policy Board shall promulgate rules on the determination of taxable elements in relation to taxes (a) to (d) above and on the sharing of revenues from the collection of

such taxes where the taxable elements are found within and outside of the Bangsamoro territory. Any dispute between the Bangsamoro Government and the Central Government arising from the imposition of taxes under (a) to (d) above shall be addressed by the Intergovernmental Fiscal Policy Board.

Section 10. Share in Taxes of the Central Government. – Central Government taxes, fees, and charges collected in the Bangsamoro, other than tariff and customs duties, shall be shared as follows:

- a. Twenty-five percent (25%) to the Central Government; and
- b. Seventy-five percent (75%) to the Bangsamoro, including the shares of the local government units.

The aforementioned twenty-five percent (25%) share of the Central Government shall, for a period of ten (10) years, be retained by the Bangsamoro Government. The period for retention may be extended upon mutual agreement of the Central Government and the Bangsamoro Government.

Section 11. Assessment and Collection of Taxes. – The Bangsamoro Parliament shall, by law, establish the Bangsamoro Tax Office within the Bangsamoro for the purpose of assessing and collecting Bangsamoro taxes. The Bangsamoro Government and the Central Government may come to an agreement as to modalities for the collection and remittance of national taxes, including costs, in the Bangsamoro.

Until such time that the Bangsamoro Tax Office is established, the collection shall be done by the Bureau of Internal Revenue (BIR). The share of the Bangsamoro Government shall be directly remitted to it.

Corporations, partnerships, or firms directly engaged in business in the Bangsamoro shall pay their corresponding taxes, fees, and charges in the province or city, where the corporation, partnership, or firm is doing business.

Corporations, partnerships, or firms whose central, main, or head offices are located outside the Bangsamoro but which are doing business within its territorial jurisdiction by farming, developing, or utilizing the land, aquatic, or natural resources therein, shall pay the income taxes corresponding to the income realized from their business operations in the Bangsamoro to the city, or municipality where their branch offices or business operations or activities are located. The BIR and the Bangsamoro Tax Office shall agree on modalities for the filing of income tax returns through the Intergovernmental Fiscal Policy Board.

Section 12. Share of the Constituent Local Government Units in Taxes within the Bangsamoro. – The Bangsamoro Parliament shall enact a law detailing the shares of constituent local government units in the 75% share of the Bangsamoro Government in the taxes, fees and charges collected in their jurisdiction by the Central Government in the Bangsamoro.

Section 13. Bangsamoro Taxes and Revenue Code. – The Bangsamoro Parliament shall enact a Bangsamoro Tax Code, which shall cover the taxing powers of the Bangsamoro Government.

Section 14. Fees and Charges. – The Bangsamoro shall exercise the power to levy fees and charges pursuant to the powers and functions that it shall exercise in accordance with this Basic Law, including the powers already granted under

Republic Act No. 6734, RA 9054 and other executive issuances, and memoranda of agreement.

Block Grant

Section 15. Annual Block Grant. – The Central Government shall provide an annual block grant which shall be the share of the Bangsamoro in the national internal revenue of the Government. The amount shall be sufficient for the exercise of the powers and functions of the Bangsamoro Government under this Basic Law in no case to be less than the last budget received by the ARMM immediately before the establishment of the Bangsamoro Transition Authority.

Section 16. Formula of the Block Grant. – For the budget year immediately following the year this Act takes effect, the amount of the block grant shall be equivalent to four per cent (4%) of the net national internal revenue collection of the Bureau of Internal Revenue less the internal revenue allotment of local government units. For purposes of this section, the net national internal revenue collection of the Bureau of Internal Revenue is understood to be the sum of all internal revenue tax collections during the base year less the amount released during the same year for tax refunds, payments for informer's reward, and any portion of internal revenue tax collections which are presently set aside, or hereafter earmarked under special laws for payment to third persons.

Provided, that the computation shall be based on collections from the third fiscal year preceding the current fiscal year,

Provided, further, that the above formula shall be adjusted if, after the effectivity of this Act, there occurs a change in the total land area of the Bangsamoro;

Provided, finally, that in the event that the Central Government incurs an unmanageable public sector deficit, the President of the Philippines shall call for the activation of the intergovernmental relations body where both the President and the Prime Minister of the Bangsamoro will participate in order to look at the possibility of adjusting the annual block grant of the Bangsamoro; Provided furthermore, that this adjustment shall be during the duration of the unmanageable public sector deficit only.

Section 17. Automatic Appropriation. – The annual block grant shall be automatically appropriated to the Bangsamoro Government and reflected in the General Appropriations Act. The Bangsamoro Parliament shall pass an annual appropriations law that allocates the block grant to various agencies and programs, according to the powers and functions of the Bangsamoro Government. The Bangsamoro annual appropriations law may also include performance standards and targets for each sector. Any unspent amount in the current year's block grant shall revert to the Bangsamoro general fund for re-appropriation.

Section 18. Regular Release. – The block grant shall be released, without need of any further action, directly and comprehensively to the Bangsamoro Government, and which shall not be subject to any lien or holdback that may be imposed by the Central Government for whatever purpose.

Section 19. Deductions from the Block Grant; Exceptions. – Four years from the operationalization of the regular Bangsamoro Government the following shall be deducted from the block grants:

- a. Revenues from the additional taxes beyond those already devolved to the ARMM collected three (3) years before; and

- b. Share of the Bangsamoro in the government income derived from the exploration, development and utilization of natural resources, as provided in Section 32 below, collected three (3) years before.

Provided, that the amount allocated for the operation of the Bangsamoro Sustainable Development Board, as provided in Article XIII, Section 4, shall not be included in the amount herein to be deducted from the block grant; Provided, further, that the abovementioned deduction shall not include the shares of constituent local government units and of indigenous communities in government income derived from the exploration, development and utilization of natural resources, under Sections 33 and 34, respectively.

Section 20. Review of the Block Grant Formula. – The formula for the Block Grant, as provided above, shall be reviewed by the Intergovernmental Fiscal Policy Board ten (10) years after its effectivity. The review that shall be undertaken shall consider, among others, the fiscal needs of the Bangsamoro and the actual revenues it is able to generate. Thereafter, the review shall be undertaken every five (5) years as agreed upon in the Intergovernmental Fiscal Policy Board. Should the Central Government no longer have any representative in the said Board, the review shall be undertaken by the Intergovernmental Relations Body, for enactment into law.

Section 21. Development programs and projects. - Immediately after the ratification of this Basic Law, and for another five (5) years thereafter, the Central Government shall provide for additional funds that would subsidize expenditure for development projects and infrastructure in the Bangsamoro, including provincial and municipal roads, in accordance with a development plan formulated by the Bangsamoro Government. The Central Government and the

Bangsamoro Government shall agree on the amount through the intergovernmental relations body, as well as the manner of release of said amount to the Bangsamoro Government.

