

EXECUTIVE ORDER NO. 63

GRANTING INCENTIVES TO FOREIGN INVESTMENT IN TOURIST-RELATED PROJECTS AND TOURIST ESTABLISHMENTS AND FOR OTHER PURPOSES

WHEREAS, the development of international tourism could significantly be enhanced through the acquisition or operation of tourist establishments and tourist-related projects in our country and by the infusion of capital therein, by foreign investors;

WHEREAS, it is also the desire of government to dispose of its tourist-related assets, the management of which by the private sector will contribute to the national developmental efforts and to the national economic recovery;

WHEREAS, it is thus necessary to grant benefits and incentives to attract foreign investors to invest in tourist-related projects and tourist establishments;

NOW, THEREFORE, I, CORZON C. AQUINO, President of the Philippines, do hereby order:

SECTION 1. Foreign Investors. - Any alien who invests the amount of at least US\$50,000.00 in a tourist-related project or in any tourist establishment as determined by the Committee created herein shall be entitled to the benefits and incentives granted in this Executive Order: Provided, That such investment be made in accordance with the limitations set by the Constitution. For purposes of compliance with this particular condition, the alien applicant shall prove that he has remitted such amount in any acceptable foreign currency to the Philippines.

In the determination of the areas of investments, the Committee shall take into consideration the following criteria the investment shall promote the development of the tourism industry, shall provide more opportunities for employment, and shall increase the country's national income. The Committee shall give priority to the disposal of non-performing tourism-oriented assets of the government.

SECTION 2. Incentives to Investors. - The following benefits and incentives shall be available to an investor under this Executive Order:

(a) Special Investor Resident Visa. - The investor, his wife and unmarried minor children shall be permitted to enter and reside in the Philippines as special investor residents for as long as the investment subsists: Provided, That (1) they have not been convicted of a crime involving moral turpitude; (2) they are not afflicted with any loathsome, dangerous or contagious disease; and (3) they have not been institutionalized for any mental disorder or disability; and Provided, further, That the said investor visits the country at least twice a year and stays in the country at least seven (7) days for each visit. The said investor, his

wife and unmarried minor children shall be issued a multiple entry special investor resident visa to enter and leave the Philippines without further documentary requirements other than valid passports or other travel documents in the nature of passports. They shall be exempt from payment of alien immigration and registration fees and from securing alien certificates of registration.

Should the investor withdraw his investment from the Philippines, or transfer his investment to any other area without the prior approval of the Committee created herein, the special investor resident visas issued to him, his wife and unmarried minor children may be revoked by the Philippine government. For this purpose, he shall submit an annual report, in the form duly prescribed for the purpose, to prove that he has maintained his investment in the country.

(b) Remittance of Earnings - The investor shall have the right to remit earnings from the investment in the currency in which the investment was originally made and at the exchange rate prevailing at the time of remittance, subject to the provisions of Section 74 of Republic Act No. 265, as amended; Provided, That the investment is registered with the Central Bank, and reported to and registered with the Board of Investments.

(c) Repatriation of Proceeds - The investor shall have the right to repatriate the entire proceeds of the liquidation of the investments in the currency in which the investment was originally made and at the exchange rate prevailing at the time of repatriation, subject to the provisions of Section 74 of Republic Act 265, as amended.

(d) Right of Succession - In case of death, the surviving immediate family shall be entitled to the same privileges.

SECTION 3. Creation of Committee. - There is hereby created a Committee composed of the representatives of the Ministry of Tourism, Ministry of Foreign Affairs, Board of Investments, Commission on Immigration and Deportation, National Economic and Development Authority and the Central Bank of the Philippines. The representative of the Ministry of Tourism shall act as Chairman of the Committee.

SECTION 4. Implementing Rules and Regulations. - The Committee shall implement the provisions of this Executive Order. For this purpose, the Committee shall promulgate the rules and regulations to implement this Executive Order.

SECTION 5. Repealing Clause. - All laws, orders, issuances, rules and regulations or parts thereof inconsistent with this Executive Order are hereby repealed or modified accordingly.

SECTION 6. Effectivity. - This Executive Order shall take effect immediately.

Done in the City of Manila, this 7th day of November, in the year of Our Lord, nineteen hundred and eighty-six.

(SGD.) CORAZON C. AQUINO
President of the Philippines

By the President

SGD.) JOKER P. A
Executive Secretary