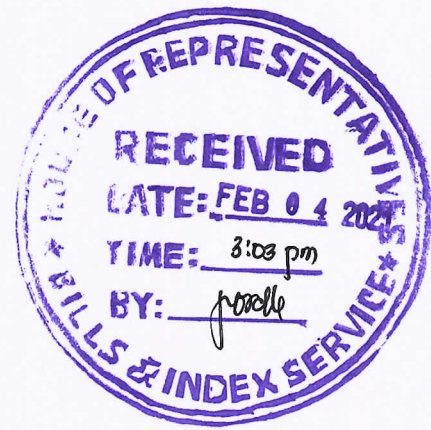




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
Second Regular Session



COMMITTEE REPORT NO. 735

Submitted by the Committee on Constitutional Amendments on FEB 04 2021

Re: Resolution of Both Houses No. 2

Recommending its adoption with amendments.

Sponsors: Representatives Alfredo A. Garbin Jr., Joey Sarte Salceda, and Stella Luz A. Quimbo

MR. SPEAKER:

The Committee on Constitutional Amendments, to which was referred Resolution of Both Houses No. 2 introduced by Your Honor, entitled:

RBH No. 2 “*Resolution of Both Houses Proposing Amendments to Certain Economic Provisions of the 1987 Constitution of the Republic of the Philippines Particularly on Articles II, XIV & XVI*”

has considered the same and recommends its adoption, with the following amendments:

1. On page 2, line 3, delete the phrase “to propose amendments to”, and replace it with the phrase “propose to amend”;
2. On same page, lines 6 and 29, delete the words “National Patrimony and Economy”, and replace them with the words “National Economy and Patrimony”;
3. On same page, make the 4th, 5th, and 6th sentences of Section 2, Article XII, of the 1987 Constitution as another paragraph, thus, Section 2, Article XII shall read as follows:

“**Section 2.** All lands of the public domain, waters, minerals, coal, petroleum, and other mineral oils, all forces of potential energy, fisheries, forests or timber, wildlife, flora and fauna, and other natural resources are owned by the State. With the exception of agricultural lands, all other natural resources shall not be alienated. The exploration, development, and utilization of natural resources shall be under the full control and supervision of the State.

The State may directly undertake such activities, or it may enter into co-production, joint venture, or production-sharing agreements with Filipino citizens, or corporations or associations at least sixty per centum of whose capital is owned by such citizens, **UNLESS OTHERWISE PROVIDED BY LAW.** Such agreements may be for a period not exceeding twenty-five years, renewable for not more than twenty-five years, and under such terms and conditions as may be provided by law. In cases of water rights for irrigation, water supply, fisheries, or industrial uses other than the development of water power, beneficial use may be the measure and limit of the grant.”

4. On same page, from line 47 to line 54, delete the entire No. 3 item which seeks to amend Section 7, Article XII of the 1987 Constitution;

5. Delete the title of Resolution of Both Houses No. 2 and replace it as follows: “Resolution of Both Houses Proposing Amendments to Certain Economic Provisions, Particularly Articles XII, XIV, and XVI of the 1987 Constitution of the Republic of the Philippines”;

