



Senate  
Office of the Secretary

**TWENTIETH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES**  
*First Regular Session*

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**25 AUG -7 P2 32**

**SENATE**

RECEIVED BY: \_\_\_\_\_

**S.B. No. 1103**

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**Introduced by SEN. WIN GATCHALIAN**

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**AN ACT  
CREATING THE PHILIPPINE RISE DEVELOPMENT AUTHORITY,  
DEFINING ITS POWERS AND FUNCTIONS, PROVIDING FUNDS  
THEREFOR, AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

One of the greatest blessings bestowed upon the Filipino people is the abundance of ecological diversity and natural wealth found throughout the islands and seas of the Philippines. Unfortunately, despite the best efforts of many in advocating for the preservation and responsible development of these rich natural resources, our country's natural wealth has continually declined due to unjust exploitation and, at times, pure negligence.

Since the beginning, the Philippine scientific community and the Government of the Republic of the Philippines have worked hand-in-hand to establish and solidify our claim to sovereign rights over the Philippine Rise and the waters surrounding it. After 11 long years of scientific research and international legal advocacy, the United Nations Commission on the Limits of the Continental Shelf finally approved the claim of the Philippines in 2012 and recognized our sovereign rights over 13 million hectares of the Philippine Rise region as part of the Philippine Extended Continental Shelf. With 11.4 million hectares of the Rise already falling within our Exclusive Economic Zone, this brought the entire 24.4 million hectares of the Rise under our jurisdiction.

Truly, the Philippines has been made richer by its successful claim over the Philippine Rise. The reefs and varieties of fish found in the shallower Benham Bank, and throughout the entire Philippine Rise region, are important for their contributions to marine biodiversity. This is significant not only for ecological purposes, but also for bioprospecting. Meanwhile, the large volume of various tuna species found in the region showcases a huge potential for commercial fishing as well.

Last, but certainly not least, the seabed of the Philippine Rise holds a potentially massive treasure trove of rare and precious mineral resources, the most impactful of which may be methane gas hydrates which are composed of natural gas encased in ice and usually found deep under the ocean in the seabed. They are highly touted for their potential as the so-called "fuel of tomorrow".

This measure takes a responsible, proactive, and forward-looking approach to developing the natural resources of the Philippine Rise by establishing the institutional mechanism needed to facilitate a coordinated and integrated approach to optimizing the full potential of the Philippine Rise, while conserving its ecology and resources for the benefit of future generations. This institutional mechanism comes in the form of the Philippine Rise Development Authority (PRDA) – a coordinating, policymaking, and regulatory body which will serve as a sort of "one-stop-shop" for everything concerning the Philippine Rise. The 15-member Board of the PRDA will be chaired by the President of the Philippines and will include representatives from pertinent cabinet departments and technical agencies. The numerous areas of interest to be covered by the PRDA – policy formulation and advocacy, coordination and support for scientific research and exploration, environmental protection, and investments promotions – backs up the necessity of its creation.

This is a forward-looking piece of legislation that immediately creates this institutional mechanism, now while the Philippine Rise remains pristine and undeveloped, so that we will be prepared to meet threats of ecological degradation and irresponsible development when they present themselves in later years. Similarly, this measure intends to anticipate and address foreign acts threatening the sovereign

rights of the Philippines over its territory and natural resources, as in the case of reported foreign incursions in the Philippine Rise in 2022.<sup>1</sup>

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



**WIN GATCHALIAN**

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<sup>1</sup> Philippine Daily Inquirer. "DFA to protest incursions in Philippine Rise, says Palace." <https://globalnation.inquirer.net/203038/dfa-to-protest-incursions-in-philippine-rise-says-palace#ixzz7W3dJVMXE>

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**AN ACT  
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THEREFOR, AND FOR OTHER PURPOSES**

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

1       SECTION 1. *Short Title.* – This Act shall be known as the "Philippine Rise  
2       Development Authority Act" or "PRDA Act".

3

4       SEC. 2. *Declaration of Policy.* – It is hereby declared a policy of the State  
5       to tap and accelerate the sound management and sustainable development of  
6       the Philippine Rise, particularly on its potential to be a rich source of alternative  
7       energy and marine resources, and as a possible tourism destination. Towards  
8       this end, an effective institutional mechanism with due regard to the  
9       precautionary principle, as well as ecosystem-based and science-based  
10      approaches, shall be established to address the need for a coordinated and  
11      integrated approach in the formulation and implementation of various  
12      development plans, programs, and projects that will optimize the full potential  
13      of the Philippine Rise while conserving its ecology and resources for the benefit  
14      of future generations.