Loans

Section 22. Foreign and Domestic Loans; Bills, Bonds, Notes and Obligations. – (a) *Loans, Credits, and Other Forms of Indebtedness.* – The contracting of loans, credits, and other forms of indebtedness by the Bangsamoro Government shall be for the development and welfare of the people of the Bangsamoro.

Subject to acceptable credit worthiness, such loans may be secured from domestic and foreign lending institutions, except foreign and domestic loans requiring sovereign guaranty, whether explicit or implicit, which would require the approval of the Central Government. The Bangsamoro Parliament may authorize the Chief Minister to contract such domestic or foreign loans. The loans so contracted may take effect upon approval by a majority of all the members of the Bangsamoro Parliament.

The Central Government shall assist the Bangsamoro Government in complying with the requirements for a speedy issuance of the sovereign guaranty, to finance local infrastructure and other socio-economic development projects in accordance with the Bangsamoro Development Plan.

Within 30 days from the submission of the Bangsamoro Government of its application for sovereign guaranty, the Bangsamoro Government shall be informed by the Central Government on the actions taken on the application. The application shall be resolved with dispatch.

b) Bills, Bonds, Notes, Debentures and Obligations. – The Bangsamoro Government is also authorized to issue treasury bills, bonds, debentures, securities, collaterals, notes, obligations, and other debt papers or documents, as well as redeem or retire the same, pursuant to law enacted by the Bangsamoro Parliament. Said authority may be exercised in order to finance self-liquidating, income producing development or livelihood projects pursuant to the priorities established in the aforementioned development plan.

(c) Payment of Loans and Indebtedness. – The Bangsamoro Government shall appropriate in its annual budget such amounts as are sufficient to pay their loans and their indebtedness incurred.

Section 23. Overseas Development Assistance. – In its efforts to achieve inclusive growth and poverty reduction, through the implementation of priority development projects, the Bangsamoro Government may avail directly of Overseas Development Assistance (ODA). The Bangsamoro Parliament may enact legislation governing ODA.

Grants and Donations

Section 24. Grants and Donations. – Grants and donations from foreign and domestic donors received by the Bangsamoro Government for the development and welfare of the people in the Bangsamoro shall be used solely for the purpose for which they were received.

Donations and grants that are used exclusively to finance projects for education, health, youth and culture, and economic development, may be deducted in full from the taxable income of the donor or grantor.

Economic Agreements and Conventions

Section 25. Economic Agreements. – The Bangsamoro government may enter into economic agreements and receive benefits and grants derived therefrom subject to the reserved powers of the Central Government over foreign affairs.

Section 26. Cultural Exchange, Economic and Technical Cooperation. – Consistent with the reserved powers of the Central Government, the Bangsamoro Government may establish linkages for cultural exchange, economic and technical cooperation with countries with diplomatic relations with the Philippines, with assistance of Philippine embassies or consulates, or through some other arrangements with Central Government supporting such undertakings.

Section 27. Benefits from Conventions. – The Bangsamoro shall be entitled to benefits resulting from conventions to which the Central Government is a party. Such benefits shall be equitable and shall consider the available human and material resources and comparative advantage of the Bangsamoro, as well as its socio-economic conditions and needs.

Government Owned and/or Controlled Corporations (GOCCs) and Financial Institutions

Section 28. GOCCs and Financial Institutions. – The Bangsamoro shall have the power to create GOCCs and financial institutions through the necessary modalities, and in accordance with a law on GOCCs to be passed by the Parliament. These Bangsamoro Government-created GOCCs shall be duly registered with the Securities and Exchange Commission or established under

legislative charter by the Bangsamoro Parliament, and shall be recognized even outside the Bangsamoro. Revenues derived from their operations shall pertain to the Bangsamoro.

Section 29. Existing GOCCs Operating Exclusively in the Bangsamoro. –

The Bangsamoro Government shall have the authority and control over existing GOCCs and financial institutions operating exclusively in the Bangsamoro, after determination by the intergovernmental fiscal policy board of its feasibility. Such transfer shall be effected through the necessary changes on the GOCCs' governing boards.

Section 30. Southern Philippine Development Authority and Al-Amanah Islamic Investment Bank. – Within six (6) months from the establishment of the BTA, the Intergovernmental Fiscal Policy Board shall determine the participation of the Bangsamoro in the ownership and management of Al-Amanah Islamic Investment Bank of the Philippines and the Southern Philippines Development Authority as provided in P.D. 690 as amended by P.D. 1703 and the mode of transfer of ownership to the Bangsamoro Government.

Section 31. Existing GOCCs in the Bangsamoro. –The Bangsamoro Government shall be represented in the board of directors or in the policy-making bodies of GOCCs that operate a substantial portion of their businesses directly or through their subsidiaries in the Bangsamoro or where the Bangsamoro has substantial interest. The Intergovernmental Fiscal Policy Board (IGFPB) shall determine the extent of participation. In no case shall the Bangsamoro have less than one seat in the governing board of such entities.

The share of the Bangsamoro Government from the results of operations of GOCCs and subsidiaries operating in the Bangsamoro shall be based on a formula

determined by the Intergovernmental Fiscal Policy Board under Section 36 of this Basic Law.

Sharing in the Exploration, Development and Utilization of Natural Resources

Section 32. Sharing in Exploration, Development and Utilization of Natural Resource. – Central Government income from taxes derived from the exploration, development and utilization of all natural resources within the Bangsamoro shall be allocated as follows:

- a. For non-metallic minerals (sand, gravel, and quarry resources), such revenues shall pertain fully to the Bangsamoro and its local government units;
- b. For metallic minerals, seventy-five percent (75%) shall pertain to the Bangsamoro;
- c. For fossil fuels (petroleum, natural gas, and coal) and uranium, the same shall be shared equally between the Central and Bangsamoro Governments.

Such sharing scheme shall be applicable to the natural resources found in the land mass that comprise the Bangsamoro territory as well as the waters that are within the territorial jurisdiction of the Bangsamoro.

Section 33. Share of the Constituent Local Government Units. – The share of the Bangsamoro Government in the revenues referred to in the immediately preceding section shall include those for its constituent local government units.

The Bangsamoro Parliament shall enact a law detailing the shares of such local government units.

Section 34. Share of Indigenous Communities. – Indigenous peoples shall have an equitable share from the revenues generated from the exploration, development and utilization of natural resources that are found within the territories covered by a native title in their favor. The share shall be provided for in a law to be passed by the Bangsamoro Parliament.

The Bangsamoro Parliament shall enact a law that shall provide in detail said sharing system, including the percentage of the shares of the indigenous peoples and communities, and the mechanisms therefor.

Intergovernmental Fiscal Policy Board

Section 35. Intergovernmental Fiscal Policy Board. – There is hereby created an Intergovernmental Fiscal Policy Board (IGFPB) that shall address revenue imbalances and fluctuations in regional financial needs and revenue-raising capacity of the Bangsamoro.

