

TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY



2018

ANNUAL REPORT

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TIEZA 2018 ANNUAL REPORT

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**WELCOME TO THE
TIEZA ONLINE
TRAVEL TAX
PAYMENT SYSTEM
(OTTPS)**

The OTTPS is used to
process your travel tax
payments online.

FULL TRAVEL TAX RATES

FIRST CLASS
₱ 2,700.00
ECONOMY/BUSINESS CLASS
₱ 1,620.00

43

TIEZA Serves

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OUR VISION

By 2026, TIEZA is a globally recognized tourism development agency and a primary catalyst for inclusive and sustainable socio-economic growth.

OUR MISSION

To contribute to national tourism development goals and showcase Philippine culture by designating, supervising, and regulating sustainable Tourism Enterprise Zones; undertaking viable Tourism Infrastructure Projects; and managing assets.

MESSAGE FROM THE PRESIDENT

My warmest greetings to the Tourism Infrastructure and Enterprise Zone Authority (TIEZA) on the publication of its 2018 Corporate Annual Report.

Over the years, TIEZA has been at the forefront of tourism infrastructure projects in the country. True to its mandate, the agency has supported the development of various tourism enterprise zones which redound to the growth of our local and national economies.

As you chronicle TIEZA's accomplishments in the previous year, may this undertaking become a solid reminder of our commitment to excellence on public service and governance. I trust that all your efforts will result in the improved welfare of our people, promoting inclusivity and equal opportunities for their growth.

Together, let us work with renewed fervor in achieving a stronger and brighter future for the Philippines.

Congratulations and I wish you success in all your pursuits.



RODRIGO ROA DUTERTE
*President
Republic of the Philippines*



MESSAGE FROM THE SECRETARY




BERNADETTE POMULO-PUYAT
Secretary of Tourism
Chairman

As we look back on the extraordinary year for Philippine tourism, it is my privilege to congratulate the Tourism Infrastructure and Enterprise Zone Authority (TIEZA) for being the Department of Tourism's (DOT) infrastructure and investment arm and a real partner for change.

As an industry that contributed 12.7 percent to the country's Gross Domestic Product (GDP) and employed about 5.4 million persons in 2018, needless to say, tourism can be an engine for growth.

But we have a greater mission now, as we must promote sustainable tourism development and make it an integral part of our efforts to improve the quality of life of the Filipino people, providing the appropriate attention and support for the growth of the industry.

Cognizant of DOT and TIEZA's fundamental mission to contribute to the country's socio-economic growth using tourism as a tool, our agencies have both worked on a whole range of tourism products and services, and provided the masterplans and necessary infrastructure to ensure the growth of the industry in the long term.

It is in this context that we need, more than ever, to impress upon the Filipino people the important roles that TIEZA plays- as a builder, as an asset manager, as an investment promotion agency, and as the collecting arm for travel tax.

More than ever, the projects that are funded by the travel tax and tourism enterprise zones established with the local government units and private sector, need to be set up and completed across the country to respond to the growing needs of the Philippine tourism market. And I am glad to note that the TIEZA, in partnership with the DOT, is perfectly positioned to accomplish this inspiring goal.

Let this 2018 Annual Report highlight the accomplishments of TIEZA under the Five Pillar Roadmap, but more importantly, may its readers take time to learn more about the lives that DOT and TIEZA have empowered together.

Mabuhay!

MESSAGE FROM THE GCG CHAIRMAN

On behalf of the Governance Commission for GOCCs, our warmest greetings to the Tourism Infrastructure and Enterprise Zone Authority (TIEZA) as it publishes its Annual Report for the year 2018.

With its mandate to drive inclusive and sustainable socio-economic growth through tourism development, TIEZA is an integral instrument in promoting and boosting tourism. Its support on infrastructure enhancement and facilitation of investments in tourism enterprise zones (TEZ) nationwide is important in reaching the national tourism development goals.

As one of the contributors to the National Government's Build Build Build program, TIEZA is working on spurring growth in the countryside by improving and rehabilitating several projects, facilities, and destinations. One of its commitments being the restoration and rehabilitation of the world heritage site, the Banaue Rice Terraces. TIEZA is also working towards the development of the Manila Cruise Port.

