

[REPUBLIC ACT NO. 8748, June 01, 1999]

AN ACT AMENDING REPUBLIC ACT NO. 7916, OTHERWISE KNOWN AS THE "SPECIAL ECONOMIC ZONE ACT OF 1995"

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

SECTION 1. Chapter II, Section 11 of Republic Act No. 7916 is hereby amended to read as follows:

"SEC. 11. *The Philippine Economic Zone Authority (PEZA) Board.* - There is hereby created a body corporate to be known as the Philippine Economic Zone Authority (PEZA) attached to the Department of Trade and Industry. The Board shall have a director general with the rank of department undersecretary who shall be appointed by the President. The director general shall be at least forty (40) years of age, of proven probity and integrity, and a degree holder in any of the following fields: economics, business, public administration, law, management or their equivalent, and with at least ten (10) years relevant working experience preferably in the field of management or public administration.

"The director general shall be assisted by three (3) deputy directors general each for policy and planning, administration and operations, who shall be appointed by the PEZA Board, upon the recommendation of the director general. The deputy directors general shall be at least thirty-five (35) years old, with proven probity and integrity and a degree holder in any of the following fields: economics, business, public administration, law, management or their equivalent.

"The Board shall be composed of thirteen (13) members as follows: the Secretary of the Department of Trade and Industry as Chairman, the Director General of the Philippine Economic Zone Authority as Vice chairman, the undersecretaries of the Department of Finance, the Department of Labor and Employment, the Department of the Interior and Local Government, the Department of Environment and Natural Resources, the Department of Agriculture, the Department of Public Works and Highways, the Department of Science and Technology, the Department of Energy, the Deputy Director General of the National Economic and Development Authority, one (1) representative from the labor sector, and one (1) representative from the investors/business sector in the ECOZONE. In case of the unavailability of the Secretary of the Department of Trade and Industry to attend a particular board meeting, the Director General of PEZA shall act as Chairman."

SEC. 2. Chapter II, Section 15 of Republic Act No. 7916 is likewise amended to read as follows:

"SEC. 15. *Administration of Each ECOZONE.* - Except for privately-owned, managed or operated ECOZONES, each ECOZONE shall be organized, administered, managed and operated by the ECOZONE executive committee composed of the following:

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"Privately-owned ECOZONES shall retain autonomy and independence but shall be monitored by the PEZA for the implementation of incentives and operations for adherence to the law."

SEC. 3. Chapter II, Section 16 of Republic Act No. 7916 is likewise amended to read as follows:

"SEC. 16. *Personnel.* - The PEZA Board of Directors shall provide for an organization and staff of officers and employees of the PEZA, and upon recommendation of the director general with the approval of the Secretary of the Department of Trade and Industry, appoint and fix the remunerations and other emoluments: *Provided*, That the Board shall have exclusive and final authority to promote, transfer, assign or reassign officers of the PEZA, any provision of existing law to the contrary notwithstanding: *Provided, further*, That the director general may carry out removal of such officers and employees.

"All positions in the PEZA shall be governed by a compensation, position classification system and qualification standards approved by the director general with the concurrence of the Board of Directors based on a comprehensive job analysis and audit of actual duties and responsibilities. The compensation plan shall be comparable with the prevailing compensation plans in the Subic Bay Metropolitan Authority (SBMA), Clark Development Corporation (CDC), Bases Conversion and Development Authority (BCDA) and the private sector and shall be subject to periodic review by the Board no more than once every two (2) years without prejudice to yearly merit reviews or increases based on productivity and profitability. The PEZA shall therefore be exempt from existing laws, rules and regulations on compensation, position classification and qualification standards. It shall however endeavor to make its system conform as closely as possible with the principles under Republic Act No. 6758.

"The PEZA officers and employees including all Members of the Board shall not engage directly or indirectly in partisan activities or take part in any election, except to vote.

"No officer or employee of the PEZA subject to Civil Service laws and regulations shall be removed or suspended except for cause, as provided by law."