Section 36. Functions. – The IGFPB shall undertake the following functions:

- (a) Recommend the necessary fiscal policy adjustments by undertaking a periodic review of the taxing powers, tax base and rates of the Bangsamoro Government, wealth sharing arrangements, sources of revenues vis-à-vis the development needs of the Bangsamoro;

- (b) Address disputes between the Central Government and the Bangsamoro Government involving the collection of capital gains tax, documentary stamp tax, donor's tax and estate tax in the Bangsamoro;
- (c) Determine the extent of participation of the Bangsamoro Government in the board of directors or the policy-making bodies of GOCCs that operate a substantial portion of their businesses directly or through their subsidiaries in the Bangsamoro or where the Bangsamoro has substantial interest;
- (d) Determine the participation of the Bangsamoro Government in the results of operations of government-owned and/or controlled corporations and its subsidiaries operating in the Bangsamoro. The Board shall also determine a formula for the share of the Bangsamoro Government from the results of said operations;
- (e) Determine the participation of the Bangsamoro in the ownership and management of Al-Amanah Islamic Investment Bank of the Philippines and the Southern Philippines Development Authority (SPDA) to the Bangsamoro; and
- (f) Recommend the exercise by the Bangsamoro Government of additional fiscal powers in order to attain the highest form of fiscal autonomy.

Section 37. Composition. – The Board shall be composed of the heads and/or representatives of the appropriate ministries and offices in the Bangsamoro Government. The Central Government shall likewise be represented in the Board by the Secretary of Finance and such other officials as may be necessary.

Once full fiscal autonomy has been achieved by the Bangsamoro, it may no longer be necessary to have a representative from the Central Government to sit in the Board.

Section 38. Meetings and Annual Report. The Board shall meet at least once in six (6) months and shall adopt its own rules of procedure for the conduct of its meetings.

An annual report shall be submitted by the Board to the Central Government and the Bangsamoro Government.

Section 39. Full Disclosure Policy. – The Bangsamoro Government hereby adopts a policy of full disclosure of its budget and finances, and bids and public offerings and shall provide protocols for the guidance of local authorities in the implementation of said policy, which shall include, among others the posting of the Summary of Income and Expenditures. The same policy shall apply to its constituent local government units, as may be provided in a law to be enacted by the Bangsamoro Parliament.

Section 40. Additional Fiscal Powers. – The IGFPB may recommend the exercise by the Bangsamoro of additional fiscal powers in order to reach full fiscal autonomy. Such recommendations shall be proposed to Congress or the appropriate agency of the Central Government that has the power to effect such recommendations.

Article XIII

ECONOMY AND PATRIMONY

Section 1. Bangsamoro Economy and Social Justice - The Bangsamoro Government's economic policies and programs shall be based on the principle of social justice. Pursuant to this principle, the Bangsamoro Parliament shall legislate laws pertaining to the Bangsamoro economy and patrimony that are responsive to the needs of its people.

Sustainable Development

Section 2. Equitable and Sustainable Development. – In order to protect and improve the quality of life of the inhabitants of the Bangsamoro, development in the Bangsamoro shall be carefully planned, taking into consideration the natural resources that are available for its use and for the use of future generations.

The Bangsamoro Government shall promote the effective use of economic resources and endeavor to attain economic development that shall facilitate growth and full employment, human development, and social justice.

The Bangsamoro Government shall also provide equitable opportunities for the development of constituent local government units and shall strengthen governance systems to ensure people's participation.

Section 3. Comprehensive Framework for Sustainable Development. – The Bangsamoro Government shall develop a comprehensive framework for sustainable development through the proper conservation, utilization and development of natural resources. Such framework shall guide the Bangsamoro Government in adopting programs and policies and establishing mechanisms that

focus on the environment dimensions of social and economic interventions. It shall include measures for the reduction of vulnerability of women and marginalized groups to climate change and variability.

Section 4. Bangsamoro Sustainable Development Board. – The Bangsamoro Parliament shall create a Bangsamoro Sustainable Development Board (BSDB), an intergovernmental body composed of representatives from the Bangsamoro Government and the Central Government. The Board shall ensure the harmonization of environmental and developmental plans, as well as formulate common environmental objectives.

Funding support for the Board shall be included in the annual budget of the Bangsamoro Government. However, if there are revenues collected from the exploration, development and utilization of all natural resources within the Bangsamoro, a certain percentage of such revenues shall be allocated for the operation of the Board, as may be provided in a law to be passed by the Bangsamoro Parliament.

Section 5. Bangsamoro Development Plan. – The Bangsamoro Government shall formulate its development plans taking into consideration the Bangsamoro people's unique needs and aspirations and consistent with national development goals. The plan shall also consider the revenue generation efforts needed for the post-conflict rehabilitation, reconstruction and development of its territory.

The plan shall include the promotion of growth and full employment, human development, and address social and economic inequities that have resulted from decades of neglect, historical injustice, poverty and inequality.

For this purpose, the Bangsamoro Parliament shall create an economic planning office.

Section 6. Gender and Development. – The Bangsamoro Government recognizes the role of women in governance and shall ensure the fundamental equality before the law of women and men. It shall guarantee full and direct participation of women in governance and in the development process and shall, further, ensure that women benefit equally in the implementation of development programs and projects.

In the utilization of public funds, the Bangsamoro Government shall ensure that the needs of women and men are adequately addressed. For this purpose, at least five percent (5%) of the total budget appropriation of each ministry, office, and constituent local government unit of the Bangsamoro shall be set aside for gender-responsive programs, in accordance with a gender and development (GAD) plan. In the same manner, at least five percent (5%) up to thirty percent (30%) of the official development funds received by the Bangsamoro shall be set aside to complement said GAD budget allocation.

The Bangsamoro Government shall establish a mechanism for consultation with women and local communities to further ensure the allocation and proper utilization of said funds. It shall identify and implement special development programs and laws for women.

Section 7. Participation of the Bangsamoro in National Development Planning. – The preceding section notwithstanding, and in order to ensure that the Bangsamoro development plans are reflected in the national development plans, the Bangsamoro shall participate in national development planning. The

Chief Minister shall be a fullfledged member of the Board of the National Economic and Development Authority (NEDA).

Natural Resources

Section 8. Natural Resources, Nature Reserves and Protected Areas. – The Bangsamoro Government shall have the authority, power, and right to explore, develop and utilize the natural resources, including surface and sub-surface rights, inland waters, coastal waters, and renewable and non-renewable resources in the Bangsamoro.

The protection, conservation, rehabilitation, and development of forests, coastal, and marine resources, including the adoption of programs and projects to ensure the maintenance of ecological balance, shall be given priority.