1           SEC. 3. *Creation of the Philippine Rise Development Authority.* – There  
2 is hereby created a body corporate to be known as the Philippine Rise  
3 Development Authority (PRDA), which shall promote, coordinate and facilitate  
4 the active and extensive participation of all sectors to effect the exploration,  
5 study, and development, as well as the conservation and protection, of the  
6 natural resources within the Philippine Rise.

7           The PRDA shall also be the lead agency in conducting scientific research  
8 and exploration and shall secure the rights of the State over the area.  
9 Explorations must be done in partnership with the Department of Environment  
10 and Natural Resources - Biodiversity Management Bureau (DENR-BMB),  
11 Department of Agriculture - Bureau of Fisheries and Aquatic Resources (DA-  
12 BFAR), and academic institutions with the necessary competence to conduct  
13 rigorous and comprehensive studies in the Philippine Rise area.

14           The PRDA shall be organized within one hundred eighty (180) days after  
15 the approval of this Act. It shall have a term of fifty (50) years from its  
16 organization and may be renewed for another fifty (50) years, unless otherwise  
17 provided by law. It shall be an attached agency to the Office of the President.

18           It shall establish its first office in the Aurora Pacific Economic and  
19 Freeport Zone and may put up such other offices as may be necessary to  
20 achieve the objectives of this Act.

21

22           SEC. 4. *Coverage.* – The PRDA shall cover all natural resources located  
23 in the undersea feature known as the Philippine Rise Region, within the  
24 Philippine exclusive economic zone and continental shelf, as well as the outer  
25 limits of the extended continental shelf pursuant to the recommendations of  
26 the Commission on the Limits of the Continental Shelf (CLCS) issued on April  
27 12, 2012, and bounded by the coordinates 12°30'N to 20°30'N latitude and  
28 122°30'E to 129°30'E longitude, excluding the fifteen-kilometer municipal  
29 waters of adjacent coastal areas.



1           SEC. 5. *Powers and Functions of the Philippine Rise Development*  
2   *Authority.* – In the exercise of its mandate, the Authority shall have the  
3   following powers and functions:

4           (a) Formulate and advocate national policies that will foster the  
5   integrated, balanced, and sustainable development framework for the  
6   Philippine Rise that is consistent with the development initiatives of the national  
7   government, as far as practicable;

8           (b) Develop, plan, program, prioritize, integrate, and implement,  
9   whenever allowed and authorized by applicable laws, programs, projects, and  
10   activities at the Philippine Rise;

11          (c) Recommend to or coordinate with the proper government agencies  
12   programs, projects, and activities soliciting or requiring their direct or indirect  
13   assistance including, but not limited to, technical support and physical  
14   assistance for the prioritization of the region's environmental, agricultural,  
15   fisheries, marine and non-marine biodiversity, energy, industrial, commercial,  
16   infrastructure, tourism, technological, and scientific concerns;

17          (d) Review Philippine Rise programs, projects, and activities by the  
18   national government and donor agencies, subject to existing laws, rules, and  
19   regulations, for the purpose of ensuring consistency with national policies and  
20   plans, as well as monitor, evaluate, and formulate recommendations in the  
21   implementation of such programs, projects, and activities;

22          (e) Establish a complete, comprehensive, and integrated database on  
23   the Philippine Rise prior to the conduct of any exploration activities, whenever  
24   possible. For this purpose, the PRDA may coordinate with academic institutions  
25   concerned to conduct comprehensive survey and assessment and generate  
26   resource map of the Philippine Rise which shall be the underlying foundation  
27   for all policy and management decisions;

28          (f) Create an area research plan and coordinate research initiatives and  
29   exploration in the Philippine Rise region, establish a repository of research data,  
30   and provide incentives for such research and exploration activities;

1 (g) Promote the protection and conservation of important marine  
2 biodiversity and fishery resources, including marine genetic resources, which  
3 are important for ensuring climate change resiliency and food security;

4 (h) Promote and facilitate public and private investments that would  
5 enhance the integrated, balanced, and sustainable development of the  
6 Philippine Rise, and explore other sources of financing for priority Philippine  
7 Rise related programs, projects, and activities, in close coordination with  
8 agencies primarily mandated to undertake such functions;