with Reps. Lord Allan Jay Q. Velasco, Alfredo A. Garbin Jr., Joey Sarte Salceda, Way Kurat Zamora, Florida “Rida” P. Robes, Henry S. Oaminal, Corazon T. Nuñez-Malanyaon, Rose Marie “Baby” J. Arenas, Stella Luz A. Quimbo, Weslie T. Gatchalian, Lorenz R. Defensor, Rufus B. Rodriguez, Bernadette “BH” Herrera-Dy, Bienvenido M. Abante Jr., Evelina G. Escudero, Manuel T. Sagarbarria, Jose “Jun” L. Ong Jr., Antonio “Tonypet” T. Albano, Eric M. Martinez, Ducielle Marie S. Cardema, Manuel Jose “Mannix” M. Dalipe, Ruwel Peter S. Gonzaga, Sharon S. Garin, Ria Christina G. Fariñas, Divina Grace C. Yu, Rogelio “Ruel” D. Pacquiao, Ron P. Salo, Conrado M. Estrella III, Gil “Kabaranggay Jr.” A. Acosta, Xavier Jesus “XJ” D. Romualdo, Jose “Ping-Ping” I. Tejada, Alyssa Sheena P. Tan, Jesus “Bong” C. Suntay, John Marvin “Yul Servo” C. Nieto, David “Jay-Jay” C. Suarez, Jose “Bong” J. Teves Jr., Doy C. Leachon, Ferdinand L. Hernandez, Rodante D. Marcoleta, Prospero A. Pichay Jr., Arnolfo “Arnie” A. Teves Jr., Juan Pablo “Rimpy” P. Bondoc, Kristine Singson-Meehan, Michael L. Romero, Camille A. Villar, Neptali M. Gonzales II, Jose L. Atienza Jr., Pablo John F. Garcia, Deogracias Victor “DV” B. Savellano, Isidro T. Ungab, Ferdinand Martin G. Romualdez, Juan Miguel Macapagal Arroyo, Lianda B. Bolilia, Cristal L. Bagatsing, Christopher V.P. De Venecia, Marlyn “Len” B. Alonte, Josephine Veronique R. Lacson-Noel, Wilter “Sharky” Wee Palma II, Janette L. Garin, Sharee Ann T. Tan, and Ma. Theresa V. Collantes, as authors thereof.

Respectfully submitted:


ALFREDO A. GARBIN, JR.
Chairperson

THE HONORABLE SPEAKER
House of Representatives
Quezon City

1 **RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES**, by a
2 vote of three-fourths (3/4) of all its Members, each House voting separately, and pursuant to
3 Article XVII of the Constitution, to propose amendments to Articles XII, XIV & XVI of the
4 1987 Constitution of the Republic of the Philippines, with the following proposals:
5

- 6 1. On paragraph 1, Section 2 of Article XII (National Patrimony and Economy), insert
7 the phrase *unless otherwise provided by law* after the fourth sentence and add a
8 comma before the phrase, to read as follows:
9

10 “**Section 2.** All lands of the public domain, waters, minerals,
11 coal, petroleum, and other mineral oils, all forces of potential energy,
12 fisheries, forests or timber, wildlife, flora and fauna, and other natural
13 resources are owned by the State. With the exception of agricultural
14 lands, all other natural resources shall not be alienated. The
15 exploration, development, and utilization of natural resources shall be
16 under the full control and supervision of the State. The State may
17 directly undertake such activities, or it may enter into co-production,
18 joint venture, or production-sharing agreements with Filipino citizens,
19 or corporations or associations at least sixty per centum of whose
20 capital is owned by such citizens, **UNLESS OTHERWISE**
21 **PROVIDED BY LAW.** Such agreements may be for a period not
22 exceeding twenty-five years, renewable for not more than twenty-five
23 years, and under such terms and conditions as may be provided by
24 law. In cases of water rights for irrigation, water supply, fisheries, or
25 industrial uses other than the development of water power, beneficial
26 use may be the measure and limit of the grant.”
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- 28
29 2. On paragraph 1, Section 3 of Article XII (National Patrimony and Economy), insert
30 the phrase *unless otherwise provided by law* after the fourth sentence and add a
31 comma before the phrase, to read as follows:
32

33 “**Section 3.** Lands of the public domain are classified into
34 agricultural, forest or timber, mineral lands, and national parks.
35 Agricultural lands of the public domain may be further classified by
36 law according to the uses to which they may be devoted. Alienable
37 lands of the public domain shall be limited to agricultural lands.
38 Private corporations or associations may not hold such alienable lands
39 of the public domain except by lease, for a period not exceeding
40 twenty-five years, renewable for not more than twenty-five years, and
41 not to exceed one thousand hectares in area, **UNLESS OTHERWISE**
42 **PROVIDED BY LAW.** Citizens of the Philippines may lease not more
43 than five hundred hectares, or acquire not more than twelve hectares
44 thereof by purchase, homestead, or grant.”
45

- 46
47 3. On Section 7 of Article XII (National Patrimony and Economy), insert the phrase
48 *unless otherwise provided by law* after the word “succession” and add a comma
49 before the phrase, to read as follows:
50