Fulfilling its mandate with a heart and purpose, it continues to work on developing and enhancing ecotourism sites in depressed provinces.

With all these developments, the Governance Commission looks forward to more good governance gains from TIEZA in the years to come. May TIEZA fulfill its potential as a significant tool in driving inclusive and sustainable socio-economic growth through tourism development while providing genuine citizen-centered service.




SAMUEL G. DASPIN, JR.'S
GCG Chairman

MESSAGE FROM THE CHIEF OPERATING OFFICER



2018 is a momentous year for Tourism Infrastructure and Enterprise Zone Authority (TIEZA). TIEZA, a Government Owned and Controlled Corporation (GOCC) attached to the Department of Tourism (DOT), remains true to its mandate of building infrastructure, operating and managing TIEZA assets, designating, regulating and supervising Tourism Enterprise Zones (TEZs), and collecting the Philippine Travel Tax.

We have been dedicated to our role as the country's builder of tourism infrastructure. Through every plan, program, and project, TIEZA has been consistent in promoting sustainable tourism as its core foundation in addressing the tourism and development gaps in our country. There is no question in the significance that tourism plays in the economic development of the Philippines, whether it be in employment opportunities, investment, or tourist spending.

It is because of this that we recognize the value of the Philippine Travel Tax to our economy. Keeping in line with the innovations of the industry, TIEZA has partnered with the DBP-DCI for the development of the Online Travel Tax Payments System (OTTPS), resulting to Php 1.07 Billion in revenue and representing 16.8% in total collections of the Philippine Travel Tax. In 2018 alone, we have exceeded our travel tax projections by 123%, or Php 6.4 Billion.

This has allowed TIEZA to finance targeted tourism infrastructure which addresses the needs of vital tourist destinations all throughout the country. For this year, TIEZA has completed 26 projects amounting to Php 45.426 Million, with 113 ongoing projects amounting to Php 2.92 Billion. In addition to this, the TIEZA Board has approved 30 projects amounting to Php 1.564 Billion, including the Boracay Water Drainage Program Phase II.

Despite the closure of Boracay in April of this year, the Philippines still broke its tourism record, with more than 7.1 million foreign visitors. The island which was once called a cesspool is now a model of responsible tourism. We look at this as a precedent of rehabilitation efforts being done by government in preserving our tourist destinations. We look forward to other rehabilitative efforts of the Agency, including heritage sites such as the restoration of the Banaue Rice Terraces, and the continued efforts for the rebuilding of TIEZA Assets around the country.

This is also an opportunity to highlight other destinations in the country, and to promote TIEZA's big ticket projects such as the approval of the lighting of the San Juanico Bridge in Eastern Visayas, and the masterplanning of key destinations in the country.

In our efforts to promote the Philippines as a place not just for tourists, but for investors as well, we are happy to report that the legislative measure to extend the sunset clause of the incentives provided to TEZs has been extended for 10 years or until 31 December 2029.

This will allow TIEZA to attract more investments in the tourism industry, and reach its goal of Php 222 Billion in projected tourism investments.

Recognizing the role of the private sector in infrastructure development, TIEZA has been working on the crafting of its Joint Venture Guidelines to cut across all TIEZA investment opportunities.

This year, we also mark milestones in the development of the Manila Cruise Port, ensuring that the Philippines is cruise-ready, cruise-friendly, and attractive to the global market.

We build infrastructure. We preserve destinations.
We create businesses.

We take pride in the accomplishments of 2018, but we must not stop here. This is a challenge for us to work harder. We will remain true to our slogan "TIEZAWORKS", and continue marching towards the goal of sustainable tourism.



POCHOLO J.D. PARAGAS
*TIEZA Chief Operating Officer
Vice Chairman*

INTRODUCTION

THE MANDATE OF TIEZA

The Tourism Infrastructure and Enterprise Zone Authority (TIEZA) was established for program and policy coordination with the Department of Tourism (DOT) and mandated to designate, regulate and supervise Tourism Enterprise Zones (TEZs) established under Republic Act 9593 otherwise known as the Tourism Act of 2009; to develop, manage and supervise tourism infrastructure projects in the country and to manage and operate existing assets. It is also responsible for the timely collection of the Philippine travel tax and shall continue to perform functions previously exercised by the Philippine Tourism Authority (PTA) under Presidential Decree 564, not otherwise inconsistent with its present charter.