9 (i) Receive and administer donations, contributions, grants, bequests, or  
10 gifts, in cash or in kind, from foreign governments, international agencies,  
11 private entities, and other sources, including Official Development Assistance,  
12 subject to existing laws, rules, and regulations;

13 (j) Sue and be sued, and as approved by the Board, enter into contracts,  
14 acquire, purchase, hold, lease, transfer, or dispose of properties of any kind or  
15 nature to carry out the purposes of this Act;

16 (k) Issue clearances, including the necessary rules and standards, for all  
17 proposals, plans, programs, projects, or any activity involving the Philippine  
18 Rise Region including, but not limited to, marine science research, exploration,  
19 and exploitation, whether conducted by Filipino or foreign nationals, in  
20 accordance with Section 7 of this Act;

21 (l) Request the President of the Philippines and other government  
22 agencies for any needed assistance in the enforcement of all applicable laws,  
23 rules, and regulations, the exploration and scientific study of the entire region,  
24 the sustainable exploitation of its natural bounties, and the protection of  
25 national security and national interests, including law enforcement against  
26 illegal intruders and poachers; and

27 (m) Discharge such other functions as may be deemed necessary to  
28 carry out its mandate under this Act or as may be provided by law.

29 The PRDA, through its Administrator, shall submit to the President and  
30 both Houses of Congress annual reports on its accomplishments and activities.

31 SEC. 6. *Board of Directors.* – The power of the PRDA shall be vested in  
32 and exercised by a Board of Directors, hereinafter referred to as the Board,

1 which shall manage and supervise the overall directions and thrusts. It shall be  
2 composed of the following:

3 (a) The President of the Philippines who shall act as the Chairperson of  
4 the Board;

5 (b) The Administrator of the PRDA who shall act as the Vice-Chairperson  
6 of the Board;

7 (c) Thirteen (13) other members composed of the following:

8 (1) The Department of Economy, Planning, and Development  
9 (DEPDev) Secretary or the duly authorized representative;

10 (2) The Department of Environment and Natural Resources (DENR)  
11 Secretary or the duly authorized representative;

12 (3) The Department of Energy (DOE) Secretary or the duly authorized  
13 representative;

14 (4) The Department of Agriculture (DA) Secretary or the duly  
15 authorized representative;

16 (5) The Department of Science and Technology (DOST) Secretary or  
17 the duly authorized representative;

18 (6) The Department of Finance (DOF) Secretary or the duly  
19 authorized representative;

20 (7) The Department of Budget and Management (DBM) Secretary or  
21 the duly authorized representative;

22 (8) The Department of National Defense (DND) Secretary or the duly  
23 authorized representative;

24 (9) The Department of Foreign Affairs (DFA) Secretary or the duly  
25 authorized representative;

26 (10) The Department of Transportation (DOTr) Secretary or the  
27 duly authorized representative;

28 (11) The National Coast Watch Council (NCWC) Executive  
29 Director or the duly authorized representative;

30 (12) The National Security Council (NSC) National Security  
31 Adviser and Director General or the duly authorized  
32 representative; and



1           (13)       The University of the Philippines (UP) President or the duly  
2                       authorized representative.

3           The members of the Board shall receive a per diem at a rate to be  
4           determined by the Governance Commission for Government Owned or  
5           Controlled Corporations (GCG), in accordance with existing rules and  
6           regulations: *Provided*, That the per diem collected per month does not exceed  
7           the equivalent per diem of four (4) meetings: *Provided, further*, That the  
8           amount of per diem for every Board meeting may be increased by the President  
9           or GCG but such amount shall not be increased within two (2) years from its  
10          last increase.

11          The Board shall have the following functions:

12          (a) Provide direction and guidance for the PRDA's work and thrusts for  
13          the Philippine Rise;

14          (b) Ensure that the goals and policies of the PRDA are consistent with  
15          the overall national development goals and objectives, and that the programs  
16          of the PRDA are consistent with regional and local development plans,  
17          programs, and projects, and vice versa, for purposes of harmonization;

18          (c) Explore sources for financing of priority Philippine Rise plans,  
19          programs, projects, and activities;

20          (d) Create committees or task forces as may be deemed necessary in  
21          the accomplishment of its functions;

22          (e) Determine schedules, establish voting procedures, criteria for the  
23          constitution of a quorum, and other rules and regulations in the conduct of  
24          Board meetings;

25          (f) Approve contracts and enter into agreements to carry out the  
26          purposes of this Act, except when authority to sign such contracts and/or  
27          agreements is vested in a specific government officer or entity; and

28          (g) Perform such other functions as may be necessary to carry out the  
29          purposes of this Act.