The Bangsamoro Government shall also have the power to declare nature reserves and aquatic parks, forests, watershed reservations and other protected areas in the Bangsamoro, amending for this purpose the following laws, among others:

- a. Republic Act No. 7586, otherwise known as the National Integrated Protected Areas System (NIPAS) Act of 1992, as amended by Republic Act No. 10629;
- b. Presidential Decree (PD) No. 705, Revising PD 389 or the Forestry Code of the Philippines;

- c. PD No. 1515 Vesting Jurisdiction and Control over Watershed Reservations in the Ministry of Energy and for other Purposes;
- d. PD 87, Amending PD No. 8, An Act to Promote the Discovery and Production of Indigenous Petroleum and Appropriate Funds therefor; and
- e. Republic Act No. 7942, Philippine Mining Act of 1995.

The Bangsamoro Parliament shall pass a law on protected areas, regarding the procedure for the declaration, and the management of those that are so declared, and the role of the Bangsamoro Government and other stakeholders in the process.

Section 9. Transfer of Existing Nature Reserves and Protected Areas. – The management and protection of nature reserves and aquatic parks, forests, watershed reservations, and other protected areas in the Bangsamoro territory that have already been defined by and under the authority of the Central Government shall be transferred to the Bangsamoro Government.

Within three months from the establishment of the Bangsamoro Transition Authority, the Bangsamoro Government and Department of Environment and Natural Resources (DENR) as well as other relevant government agencies shall start the process of transferring these areas including the conduct of surveys of all affected areas and the planning and transition for each and every protected area. Such process shall be completed within a period not exceeding two years.

Section 10. Exploration, Development, and Utilization of Fossil Fuels and Uranium. - The Bangsamoro Government and the Central Government shall jointly exercise the power to grant rights, privileges and concessions over the

exploration, development and utilization of fossil fuels (petroleum, natural gas, and coal) and uranium in the Bangsamoro.

The Central Government, through the Department of Energy (DOE), and the Bangsamoro Government shall adopt a competitive and transparent process for the grant of rights, privileges and concessions in the exploration, development and utilization of fossil fuels and uranium.

The DOE and the Bangsamoro Government will identify and select prospective contract areas to be offered for exploration and development. A qualified Filipino citizen who is a bona fide resident of the Bangsamoro will receive a rating higher than other proponents during the evaluation process. The award of the service contract shall be made jointly by the DOE and the Bangsamoro Government.

Section 11. Preferential Rights of Bona Fide Inhabitants of the Bangsamoro.

– Qualified citizens who are *bona fide* inhabitants of the Bangsamoro shall have preferential rights over the exploration, development, and utilization of natural resources, including fossil fuels (petroleum, natural gas, and coal) and uranium, within the Bangsamoro territory. Existing rights over the exploration, development and utilization of natural resources shall be respected until the expiration of the corresponding leases, permits, franchises or concessions, unless legally terminated.

Section 12. Rights of Indigenous Peoples Over Natural Resources. – The Bangsamoro Parliament shall enact a law recognizing the rights of indigenous peoples in the Bangsamoro in relation to natural resources within the territories covered by a native title, including their share in revenues, as provided in this

Basic Law, and preferential rights in the exploration, development and utilization of such natural resources within their area.

The right of indigenous peoples to free and prior informed consent in relation to development initiatives shall be respected.

Section 13. Mines and Mineral Resources. – The Bangsamoro Government shall have authority and jurisdiction over the exploration, development, and utilization of mines and minerals in its territory. Permits and licenses and the granting of contracts for this purpose shall be within the powers of the Bangsamoro Government.

Section 14. Financial and Technical Assistance Agreements. – The applications for financial and technical assistance agreements (FTAAs) covering mineral resources within the Bangsamoro shall be commenced at and recommended by the Bangsamoro Government to the President.

The manner by which the Bangsamoro Government shall make the recommendation shall be in accordance with the mining policy that shall be adopted by the Bangsamoro Parliament.

Section 15. Regulation of Small-Scale Mining. – Small-scale mining shall be regulated by the Bangsamoro Government to the end that the ecological balance, safety and health, and the interests of the affected communities, the miners, the indigenous peoples, and the local government units of the place where such operations are conducted are duly protected and safeguarded.

Section 16. Legislating Benefits, Compensation for Victims and Communities Adversely Affected by Mining and Other Activities that

Harness Natural Resources. - The Bangsamoro Parliament shall enact laws for the benefit and welfare of the inhabitants injured, harmed or adversely affected by the harnessing of natural and mineral resources in the Bangsamoro. Such laws may include payment of just compensation to and relocation of the people and rehabilitation of the areas adversely affected by the harnessing of natural and mineral resources mentioned above.

The Bangsamoro Parliament may, by law, require the persons, natural or juridical, responsible for causing the harm or injury mentioned above to bear the costs of compensation, relocation and rehabilitation mentioned above wholly or partially.

Section 17. Bangsamoro Mining Policy. - Policies on mining and other extractive industries shall be drawn up by the Bangsamoro Parliament in accordance with its Comprehensive Sustainable Development Plan, as well as its over-all medium-term and long-term Bangsamoro Development Plan.

Section 18. Zones of Joint Cooperation. - Zones of Joint Cooperation in the Sulu Sea and the Moro Gulf are hereby created, the coordinates of which shall be defined by an ad hoc joint body composed of representatives from the Department of Environment and Natural Resources (DENR) and the National Mapping and Resource Information Authority (NAMRIA) and an equal number of representatives from appropriate agencies of the Bangsamoro Government.

The Joint Body shall be convened within thirty (30) days after the ratification of this Basic Law and shall cease to exist after it has established the coordinates of the Bangsamoro territory, including the Bangsamoro Waters and the Zones of Joint Cooperation. However, the said joint body shall be reconvened within thirty

(30) days after the conduct of a plebiscite for the inclusion of other territories as provided in the Basic Law.

Section 19. Joint Body for the Zones of Joint Cooperation. – There shall be created a Joint Body for the Zones of Joint Cooperation composed of a Bangsamoro Minister as Chair, at least one (1) representative of a constituent local government unit of the Bangsamoro adjacent to the Sulu Sea, at least one (1) representative of a constituent local government unit of the Bangsamoro adjacent to the Moro Gulf, the Secretary of Environment and Natural Resources, the Secretary of Agriculture, and the Secretary of Transportation and Communication of the Central Government, or their authorized representatives, and their counterpart officials from the appropriate Bangsamoro offices and/or agencies. There shall be at least one (1) representative from an adjoining local government unit that is not part of the Bangsamoro, and adjacent to the Sulu Sea, and at least one (1) representative from an adjoining local government unit that is not part of the Bangsamoro, and adjacent to the Moro Gulf. The Joint Body shall be responsible for drawing up of policies mentioned in the preceding Section, as well as those necessarily related thereto.

The joint body may invite private sector representatives from the fishing and transportation industries whenever necessary.