TIEZA actively supports the President's 10-Point Socio-Economic Agenda, Ambisyon Natin 2040, Philippine Development Plan 2017-2022 and the National Tourism Development Plan 2016-2022 with its commitment towards contributing to the national priority thrusts of inclusive, responsible and sustainable tourism development through the

efficient and effective discharge of its avowed mandate.

TIEZA's current leadership focuses on attaining the Five Pillars for securing organizational financial stability and operational excellence, namely:

- 1) Travel Tax Centers: Innovation and Enhancement;
- 2) Project D.R.E.A.M.S.: Building Targeted Tourism Infrastructures;
- 3) Assets: Rehabilitation and Assessment for Public-Private Partnership;
- 4) Tourism Enterprise Zones (TEZ): Accreditation and Expansion; and
- 5) Manila Cruise Port: A Legacy Project.

These Five Pillars represent the management's major policy direction towards attaining the over-all national agenda anchored on inclusive growth, competitiveness and sustainability thru the promotion of investments, construction of tourism infrastructures, provision for more jobs and ease of doing business for improved customer satisfaction and service delivery.

TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY

TIEZAWORKS

P H I L I P P I N E S



Builds, Invests, Travels, Serves



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TIEZA WORKS

TIEZA's ACCOMPLISHMENTS CY 2018

TIEZA continues to perform its mandate, as guided by President Duterte's 10-Point Socio-Economic Agenda, Ambisyon Natin 2040, Philippine Development Plan 2017-2022, National Tourism Development Plan 2016-2022, and TIEZA's Five Pillars.

The Five Pillars represent the primary focus of the current leadership towards contributing to inclusive growth, and achieving organizational financial viability, as well as operational excellence, to wit:



1st Pillar Travel Tax Centers: Innovation and Enhancement

TIEZA has been working on the enhancement of the travel tax centers located in all airports nationwide as well as creating a fully-automated online payment system in order to create a hassle-free payment experience.



2nd Pillar Project D.R.E.A.M.S. : Building Targeted Tourism Infrastructures

TIEZA is prioritizing the construction of tourism infrastructure projects of national interest and significance through the D.R.E.A.M.S. thrust – Destination, Restoration, Eco-sustainability, Agritourism, Medical Assistance, and Security and Accessibility. Through this, TIEZA addresses the tourism infrastructure requirements of a local tourist area.



3rd Pillar Assets: Rehabilitation and Assessment for Public-Private Cooperation

TIEZA is steadfast in ensuring the sustainability of the operations and the preservation of the cultural heritage of its properties through the Assets Rehabilitation Program. TIEZA is also working on optimizing its assets through Public-Private Cooperation.



4th Pillar Tourism Enterprise Zones: Accreditation and Expansion

TIEZA considers Tourism Enterprise Zones as integral in creating an attractive environment for tourism investors from the public and private sectors.



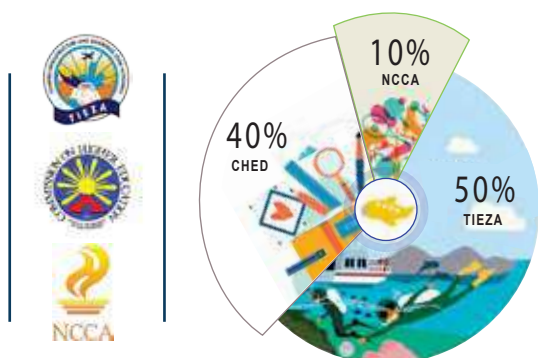
5th Pillar Manila Cruise Port: Legacy Project

TIEZA, as the lead agency responsible for the construction and development of a cruise-dedicated port in Manila, is working on ensuring that Philippines is cruise-ready, cruise-friendly, and attractive to the market.