30

31          SEC. 7. *Issuance of Clearances by the PRDA.* – No proposals, plans,  
32          programs, projects, or activities involving the Philippine Rise Region, including

1 but not limited to marine science research, exploration, and exploitation,  
2 whether conducted by Filipino and foreign nationals, shall be carried out, nor  
3 shall any license or permit be issued in relation to the same, without the  
4 clearance of the PRDA

5 The PRDA shall issue the necessary clearance for all approved proposals,  
6 plans, programs, projects, or activities within twenty (20) calendar days from  
7 submission thereof. In cases where the PRDA fails to act within the same 20-  
8 day period, the submissions shall be deemed approved. Any decision of  
9 disapproval by the PRDA may be appealed within fifteen (15) calendar days  
10 from receipt thereof to the Office of the President whose decision shall be final.

11 The PRDA shall issue rules and standards concerning the clearance  
12 required under this section: *Provided, That*, such clearance must be secured  
13 before all other permits and/or licenses required under existing and applicable  
14 laws shall be issued: *Provided, further*, That the grant or denial of an application  
15 for clearance shall be made on the basis of this Act, other laws and regulations  
16 applicable to the Philippine Rise, and the integrated, balanced, and sustainable  
17 development framework formulated under Sec. 5(a) of this Act.

18  
19 SEC. 8. *Accrual of Revenues and Receipts to the General Fund.* – All  
20 revenues and receipts from any and all sources including the government share  
21 representing royalties, rentals, production share on service contracts, and  
22 similar payments on the development, exploration, and exploitation of energy  
23 resources within the Philippine Rise shall be remitted to the National Treasury  
24 and shall accrue to the General Fund.

25  
26 SEC. 9. *Advisory Panel of Technical Experts.* – The PRDA shall constitute  
27 an advisory panel of technical experts consisting of practitioners in disciplines  
28 that are related to oil and gas extraction and processing, hydrography, marine  
29 ecology, surveying, hydrology, including, but not limited to, oceanography.

30 The Advisory Panel shall perform research and development, and  
31 provide technical advice to the PRDA in maritime science, technologies, and  
32 best practices for the extraction and development of oil and gas fields.

1           The PRDA shall set the qualifications and compensation for the technical  
2 experts. It shall provide resources for the operations and activities of the  
3 Advisory Panel.

4  
5           SEC. 10. *Administrator.* – The PRDA shall have an Administrator who  
6 shall be appointed by the President of the Philippines, upon recommendation  
7 of the Board. The Administrator shall serve a term of six (6) years from the  
8 date of their appointment unless sooner separated from service due to death,  
9 voluntary resignation, or removal for cause: *Provided,* That no person shall be  
10 appointed as Administrator unless they are a Filipino citizen, holder of a degree  
11 in law or a masters degree in any of the following fields: economics, business,  
12 public administration, law, management, or their equivalent, and have at least  
13 ten (10) years of relevant experience in said fields: *Provided, further,* That they  
14 shall be a resident of the Philippines for at least five (5) years before the  
15 appointment.

16  
17           SEC. 11. *Powers and Duties of the Administrator; Secretariat.* – The  
18 Administrator shall have the following powers and duties:

19           (a) Direct and manage the affairs of the PRDA in accordance with the  
20 policies of the Board; and

21           (b) Call and preside over meetings of the Board in the absence of the  
22 Chairperson, and supervise and direct its Secretariat.

23           A Secretariat is hereby established to serve and assist the Board in the  
24 effective implementation of this Act. The Head of the Secretariat shall be  
25 appointed by the Administrator upon recommendation by the Board: *Provided,*  
26 That no person shall be appointed as Head of the Secretariat unless they are a  
27 Filipino citizen, holder of a degree in any of the following fields: economics,  
28 business, public administration, law, management, or their equivalent, and  
29 have at least five (5) years of relevant experience in said fields: *Provided,*  
30 *further,* That they shall be a resident of the Philippines for at least five (5) years  
31 prior to their appointment and has the requisite eligibilities for third level career  
32 service position pursuant to the career executive service rank system;