The Central and the Bangsamoro Governments shall work together to regulate the waters that comprise the Zones of Joint Cooperation in the Sulu Sea and the Moro Gulf. Policies shall be jointly drawn up for the following purposes:

- a. protection of the traditional fishing grounds;
- b. benefitting from the resources therein;

- c. ensuring the interconnectivity of the islands and mainland parts of the Bangsamoro so that they are parts of a cohesive Bangsamoro political entity; and
- d. ensuring the exercise of the preferential rights of the Bangsamoro people, other indigenous peoples in the adjoining provinces, and the resident fishers in the Bangsamoro over fishery, aquamarine, and other living resources in the Zones of Joint Cooperation. The Joint Body shall promulgate rules and regulations as to the exercise of these preferential rights. The preferential rights granted to the Bangsamoro people under this section shall extend only to those who can establish that they are Bangsamoro as defined in this Basic Law or descendants of a Bangsamoro as of February 2, 1987.

The Bangsamoro Government and the Central Governments shall ensure that there shall be free movement of vessels, goods, and people in these Zones of Joint Cooperation.

Section 20. Exploration, Development and Utilization of Non-living Resources in the Zones of Joint Cooperation. The Joint Body for the Zones of Joint Cooperation shall ensure the cooperation and coordination between the Central Government and the Bangsamoro Government on the exploration, development and utilization of nonliving resources in the Zones of Joint Cooperation and determine the sharing of income and revenues derived therefrom.

Section 21. Transportation in the Zones of Joint Cooperation. Transportation plying direct routes connecting the islands in Sulu, Basilan, Tawi-Tawi and/or the mainland parts of the Bangsamoro and passing through the Zones of Joint Cooperation shall be considered intra-regional routes.

Section 22. Inland Waters. – The Bangsamoro Government shall have exclusive powers over inland waters, including, but not limited to lakes, marshes, rivers and tributaries. The Bangsamoro Parliament shall enact laws on the regulation, management and protection of these resources. It may create a Bangsamoro office and authorities for specific inland bodies of water that shall exercise management powers over these bodies of water.

The Bangsamoro Government shall ensure that the utilization of these waters shall primarily be for the benefit of the people in the Bangsamoro and shall ensure that communities in the Bangsamoro in whose territory these waters are found are given an equitable share from the revenues generated from such utilization.

Section 23. Agriculture, Fisheries, and Aquatic Resources. – The Bangsamoro Government's policies and laws on agriculture, fisheries, and aquatic resources shall advance agriculture as a key development strategy, promote productivity measures, and provide support for farmers and fishers especially small landholders and marginal fishers.

Trade and Industry

Section 24. Trade and Industry in the Bangsamoro. – The Bangsamoro Government recognizes the private sector as a mover of trade, commerce, and industry. It shall encourage and support the building up of entrepreneurial capability in the Bangsamoro and shall recognize, promote, and protect cooperatives.

The Bangsamoro Government shall promote trade and industry in the Bangsamoro by providing avenues through which other countries can learn about its unique industries, economic opportunities and culture through participation in

trade missions, trade fairs, and other promotional activities. It can also organize trade missions to other countries observing the necessary coordination with the relevant government agencies.

The Bangsamoro Government shall also promote domestic trade preference for goods produced and materials sourced from within the Bangsamoro and adopt measures to increase their competitiveness. The Bangsamoro Government shall also ensure that Bangsamoro products and services gain considerable access to the markets of its trading partners, and particular attention should also be given to the markets of its trading partners who have historic and cultural ties to the Bangsamoro.

The Bangsamoro Government shall provide technical and skills training programs, create livelihood and job opportunities, and allocate equitable preferential rights to its inhabitants. In this regard, the Bangsamoro Parliament may adopt laws that will safeguard the rights of workers.

Section 25. Barter Trade and Countertrade with ASEAN Countries. – The Bangsamoro Government shall regulate traditional barter trade and counter-trade with ASEAN countries. The goods or items that are traded with the said countries shall not be sold elsewhere in the country without payment of appropriate customs or import duties.

Traditional barter trade and counter-trade refer to all cross-border trade of all goods not otherwise considered illicit since time immemorial between the Bangsamoro areas with ASEAN countries. The Bangsamoro Government shall ensure compliance with national standards and safety product standards requirements. Any dispute in relation to compliance or non-compliance shall be brought to the intergovernmental relations mechanism.

Section 26. Economic Zones, Industrial Estates and Free Ports. – The Bangsamoro Government may establish economic zones, industrial estates and free ports in the Bangsamoro. Through the intergovernmental relations mechanism, the Bangsamoro Government and the Central Government shall cooperate on customs, immigration, quarantine service including the attendant international commitments thereto, to implement and make fully operational such economic zones, industrial estates, and free ports within one (1) year from their establishment. Business and other enterprises operating within the Bangsamoro economic zones, industrial estates and free ports shall be entitled to the fiscal incentives and other benefits provided by the Central Government to special economic zones. The Bangsamoro Government shall implement the fiscal incentives and other benefits to investors in economic zones, industrial estates and free ports. Bangsamoro free ports shall be contiguous/adjacent to a seaport or airport. The area of coverage of a free port may be so much as may be necessary of that portion of the constituent local government unit/s of the Bangsamoro, subject to such criteria as the Bangsamoro Parliament may provide in law for that purpose. Existing free ports in the ARMM are hereby transferred to the Bangsamoro Government.

Section 27. Prohibition Against Toxic or Hazardous Substances. – The Bangsamoro Government shall regulate, restrict or prohibit the use, importation, transit, transport, deposit, disposal, and dumping of toxic or hazardous substances within the Bangsamoro. It shall, in the same manner, regulate activities that may adversely impact the environment and may be harmful to health, safety and welfare of the Bangsamoro. **Section 28. Halal-Certifying Bodies; Halal Campaign Program.** – The Bangsamoro Government shall have the power to accredit halal-certifying bodies in the Bangsamoro. It shall promote awareness through the development and implementation of a halal campaign program.

Banking and Finance

Section 29. Banks and Financial Institutions. – The Bangsamoro Government shall encourage the establishment of:

- a. banks and financial institutions and their branches; and

off-shore banking units of foreign banks within the Bangsamoro, and principles of the Islamic banking system.

Section 30. Islamic Banking and Finance. – The Bangsamoro Government, the *Bangko Sentral ng Pilipinas* (BSP), the Department of Finance (DOF), and the National Commission on Muslim Filipinos (NCMF) shall jointly promote the development of an Islamic banking and finance system, to include among others the establishment of a *Shari'ah* Supervisory Board.

To facilitate the establishment of an Islamic banking and finance system, the Central and the Bangsamoro Governments shall review existing market environment and policies and adopt measures to enhance the competitiveness of Islamic finance products and that Islamic financial players are not inhibited from introducing Islamic finance products. It shall further promote investor awareness and acceptance in order to build a broader customer and asset base.