HIGHLIGHTS OF TIEZA ACCOMPLISHMENTS FROM JANUARY TO DECEMBER 2018

Travel Tax

For CY 2018, gross travel tax collections amounted to Php 6.4B exceeding projections by 123.63%. Pursuant to Section 73 of Republic Act No. 9593, fifty percent (50%) of the proceeds from travel tax collections accrue to TIEZA, the large amount of which is allocated for tourism infrastructures all over the country, forty percent (40%) accrue to the Commission on Higher Education (CHED) for tourism-related educational programs and courses, and ten percent (10%) accrue to the National Commission for Culture and Arts (NCCA). For 2018, the fifty-percent TIEZA share amounted to Php 3.181B, forty percent CHED share is Php 2.545B and ten percent NCCA share is Php 636M.



As such, TIEZA continues to work on improving the collection efficiency of the Travel Tax through partnership with Development Bank of the Philippines – Data Center Inc. (DBP-DCI) which was launched in April 2018. This partnership enabled clients to pay full travel tax online. Clients can now pay using ATM/Debit cards (Bancnet), Credit cards (Visa, Mastercard), and Over-The-Counter payment channels such of 7-11, Petron, All-Day and San Mig Food Avenue.

For CY 2018, total online collections amounted to Php 1.07B, representing 16.8% of total transactions from payments.

Project D.R.E.A.M.S.: Building Targeted Tourism Infrastructures

TIEZA's goal is to develop targeted tourism infrastructures that will address the needs of vital tourist destinations all throughout the country. In 2018, the TIEZA Board approved 30 projects amounting to Php1.564B. Moreover, 26 projects amounting to Php45.426M were completed, while 113 projects amounting to Php2.92B are ongoing.

Among the major projects completed in 2018 are as follows:

Project	Description
Installation of Modular Docking Facility/ Floating Dock, El Nido, Palawan	Provision of gangway and docking facility for small & large pump boats
Installation of Modular Docking Facility/ Floating Dock, San Vicente, Palawan	Provision of gangway and docking facility for small & large pump boats
Redevelopment of Intramuros (Completion of Intramuros Museum), Intramuros, Manila	Renovation of Museum building
Rehabilitation & Improvement of Cagsawa Ruins Park, Busay, Daraga, Albay	Provision of function hall, water facilities/platform, perimeter fence, electrical facilities/platform, tourist visitors center, public toilet, parking area & drainage
Disaster Risk and Conservation Status Assessment Services for Phil. World Heritage (Phase 1) i. Paoay Church, Ilocos Norte ii. San Agustin Church, Intramuros, Manila iii. Miag-Ao Church, Mia-Ao, Iloilo iv. Santa Maria Church, Sta. Maria, Ilocos Sur v. Vigan Cathedral Simbaan Sa Bassit and Palacio Del Arzobispado	Provision of geotechnical investigation, 3D scanning survey, and preparation of as-built drawings
Completion of Tayak Adventure Park and Nature Park, Rizal, Laguna	Provision of various tourism structures like visitor's center, trellis, hallway shed & footbridge
Mindanao Tourism and Cultural Village, Old Airport Road, Sasa, Davao City	Provision of tourism & cultural village center & Mindanao Development Authority (MinDA) office
Construction of Housing for Hyperbaric Chamber in Bajada, Davao City (Southern Philippines Medical Center)	Provision of housing for the hyperbaric chamber unit

Among the on-going major projects in 2018 are as follows, as of January 2019:

Project	Status
Boracay Drainage Improvement Project Phase II	Boracay Water Drainage Program Phase II, Package 1 & 2 Construction of Pumping Station 3, Sea Outfall Pipeline, Box Culvert, Upgrading of Existing Pumping Station 68.17% complete as of January 2019 Boracay Water Drainage Program Phase II, Package (1A, 3, 4, & 5) Construction of Pumping Station 4, Sea Outfall Pipeline 3 Construction of South Drainage, North Drainage (Main), Interior Drainage, Lagutan Road Drainage and Bloomfields Drainage 23.4% complete as of January 2019
San Juanico Bridge Aesthetic Lighting, San Juanico, Pan-Phil. Highway, Samar-Leyte	Ongoing procurement process
Comprehensive Rehabilitation of Fort Santiago, Intramuros, Manila	Ongoing construction of project
Construction of Tourist Assistance Center (TAC) in San Antonio, Zambales	Ongoing procurement process
Procurement of Hyperbaric Chamber for Panglao, Bohol	Ongoing procurement process

TIEZA Board-Approved Assets Rehabilitation Project

Banaue Hotel and Youth Hostel	86.25M
Club Intramuros Golf Course	50.63M
Balicasag Island Dive Resort	27.75M
Lights and Sound Museum	10.40M
Gardens of Malasag Eco-Tourism Village	43.79M
Zamboanga Golf Course and Beach Park	82.94M

Assets Management: Rehabilitation and Assessment for Public-Private Partnership (PPP)

The budget for the Assets Rehabilitation Program was earmarked to expedite the improvement of TIEZA's various operating properties that would redound to their improved performance, better marketability, and higher appraisal value; hence promoting the assets' sustainability and the organization's financial viability.