- 1 (c) Ensure the proper implementation of applicable policies, programs,  
2 and rules and regulations, including the resolutions of the Board;
- 3 (d) Identify solutions to key issues and concerns, taking into account  
4 related risks, affected parties, and impact, in coordination with the Board and  
5 key stakeholders;
- 6 (e) Advocate the PRDA's work among the various concerned sectors and  
7 stakeholders;
- 8 (f) Call on any agency, group, individual member of the Board, local  
9 government unit, and host community to address issues and concerns relating  
10 to the implementation of major programs, projects, and activities;
- 11 (g) Supervise the monitoring and timely implementation of Philippine  
12 Rise related programs, projects, and activities;
- 13 (h) Endorse to the Board all policy recommendations, plans, and  
14 programs for approval;
- 15 (i) Accept, on behalf and upon approval of the PRDA, donations,  
16 contributions, grants, gifts, bequests, or devises, in cash or in kind, from  
17 members, foreign governments, international agencies, private entities, or any  
18 individual for purposes that will realize the functions of the PRDA;
- 19 (j) Supervise administrative operations, including disbursement of any  
20 fund of the PRDA, subject to the usual accounting and auditing procedures, and  
21 submit reports thereon;
- 22 (k) Execute and administer the policies and measures approved by the  
23 Board;
- 24 (l) Appoint all employees of the PRDA, and remove, dismiss, or otherwise  
25 discipline for cause, such employees in accordance with the standard guidelines  
26 for recruitment, employment, and discipline under civil service law, rules, and  
27 regulations;
- 28 (m) Represent the PRDA in all dealings with other offices, agencies, and  
29 instrumentalities of the government and with all persons and entities, public or  
30 private;
- 31 (n) Sign agreements and/or contracts, on behalf of the PRDA and upon  
32 the Board's approval, including those for expert and consultant services and

1 other reports of accountabilities emanating from the PRDA, except when  
2 authority to sign such agreements, contracts, or reports is vested in a specific  
3 government entity; and

4 (o) Perform such other functions that the Board may direct to carry out  
5 the provisions of this Act or which are necessary or incidental to their office.  
6

7 SEC. 12. *Organizational Structure.* – The Administrator shall determine  
8 the organizational structure, staffing pattern, and pay scales of the PRDA  
9 subject to existing civil service and compensation laws. Subject to the approval  
10 of the Board, the Administrator may reorganize the PRDA and may create or  
11 abolish divisions, units, or branches therein as the exigencies of the affairs of  
12 the PRDA may require.  
13

14 SEC. 13. *Merit System.* – All officials and employees of the PRDA shall  
15 be selected and appointed on the basis of merit and fitness in accordance with  
16 civil service law, rules, and regulations. The recruitment, transfer, promotion,  
17 and dismissal of all its personnel, including temporary workers, shall be  
18 governed by a merit system that will be established by the PRDA in compliance  
19 with existing laws, rules and regulations.  
20

21 SEC. 14. *Appropriations.* – Such amounts necessary to finance the initial  
22 implementation of this Act shall be sourced from the unprogrammed funds in  
23 the current General Appropriations Act (GAA). Thereafter, such amounts  
24 necessary for its continued implementation shall be included in the annual GAA.  
25

26 SEC. 15. *Implementing Rules and Regulations.* – The PRDA, subject to  
27 the approval of the Board and in consultation with other stakeholders shall,  
28 within sixty (60) days from the date of effectivity of this Act, promulgate and  
29 publish the rules and regulations for the effective and faithful implementation  
30 of this Act: *Provided*, That the failure of the promulgation of the said rules and  
31 regulations shall not prevent the implementation of this Act upon its effectivity.  
32



1           SEC. 16. *Separability Clause.* – If any portion or provision of this Act is  
2 subsequently declared invalid or unconstitutional, other provisions hereof which  
3 are not affected thereby shall remain in full force and effect.

4

5           SEC. 17. *Repealing Clause.* – All other laws, acts, presidential decrees,  
6 executive orders, presidential proclamations, issuances, rules and regulations,  
7 or parts thereof which are contrary to or inconsistent with any of the provisions  
8 of this Act are hereby repealed, am ended, or modified accordingly.

9

10          SEC. 18. *Effectivity.* – This Act shall take effect fifteen (15) days after its  
11 publication in the Official Gazette or in at least two (2) newspapers of general  
12 circulation.

*Approved,*