Transportation and Communications

Section 31. Transportation and Communications. – The Bangsamoro Government shall exercise such powers, functions and responsibilities that have been devolved or decentralized to the ARMM.

The intergovernmental relations body shall convene the Department of Transportation and Communication, Civil Aviation Authority of the Philippines, Civil Aeronautics Board, Maritime Industry Authority, Philippine Ports Authority, Land Transportation Franchising Regulatory Board, Land Transportation Office, the National Telecommunications Commission, and other concerned agencies of the Central Government and the Bangsamoro Government. The body shall perform the following functions:

- (a) Determine the exercise of additional powers, functions and responsibilities relating to transportation and communications in the Bangsamoro based on the principles of subsidiarity, technical and financial viability, harmonization (uniform system concept), compliance with international standards, treaties, and conventions, and mutual respect and recognition, and in recognition of the Bangsamoro's aspiration to assume further powers as may be practically operationalized as its capacity develops;
- (b) Issue rules and regulation to implement the additional powers, functions and responsibilities over transportation and communication in the Bangsamoro;
- (c) Harmonize policies, programs, regulations and standards; and
- (d) Resolve problems of implementation between the Central Government and the Bangsamoro Government.

All revenues derived by the Bangsamoro Government from the exercise of its powers, functions and responsibilities shall pertain to the Bangsamoro Government.

Article XIV REHABILITATION AND DEVELOPMENT

Section 1. Rehabilitation and Development. – The Bangsamoro Government, with funding support from the Central Government, shall intensify development efforts for the rehabilitation, reconstruction and development of the Bangsamoro as part of the normalization process. It shall formulate and implement a program for rehabilitation and development that will address the needs of MILF combatants/BIAF members and decommissioned women auxiliary forces, internally displaced persons, and povertystricken communities.

Section 2. Special Development Fund. – The Central Government shall provide for a Special Development Fund to the Bangsamoro for rehabilitation and development purposes upon the ratification of the Bangsamoro Basic Law. The amount equivalent to

Seven Billion Pesos (PhP 7,000,000,000.00) shall be allocated for the first year following the ratification of this Basic Law. Beginning the second year, the Special Development Fund shall be in the amount of Ten Billion Pesos (PhP 10,000,000,000.00) which shall be paid out to the Bangsamoro Government over five (5) years, at the rate of Two Billion Pesos (PhP 2,000,000,000.00) per year. Such amount shall be regularly released at the beginning of each fiscal year to the Bangsamoro Government.

Article XV PLEBISCITE

Section 1. Establishment of the Bangsamoro. – (1) The establishment of the Bangsamoro and the determination of the Bangsamoro territory shall take effect upon ratification of this Basic Law by majority of the votes cast in the following provinces, cities, and geographical areas in a plebiscite conducted for the purpose:

- a. The present geographical area of the Autonomous Region in Muslim Mindanao (ARMM);
- b. The Municipalities of Baloi, Munai, Nunungan, Pantar, Tagoloan and Tangkal in the province of Lanao del Norte;
- c. The following thirty nine (39) Barangays in the Municipalities of Kabacan, Carmen, Aleosan, Pigkawayan, Pikit, and Midsayap in North Cotabato that voted for inclusion in the ARMM during the 2001 plebiscite under Republic Act No. 9054:
 - i. Dungan, Lower Mingading, and Tapodoc in the municipality of Aleosan (3);
 - ii. Manarapan and Nasapian in the municipality of Carmen (2);
 - iii. Nanga-an, Simbuhay and Sanggadong in the municipality of Kabacan (3);
 - iv. Damatulan, Kadigasan, Kadingilan, Kapinpilan, Kudarangan, Central Labas, Malingao, Mudseng, Nabalawag, Olandang, Sambulawan, and Tugal in the municipality of Midsayap (12);
 - v. Lower Baguer, Balacayon, Buricain, DatuBinasing, Kadingilan, Matilac, Patot, and Lower Pangangkalan in the municipality of Pigkawayan (8);
 - vi. Bagoinged, Balatican, S. Balong, S. Balongis, Batulawan, Buliok, Gokoton, Kabasalan, Lagunde, Macabial, Macasendeng, in the municipality of Pigkawayan (11)
- d. The Cities of Cotabato and Isabela; and

- e. Those qualified for inclusion in the plebiscite, by way of resolution or petition.

Section 2. Territorial Jurisdiction. - The plebiscite for purposes of determining the actual territorial jurisdiction of the Bangsamoro shall be conducted, as far as practicable, within one hundred twenty (120) days from the effectivity of this Basic Law.

For this purpose, the COMELEC shall undertake the necessary steps to enable the holding of the plebiscite within the said period.

Section 3. Results of the Plebiscite. - (a) For the present geographic area of the ARMM: if the majority of the registered voters in each province and city vote in favor of the Bangsamoro Basic Law (BBL), the respective provinces and cities shall be included in the Bangsamoro.

(b) For the municipalities of Baloi, Munai, Nunungan, Pantar, Tagaloan and Tangkal in the Province of Lanao del Norte: If the majority of the registered voters in each of these municipalities vote in favor of the Bangsamoro Basic Law (BBL), the respective municipalities shall be included in the Bangsamoro.

For other barangays in the municipalities of Kabacan, Carmen, Aleosan, Pigcawayan, Pikit, and Midsayap that voted for inclusion in the ARMM during the 2001 plebiscite: If the majority of the registered voters in each of these barangays vote in favor of the Bangsamoro Basic Law (BBL), the respective barangays shall be included in the Bangsamoro.

(c) For the cities of Cotabato and Isabela: If the majority of the registered voters in each of these cities vote in favor of the Bangsamoro Basic Law (BBL), the respective cities shall be included in the Bangsamoro.

(d) For all other contiguous areas where there is a resolution of the local government unit or a petition of at least ten percent (10%) of the registered voters in the geographic area asking for their inclusion at least two months prior to the conduct of the ratification of the Bangsamoro Basic Law (BBL). If the majority of the registered voters in each of these local government units vote in favor of the Bangsamoro Basic Law (BBL), the respective local government units shall be included in the Bangsamoro.

Section 4. Plebiscite for Joining the Bangsamoro. – Any local government unit or geographic area outside the territorial jurisdiction of the Bangsamoro, but which are contiguous to any of the component units of the Bangsamoro, upon a verified petition for the conduct of a plebiscite of at least ten percent (10%) of the registered voters, submitted to the Bangsamoro Electoral Office.

Provided that, the inclusion of said local government unit or geographic area in the Bangsamoro shall be effective when approved by a majority of the registered voters within that local government unit in the plebiscite called for the purpose.

Provided further that the schedule of the plebiscite shall be determined by the COMELEC through the Bangsamoro Electoral Office.