51 “**Section 7.** Save in cases of hereditary succession, **UNLESS**
52 **OTHERWISE PROVIDED BY LAW,** no private lands shall be
53 transferred or conveyed except to individuals, corporations, or
54 associations qualified to acquire or hold lands of the public domain.”
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4. On paragraph 1, Section 10 of Article XII (National Patrimony and Economy), insert the phrase *unless otherwise provided by law* after the first sentence with a comma before the phrase, to read as follows:

"Section 10. The Congress shall, upon recommendation of the economic and planning agency, when the national interest dictates, reserve to citizens of the Philippines or to corporations or associations at least sixty per centum of whose capital is owned by such citizens, or such higher percentage as Congress may prescribe, certain areas of investments, **UNLESS OTHERWISE PROVIDED BY LAW.** The Congress shall enact measures that will encourage the formation and operation of enterprises whose capital is wholly owned by Filipinos."

5. On Section 11 of Article XII (National Patrimony and Economy), insert the phrase *unless otherwise provided by law* between the word "citizens" and the symbol ";" in the first sentence and add a comma before the said phrase; also, insert the phrase *unless otherwise provided by law* before the last sentence thereof, to read as follows:

"Section 11. No franchise, certificate, or any other form of authorization for the operation of a public utility shall be granted except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines, at least sixty per centum of whose capital is owned by such citizens, **UNLESS OTHERWISE PROVIDED BY LAW;** nor shall such franchise, certificate, or authorization be exclusive in character or for a longer period than fifty years. Neither shall any such franchise or right be granted except under the condition that it shall be subject to amendment, alteration, or repeal by the Congress when the common good so requires. The State shall encourage equity participation in public utilities by the general public. **UNLESS OTHERWISE PROVIDED BY LAW,** [T]he participation of foreign investors in the governing body of any public utility enterprise shall be limited to their proportionate share in its capital, and all the executive and managing officers of such corporation or association must be citizens of the Philippines."

6. On paragraph 1, no. 2, Section 4 of Article XIV (Education, Science and Technology, Arts, Culture, and Sports), insert the phrase *unless otherwise provided by law* at the end of the first sentence and insert a comma before the phrase. On paragraph 2, no. 2, add the phrase *unless otherwise provided by law* at the end of the sentence thereof and insert a comma before the phrase, to read as follows:

"Section 4.

x x x

(2) Educational institutions, other than those established by religious groups and mission boards, shall be owned solely by citizens of the Philippines or corporations or associations at least sixty per centum of the capital of which is owned by such citizens, **UNLESS OTHERWISE PROVIDED BY LAW.** The Congress may, however, require increased Filipino equity participation in all educational institutions.

1 The control and administration of educational institutions shall be
2 vested in citizens of the Philippines, **UNLESS OTHERWISE**
3 **PROVIDED BY LAW.**

- 4
5 7. On paragraph 1, no. 1, Section 11 of Article XVI (General Provisions), add the
6 phrase *unless otherwise provided by law* after the sentence and insert a comma before
7 the phrase. The same with paragraph 2 of no. 2, add the phrase *unless otherwise*
8 *provided by law* after the sentence with a comma before the phrase. Thereafter,
9 insert the phrase *unless otherwise provided by law* before the last sentence thereof.
10 Section 11 shall read as follows:

11 "Section 11.

12
13
14 1. The ownership and management of mass media shall be limited
15 to citizens of the Philippines, or to corporations, cooperatives or
16 associations, wholly-owned and managed by such citizens, **UNLESS**
17 **OTHERWISE PROVIDED BY LAW.**

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19 x x x

20
21 2. x x x

22
23 Only Filipino citizens or corporations or associations at least seventy
24 per centum of the capital of which is owned by such citizens shall be
25 allowed to engage in the advertising industry, **UNLESS OTHERWISE**
26 **PROVIDED BY LAW.**

27
28 **UNLESS OTHERWISE PROVIDED BY LAW, [T]the participation of**
29 **foreign investors in the governing body of entities in such industry**
30 **shall be limited to their proportionate share in the capital thereof, and**
31 **all the executive and managing officers of such entities must be**
32 **citizens of the Philippines."**

33
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35 Adopted,

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40 LORD ALLAN JAY Q. VELASCO