



RESOLUTION OF BOTH HOUSES NO. 7

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**A RESOLUTION OF BOTH HOUSES OF CONGRESS PROPOSING AMENDMENTS  
TO CERTAIN ECONOMIC PROVISIONS OF THE 1987 CONSTITUTION OF THE  
REPUBLIC OF THE PHILIPPINES, PARTICULARLY ON ARTICLES XII, XIV  
AND XVI**

**WHEREAS**, the Constitution is the supreme law of the land, enshrining the foundations of our nationhood and reflecting the consensus of our citizenry;

**WHEREAS**, the nation's economic policy must be reframed under the demands of this increasingly globalized age, while still protecting the general policy of Filipino-first that guides the economic provisions of the Constitution;

**WHEREAS**, there is a need to institutionalize the reforms laid down in the Public Service Act to liberalize industries, promote efficient service delivery, and foster competition as an enduring policy;

**WHEREAS**, our children deserve to have access to the best educational institutions, both Filipino and foreign, to ensure that they receive the best training to become globally competitive citizens in the modern world;

**WHEREAS**, the advertising industry currently already has foreign players and liberalizing the same is a logical and sound policy to attract foreign direct investment in that industry;

**Resolved by the Congress**, upon a vote of three-fourths (3/4) of all its Members, pursuant to Article XVII of the Constitution, to propose amendments to Articles XII, XIV and XVI of the 1987 Constitution of the Republic of the Philippines, with the following proposals:

1. Section 11 of Article XII (National Patrimony and Economy) is amended 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**, the 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.”

2. Paragraph 2, Section 4 of Article XIV (Education, Science and Technology, Arts, Culture, and Sports), is amended to read as follows:

“Section 4. (2) **BASIC** 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. The Congress may, however,

1 require increased Filipino equity participation in all educational institutions. The  
2 control and administration of educational institutions shall be vested in citizens  
3 of the Philippines, **UNLESS OTHERWISE PROVIDED BY LAW.**  
4

- 5 3. Paragraph 2, Section 11 of Article XVI (General Provisions), is amended to  
6 read as follows:

7  
8 “Section 11. (1) x x x

9  
10 (2) x x x  
11

12 Only Filipino citizens or corporations or associations at least seventy per  
13 centum of the capital of which is owned by such citizens shall be allowed to  
14 engage in the advertising industry, **UNLESS OTHERWISE PROVIDED BY**  
15 **LAW.**  
16

17 **UNLESS OTHERWISE PROVIDED BY LAW,** the participation of foreign  
18 investors in the governing body of entities in such industry shall be limited to  
19 their proportionate share in the capital thereof, and all the executive and  
20 managing officers of such entities must be citizens of the Philippines.”

Adopted,