Section 5. Reconstitution of Local Government Units. – The Bangsamoro Parliament, may, by regional law, provide for the constitution of geographic areas in the Bangsamoro into appropriate territorial or political subdivisions depending on the results of any of the plebiscites herein.

Nothing herein shall be construed to allow the Bangsamoro Parliament to create congressional districts.

Section 6. Plebiscite Question. The question to be asked of the voters in the plebiscite shall be as follows: "Do you approve of the Bangsamoro Basic Law?"

Section 7. Plebiscite Monitoring. – The COMELEC shall also provide for the accreditation of plebiscite monitors, including the international-domestic monitoring body created by the GPH and the MILF negotiating panels, in accordance with established international standards on election monitoring. The monitoring body will have access to all operations related to the conduct of the plebiscite and be able to conduct regular and random checks. The reports of the monitoring body shall be made available to the Panels for their disposition.

Section 8. Registered Voters. – All registered voters in the provinces, cities and geographical areas mentioned in Section 1 shall be qualified to participate in the plebiscite on the establishment of the Bangsamoro. Notwithstanding existing laws, rules, and regulations on overseas and local absentee voters, the COMELEC shall ensure that qualified voters for the plebiscite who are located outside the Bangsamoro on the date of the plebiscite shall be given the opportunity to vote, and that voters who are currently registered outside the areas specified but are otherwise qualified to be registered voters of the areas, complying with residency requirements under law, shall be given the opportunity to transfer their registration accordingly, in time for the conduct of the plebiscite.

The COMELEC shall conduct a special registration before the date of the plebiscite on the Bangsamoro Basic Law.

The COMELEC shall promulgate rules necessary for the conduct of plebiscite, including those for the accreditation of plebiscite monitors, voluntary inclusion in the plebiscite and the special registration of voters as provided herein, within thirty (30) days from the effectivity of this Basic Law, with the primary objective of optimizing the opportunity for participation in the plebiscite of qualified voters in the areas specified for the creation of the Bangsamoro.

Section 9. Information Campaigns. – The Commission on Elections shall supervise the conduct of information campaigns on the plebiscite, including sectoral campaigns for indigenous communities, women, youth, religious, professionals and public and private sector employees, in every municipality, city, and province where the plebiscite is held.

Public conferences, assemblies, or meetings on dates before the plebiscite day itself shall be held to inform the residents thereof regarding the significance and meaning of the plebiscite and to help them to cast their votes intelligently. Free, full, and constructive discussion and exchange of views on the issues shall be encouraged.

For this purpose, the assistance of persons of known probity and knowledge may be enlisted by the Commission on Elections, the local government units or interested parties to act as speakers or resource persons.

Such campaign will be without prejudice to other information dissemination and public advocacy initiatives by the other government or non-government groups or individuals.

For information campaigns and other public advocacy initiatives with indigenous communities, local leaders shall be engaged to lead discussions in their respective communities.

Public advocacy initiatives shall be conducted within the framework of solidarity, cooperation, and unity among Moro, indigenous, and settler communities. Consultations shall give due respect to the roles of indigenous and Moro women, and encourage their active participation.

Section 10. Appropriation. – A sufficient amount is hereby appropriated for the requirements of the conduct of the plebiscite, including the monitoring, information campaign and the registration of voters; Provided, that the Commission on Elections shall determine the manner of campaigning and the deputization of government agencies for the purpose.

Article XVI

BANGSAMORO TRANSITION AUTHORITY

Section 1. Transition Period. – The transition or interim period for the establishment of the Bangsamoro shall commence upon ratification of this Basic Law.

The law shall be deemed ratified upon proclamation of the Commission on Elections, or its duly authorized officers, that a majority of the votes cast in the plebiscite in the constituent units are in favor of the creation of the Bangsamoro. The fact of ratification shall be confirmed by the GPH and MILF negotiating panels.

Transition period shall end upon the dissolution of the Bangsamoro Transition Authority, as provided in this Basic Law.

The period of transition herein defined shall be without prejudice to the initiation or continuation of other measures that may be required by post-conflict transition and normalization even beyond the term of the BTA.

Section 2. Bangsamoro Transition Authority. – There is hereby created a Bangsamoro Transition Authority (BTA) which shall be the interim government or the governing body in the Bangsamoro during the transition period. The Moro Islamic Liberation Front (MILF), being the principal party to the Comprehensive Agreement on the Bangsamoro, shall lead the BTA, in its leadership and membership.

The BTA shall be composed of fifty (50) members, all of whom shall be appointed by the President; Provided that, non-Moro indigenous communities, women, settler communities and other sectors shall have representatives in the BTA. Nominations may be submitted to the office of the President for this purpose.

The Council of Leaders as provided in Section 5, Article VI shall also be organized during the transition period.

Section 3. Powers and Authorities. – Legislative and executive powers in the Bangsamoro during transition shall be vested in the BTA. During the transition period, executive authority shall be exercised by the interim Chief Minister, who shall be appointed by the President as such, while legislative authority shall be exercised by the BTA.

All devolved authorities shall be vested in the BTA during the transition period. For purposes of mechanisms for intergovernmental relations with the Central Government and local governments units in the Bangsamoro, the BTA shall be deemed as the Bangsamoro Government for the duration of the transition period.

Section 4. Functions and Priorities. – The BTA shall ensure the accomplishment of the following priorities during the transition period:

- a. Enactment of priority legislations such as the Bangsamoro Administrative Code, the Bangsamoro Revenue Code and the Bangsamoro Electoral Code, consistent with powers and prerogatives vested in the Bangsamoro Government by this Basic Law; Provided that, until the abovementioned laws are enacted for the Bangsamoro, Muslim Mindanao Autonomy Act No. 25 or the ARMM Local Government Code, and subsisting laws on elections and other electoral matters shall apply in the Bangsamoro.

The BTA may also enact a Bangsamoro Civil Service Code, as provided in this Basic Law. In the absence of the latter, national civil service laws and regulations are primarily applicable in the Bangsamoro;

Organization of the bureaucracy of the Bangsamoro Government during transition, including the approval and implementation of a transition plan, and the institution of a placement process for hiring of personnel during transition. This shall also include the setting up of offices and other institutions necessary for the continued functioning of government and delivery of social services in the region, as well as those necessary for the smooth operations of the first elected Bangsamoro Government in 2016;

- b. Transfer of powers and properties of the ARMM Regional Government to the Bangsamoro Government, and the disposition of personnel, as provided in this Basic Law; and
- c. Other matters that may be necessary for the transition from the ARMM Regional Government to the Bangsamoro Government, as provided in this Basic Law.

Section 5. Transition Plan. – Within the first sixty (60) days of the transition period, the interim Chief Minister shall submit to the BTA a transition plan that shall contain the proposed organizational plan, as well as the schedule therefor. The BTA shall approve or otherwise act on the proposed transition plan within ten (10) days upon submission by the interim Chief Minister. It shall be implemented within fifteen (15) days from its approval.