The TIEZA Board approved a Php 357.6M budget for the Phase I of the Rehabilitation Program of the following six (6) TIEZA Operating Properties with their corresponding cost allocation namely:

- Banaue Hotel and Youth Hostel (Php86.25M),
- Club Intramuros Golf Course (Php50.63M),
- Balicasag Island Dive Resort (Php27.75M),
- Lights and Sound Museum (Php10.40M),
- Gardens of Malasag Eco-Tourism Village (Php43.79M),
- Zamboanga Golf Course and Beach Park (Php82.94M).

Likewise approved by the Board is the Redevelopment of Mt. Data Lodge amounting to Php40M.

Public-Private Partnership is also being prioritized by the management with the TIEZA-crafted Joint Venture (JV) Guidelines to cut across all TIEZA investment opportunities. This is to determine the most suitable and viable contractual arrangements that would be applied for each property, in partnership with private corporations. On January 19, 2018, the Office of the Government Corporate Counsel (OGCC) affirmed TIEZA's authority to craft its own JV Guidelines subject to TIEZA Board ratification.

Furthering medical and wellness tourism, TIEZA accomplished the following:

- Board-Approved Hyperbaric Chambers and Housing Facilities in Davao and Palawan;
- Entered into Memorandum of Agreement with SPMC and the Philippine Commission on Sports Scuba Diving for the operation and management of the hyperbaric chambers and the free usage by soldiers, military personnel and indigent patients of the facilities;
- Board-Approved Hyperbaric Chambers and Housing Facilities in Zamboanga, Mindoro and Siargao;
- Installation and operationalization of chambers in other major diving sites like Batangas and Bohol.

Tourism Enterprise Zone (TEZ) Accreditation and Expansion

To-date, TIEZA designated five (5) Flagship TEZs to include San Vicente (Palawan); Rizal Park Complex (Manila); Mt. Samat Shrine of Valor (Bataan); Bucas Grande (Surigao del Norte); and Panglao Bay Premier (Bohol).

TIEZA had also designated ten (10) Private TEZs namely: Resorts World (Manila); Queen's Castle (Cebu City); Hijo Resources (Davao City); Ciudad de Victoria (Bulacan); Kingdom Global City (Davao City); Bravo Golf Resort (Negros Oriental); Jewel Resort (Palawan); Amorita Resort (Bohol); Alphaland Balesin Island (Quezon); and Aton Land and Leisure Zone (Negros Occidental).

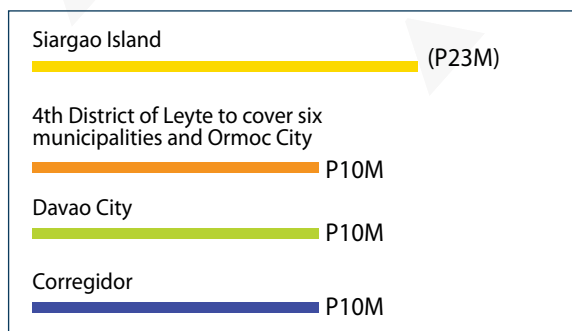
Likewise, the TIEZA Board registered six (6) Tourism Estate Management Facilities and Services/TEZ Operators of previously designated TEZs: ACQ Solomon Builders Development Corporation (Davao del Sur); Bravo Hotel Corporation (Dumaguete City); Hijo Resources Corporation (Davao) Phil. U.R.I. Development Corp. (Medellin, Cebu); Aton Land & Leisure Zone, Inc. (Bacolod City), and Hacienda Primera Development Corporation (Panglao).

