



MALACAÑAN PALACE
MANILA

ADMINISTRATIVE ORDER NO. 18

**ACCELERATING RURAL PROGRESS THROUGH ROBUST
DEVELOPMENT OF SPECIAL ECONOMIC ZONES IN THE
COUNTRYSIDE**

WHEREAS, Article II, Section 21 of the Constitution provides, among others, that the State shall promote comprehensive rural development;

WHEREAS, Republic Act (RA) No. 7916 or the "Special Economic Zone Act of 1995," as amended by RA No. 8748, declares it a policy of the State to actively encourage, promote, induce and accelerate a sound and balanced industrial, economic and social development of the country in order to provide jobs to the people especially those in the rural areas, increase their productivity and their individual and family income, and thereby improve the level and quality of their living condition through the establishment, among others, of special economic zones in suitable and strategic locations in the country;

WHEREAS, RA No. 7916, as amended, established the legal framework and mechanisms for the integration, coordination, planning and monitoring of special economic zones, industrial estates/parks, export processing zones and other economic zones (ecozones), and created the Philippine Economic Zone Authority (PEZA) to review proposals for and endorse to the President the establishment of ecozones;

WHEREAS, the 0+10-Point Socio-Economic Agenda of the Administration calls for the promotion of rural and value chain development toward increasing agricultural and rural enterprise productivity and rural tourism, as well as investing in human capital development through matching skills and training, to meet the demand of businesses and the private sector;

WHEREAS, there is a need to promote rural development, ensure inclusive growth in the countryside, and create robust economic activity and wealth generation in areas outside Metro Manila;

NOW, THEREFORE, I, RODRIGO ROA DUTERTE, President of the Philippines, by virtue of the powers vested in me by the Constitution and the laws, do hereby order:

Section 1. Development and Support for Ecozones in the Countryside. The Department of Information and Communications Technology, Department of Trade

and Industry, Department of Transportation, Department of Public Works and Highways, Technical Education and Skills Development Authority, and PEZA are hereby directed to hasten human capital and infrastructure development, as well as to provide needed interventions to strengthen ecozones in the countryside, and ensure the development of backward and forward linkages of industries in and around such ecozones.

Section 2. Moratorium on the Processing of Applications for Ecozones in Metro Manila. To complement existing strategies and policies on rural development, the PEZA shall no longer accept, process or evaluate applications for the establishment of ecozones in Metro Manila immediately upon the effectivity of this Order and until such moratorium is lifted. The herein moratorium shall not prevent locator companies from commencing their operations on existing ecozones in Metro Manila.

Section 3. Transitory Provision. An application endorsed by PEZA and already submitted to the Office of the President (OP) as of the date of effectivity of this Order shall not be covered by the moratorium under Section 2 in the following instances:

- a. Where such application already pending with OP is found to be without deficiencies in its supporting documents;
- b. Where the OP, even prior to the effectivity of this Order, has already notified PEZA of deficiencies in the supporting documents, and PEZA satisfactorily addresses such deficiencies within thirty (30) days from the effectivity date of this Order;
- c. Where the OP, after the effectivity of this Order, notifies PEZA of deficiencies in the supporting documents, and PEZA satisfactorily addresses the noted deficiencies within thirty (30) days from receipt of notice of such deficiencies.

The exclusion of an application from the herein moratorium shall not be construed as a guarantee that the same will be granted.

Section 4. Agency Support. All departments, bureaus, offices, agencies or instrumentalities of the government, including government-owned or -controlled corporations, are hereby directed to render the necessary support in the implementation of this Order.

Section 5. Separability. If any provision of this Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Section 6. Repeal. All issuances, orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Order are hereby repealed, amended or modified accordingly.

Section 7. Effectivity. This Order shall take effect immediately after its publication in a newspaper of general circulation.

DONE in the City of Manila, this 17th day of June, in the year of our Lord, Two Thousand and Nineteen.



[Handwritten signature]

By the President:

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SALVADOR C. MEDIALDEA
Executive Secretary *[Handwritten mark]*