Section 6. Interim Officers. – The interim Chief Minister shall organize the interim Cabinet and shall appoint an interim Deputy Chief Minister, who shall also be a member of the BTA. The interim Chief Minister shall also appoint such other ministers as may be necessary to perform the functions of government during transition, a majority of whom shall be from among members of the BTA.

Members of the BTA who are appointed to cabinet positions shall serve their offices concurrently; Provided that, no member of the BTA may be appointed, elected or otherwise hold more than two (2) positions at the same time.

Section 7. Interim Cabinet. – The Interim Cabinet shall be composed of ten (10) primary offices with sub-offices for matters covered and priority ministries, namely:

- a. Governance, in charge of budget and finance, accountability, and such similar or related matters;
- b. Social Services, in charge of social welfare, and such similar or related matters;
- c. Development, in charge of transportation and communications, regional investments, trade and industry, agriculture, forestry and environment, urban and rural development, and such similar or related matters;
- d. Education;
- e. Public Order and Safety;
- f. Indigenous Peoples Affairs;
- g. Health;
- h. Public Works;
- i. Local Government; and
- j. Finance.

The BTA may empower the interim Chief Minister to create other ministries and primary offices, upon a determination of the majority of its members that the same is necessary for achieving the twin goals of continuity of social services and transitioning to the regular Bangsamoro Government.

Section 8. Organization of the Bureaucracy. – The authority of the BTA to create offices and organize the bureaucracy during transition is without prejudice to the authority of the Bangsamoro Government to reorganize the bureaucracy upon its constitution, or any time thereafter. In the exercise of this authority, the BTA shall ensure the least possible disruption to the functioning of government and the delivery of services in the region.

All offices and institutions created by laws enacted by the ARMM Regional Legislative Assembly shall be deemed part of the ARMM Government and shall be subject to the phase out plan that will be adopted by the BTA.

Section 9. Transfer of Powers and Properties and Disposition of Personnel.

– All powers, functions, assets, capital, receivables, equipment and facilities of the ARMM Regional Government at the time of the ratification of this Basic Law shall be transferred to the Bangsamoro Government.

The BTA shall schedule the gradual phasing out of offices of the ARMM, which are deemed abolished upon the ratification of the Bangsamoro Basic Law. In consideration of public interest and the delivery of services, officials holding appointive positions shall continue to perform their functions in accordance with the schedule.

The Central Government shall provide the necessary funds for the benefits and entitlements of affected employees in the ARMM.

The BTA shall institute an independent, strictly merit-based and credible placement and hiring process for all offices, agencies and institutions in the Bangsamoro, and shall consider gender and ethnic balance.

An inventory will be conducted to ensure that the liabilities of the ARMM under law, contracts or others will be settled prior to the turnover to the BTA.

For this purpose, the Office of the Regional Governor of the ARMM shall turnover to the BTA upon the latter's constitution a summary report on the status of the Regional Government as of the date of the ratification of this Basic Law, including information on the status of devolution, personnel, properties and assets of the Regional Government.

Section 10. Disposition of Personnel and Assets of Central Government Offices/Agencies. – The Central Government shall provide for the disposition of personnel of Central Government or National GOCCs whose mandate and functions are transferred to or now vested in the Bangsamoro Government by virtue of this Basic Law. Properties and assets shall be transferred to the Bangsamoro Government within six (6) weeks from the organization of the BTA. The transfer of properties and assets is without prejudice to the power of the BTA to organize the bureaucracy during transition.

Section 11. Dissolution of the BTA. – Immediately upon the qualification of the elected Chief Minister under the first Bangsamoro Parliament, the Bangsamoro Transition Authority shall be deemed dissolved.

The BTA shall submit its final report and recommendations to the Bangsamoro Parliament, as well as to the House of Representatives and the Senate, on the status of government during the transition period within sixty (60) days from the assumption into office of all members of the first Parliament.

Section 12. Regular Elections. – The first regular elections for the Bangsamoro Government under this Basic Law shall be held on the first Monday of May 2016.

It shall be governed by the Bangsamoro Electoral Code. The National Omnibus Election Code shall apply suppletorily, whenever appropriate. The Commission on Elections (COMELEC), through the Bangsamoro Electoral Office, shall promulgate rules and regulations as may be necessary for the conduct of said elections, and enforce and administer the same, consistent with this Basic Law and the Bangsamoro Electoral Code, as correlated with relevant national laws.

Section 13. Initial Funding for Transition. – To carry out the requirements of transition, including the organizational activities of the BTA, organization of the bureaucracy, hiring of personnel, and the exercise of functions and powers of the BTA, as provided in this Basic Law, the amount of One Billion Pesos (1,000,000,000.00) is hereby appropriated for the BTA, charged against the General Funds of the Central Government. In addition, the current year's appropriations for the ARMM shall also be transferred to the BTA for this purpose.

This shall be without prejudice to any supplemental budget that may be appropriated by Congress to support the transition.

Government functions falling within the reserved powers of the Central Government in the Bangsamoro shall continue to be financed by the Central Government funds.

Article XVII

AMENDMENTS AND REVISIONS

Section 1. Amendments and Revisions. – All proposals to amend or revise the provisions of this Basic Law shall be first discussed and endorsed by the Philippine Congress-Bangsamoro Parliament Forum to Congress.

Such amendment or revision, as enacted by Congress, shall become effective upon approval by a majority vote of qualified voters in the Bangsamoro cast in a plebiscite called for the purpose.

The plebiscite shall be held not earlier than sixty (60) days or later than ninety days after the approval of such amendment or revision.

Article XVIII

FINAL PROVISIONS

Section 1. Separability Clause. – The provisions of this Basic Law are deemed separate. If, for any reason, any section or provision of this Basic Law is declared unconstitutional, other sections or provisions, which are not affected by such declaration shall continue to be in full force and effect.

Section 2. Repealing Clause. – All laws, decrees, orders, rules and regulations, and other issuances or parts thereof, which are inconsistent with this Basic Law, are hereby repealed or modified accordingly.

Section 3. Subsisting Regional Laws. – All subsisting laws enacted by the Regional Legislative Assembly of the Autonomous Region Muslim Mindanao by virtue of authorities provided under Republic Act No. 6734, as amended by Republic Act No. 9054, shall be deemed in effect, unless inconsistent with the Basic Law or repealed by laws passed by the Bangsamoro Transition Authority or the Bangsamoro Parliament.

Section 4. Effectivity Clause. – This Basic Law shall take effect fifteen (15) days following its complete publication in at least two (2) national newspapers of

general circulation and one (1) local newspaper of general circulation in the autonomous region.

Section 5. Abolition of the ARMM. – Upon the ratification of this Basic Law, the Bangsamoro shall be deemed established, and the ARMM shall be deemed abolished.