

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

House Bill No. 9879



Introduced by Representative PABLO JOHN F. GARCIA

EXPLANATORY NOTE

The Philippines is a shining jewel in the east—the Pearl of the Orient. Our unique place on this Earth has enabled us to be a bustling trading hub since the ancient times and a modern-day tourism powerhouse. From the shores of Pagudpud in northern Ilocos to Gumasa Beach in southern Sarangani, the Philippines is home to a plethora of attractions and features—both manmade and those sculpted by nature. Verdant hills, meandering rivers, and lush plains dot the land.

The Philippine Statistics Authority reported recently that tourism’s contribution to the country’s gross domestic product grew from 12.3 percent in 2018 to 12.7 percent in 2019.¹ Tourism-related industries employed 14 out of 100 employed Filipinos in 2019.² The report noted that employment in the tourism industry increased from 5.36 to 5.71 million in 2019.³ Tourism Direct Gross Value Added, the gross value added generated by tourism industries and other industries of the economy that directly serve visitors, amounted to Php 2.48 trillion in 2019, higher by 10.8 percent compared to the Php 2.24 trillion in 2018.⁴

But that was before the Covid-19 pandemic engulfed the world. Travel halts, lockdowns, and stringent health protocols have naturally devastated the tourism industry and all those who rely on it. The Philippines lost about P400 billion in income last year due to the decrease in the number of foreign tourists visiting the country,⁵

¹ Philippine News Agency, *Tourism industry hikes share in GDP to 13%*, available at <https://www.pna.gov.ph/articles/1106568>.

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ Erwin Colcol, GMA News, *DOT: Philippines lost P400B in income due to low foreign tourist arrivals in 2020*, available at <https://www.gmanetwork.com/news/money/economy/774395/dot-philippines-lost-p400b-in-income-due-to-low-foreign-tourist-arrival-in-2020/story/>.

This bill aims to inject much needed appropriations into critical areas of the tourism industry to help mitigate the effects of this pandemic and prepare businesses and workers for the eventual rebound.

The measure focuses on the following policies and programs:

- Interest-free loans or loan guarantees up to five years for maintenance and operating expenses;
- Credit facilities for upgrading, rehabilitation, or modernization of current establishments to be compliant with new health and safety standards;
- Marketing and product development promotions and programs;
- Grants for education, training, and advising for tourism stakeholders for new normal alternative livelihood programs;
- Utilisation of information technology for the improvement of tourism services;
- Development of a tourist tracking system for emergency response and establishment of spatial database to improve planning capacity;
- Waiver of participation fees for all international fairs, exhibitions and roadshows for three years; and
- A moratorium on accreditation fees for one year

It is hoped that the infusion of these resources and the statutory restructuring of how the tourism industry should go about things, will lead to a greater rebound in the future once the pandemic is behind us and serve as a catalyst for long-term growth.

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



Rep. PABLO JOHN F. GARCIA
3rd District, Province of Cebu

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AN ACT
STRENGTHENING THE TOURISM INDUSTRY OF THE PHILIPPINES,
APPROPRIATING FUNDS THEREFOR, ESTABLISHING ADAPTIVE
STANDARDS, AND FOR OTHER PURPOSES

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

Section 1. Short Title. - This Act shall be known as the “*Tourism Rebound Act*”.

Section 2. Declaration of Policy. - The State declares tourism as an indispensable element of the economy and an industry of national interest and importance, which must be harnessed as an engine of socioeconomic growth and cultural affirmation to generate investment, foreign exchange, and employment, and to continue to mold an enhanced sense of national pride for all Filipinos. The State shall thus see to it that the industry remains sustainably resilient to pandemics, natural disasters, and other disruptive emergencies.

Section 3. Lead Agency. - The Department of Tourism shall be the primary government agency responsible for the implementation and enforcement of this Act, the advancement of the declared policies in Section 2 It shall ensure that the mandates provided in this Act are fulfilled by adopting the necessary initiatives, programs, and projects and that interagency cooperation and the proper public and private linkages are observed in the accomplishment of the purposes prescribed herein. The Department shall ensure that resiliency, sustainability, and inclusivity are at the core of its efforts.

Section 4. Tourism Rebound Policies and Programs. - The Department of Tourism shall implement the following policies and programs to facilitate the recovery of the tourism industry of the Philippines and revitalize it moving forward:

(a) Interest-free loans or loan guarantees up to five (5) years for maintenance and operating expenses for qualified and accredited tourism-related enterprises that the Department determines to be of critical importance and have been greatly affected by the pandemic;

(b) Credit facilities for upgrading, rehabilitation, and/or modernization of current accredited and qualified establishments to be compliant with new health and safety standards;

(c) Marketing and product development promotions and programs;

(d) Grants for education, training, and advising for tourism stakeholders for the “new normal” alternative livelihood programs;

(e) Utilisation of information technology for the improvement of tourism services;

(f) Development of a tourist tracking system for emergency response and establishment of spatial database to improve planning capacity;

(g) Waiver of participation fees for all international fairs, exhibitions and roadshows for the next three (3) years following the effectivity of this Act; and

(h) A moratorium on accreditation fees by the Department for a period of one (1) year from the effectivity of this Act.

Section 4. *Report to Congress.* - The DOT shall report to Congress, not later than March 30 of every year following the effectivity of this Act, the progress of tourism rebound efforts and make the necessary recommendations in areas where there is need for legislative action.

Section 5. *Appropriations.* - Sixty billion pesos (Php 60,000,000,000.00), or such amount thereof as may be necessary for the implementation of the provisions of this Act, is hereby appropriated. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

Section 6. *Implementing Rules and Regulations.* - The DOT shall issue within sixty (60) days from the effectivity of this Act the necessary rules and regulations for the effective implementation of this Act.

Section 7. *Repealing Clause.* - All laws, executive orders, proclamations, rules, regulations and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

Section 8. *Separability Clause.* - If any part or provision of this Act is held unconstitutional or invalid, other parts or provisions thereof which are not affected shall continue to remain in full force and effect.

Section 9. *Effectivity.* - This Act shall take effect fifteen (15) days following completion of its publication in at least two (2) newspapers of general circulation.

Approved,