It had also approved registration of six (6) Registered Tourism Enterprises (RTEs): Philippine Arena and NEU Sports Complex (M.I.C.E. Facility); Kingdome Stadium (M.I.C.E. Facility); Magikland (Theme Park); Lazuli (Accommodation); Kabote Beach Resort (Accommodation); and Signature Suites (Expansion of existing accommodation located outside TEZ).

The TEZ Management Sector conducted local roadshows in Cebu, Bacolod, Davao and Cagayan de Oro to promote TEZs and its incentives, as well as other investment opportunities in Flagship TEZs.

For 2018, private TEZs' and RTEs' projected investments as well as jobs generation show substantial growth figures of 31.6% and 32.6% at P8.8B and 4,378 respectively as compared to 2017 data of P6.025B and 2,950 respectively.

The TIEZA Board approved the masterplanning of key and emerging tourist destinations such as:



For support infrastructures in San Vicente and Mt. Samat Flagship TEZs, the following were approved in 2018:

- San Vicente – (P30M) Floating Docks and Tourism Assistance Centers;
- Mt. Samat Shrine – (P67M) – Visitor's Center and Multi-Purpose Building; Lighting of Cross



Lastly, TIEZA worked closely with the House of Representatives and the Senate to extend the grant of fiscal incentives for tourism enterprises and TEZs.



NUMBER OF PERSONS
EMPLOYED IN THE
TOURISM INDUSTRIES

5.4 MILLION

130 out of 1,000 employed in tourism industries

Manila Cruise Port Development : A Legacy Project

TIEZA in partnership with the Cultural Center of the Philippines (CCP), and in cooperation with the Department of Tourism (DOT), commissioned the Joint Venture of ESCA, Incorporated and AMH Philippines, Inc. for the Feasibility Study for the Construction of a Cruise Port Facility and Terminal in Metro Manila in 2018. The subject area covers the bay area of the CCP complex, particularly the CCP-owned area subject of the TIEZA - CCP Memorandum of Agreement (MOA) and is extended to the bay area of Entertainment City in Paranaque. The CCP and Entertainment City areas are collectively referred to as the "Expanded Identified Area". The Feasibility Study (FS), which is also subject of the TIEZA-CCP MOA, is a precedent step to the master planning of the Cruise Port Project on the identified feasible location and the detailed engineering design that will be commissioned thereafter for purposes of project implementation.

The project aims to determine the suitability of the subject area as a location for the construction of a Cruise Port and recommend the most feasible development option that should be implemented.

A stakeholders' meeting was held on 7 December 2018, which gave the opportunity for everyone involved in, or affected by, the construction of a Manila cruise port to discuss in an open forum all issues involving the project, with the goal of integrating all of their inputs in the conduct of planning and construction of the port moving forward.



TIEZABUILDS



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TIEZA BUILDS

Under Section 64 of Republic Act 9593, otherwise known as the Tourism Act of 2009, TIEZA is mandated to develop, manage, supervise tourism infrastructure projects in the country. It is likewise deemed as a government infrastructure corporation under the provisions of Executive Order 292 or the Administrative Code of 1987.

In 2018, there were twenty six (26) completed tourism infrastructure projects funded by TIEZA. These projects have an aggregate cost of Four Hundred Fifty Four million pesos (P454-M). TIEZA collaborates with various agencies and local government units (LGUs) to promote tourism and provide support infrastructure to the localities.



MINDANAO TOURISM AND CULTURAL VILLAGE CENTER

In a bid to promote tourism and highlight Mindanaoan tradition and heritage, the Mindanao Development Authority (MinDa) proposed the rehabilitation and development of the old Davao airport terminal to be converted into a tourism and cultural complex to be called as Mindanao Tourism and Cultural Village Center (MTCVC). This project is part of MinDa's Mindanao 2020 vision.

The project was originally planned by MinDa sometime in 2014 and was presented to the Department of Transportation and Communication (DOTC), Civil Aviation Authority of the Philippines (CAAP), Department of Tourism (DOT) and TIEZA. The first phase of the project involves the structural retrofitting of the old Davao International Airport Terminal which costs around P80 million. The budgetary allocation for this project was approved by the TIEZA Board in 2015. The old airport is one of the most recognizable works of the late Leandro V. Locsin, a national artist for architecture. As the structure itself has cultural and historical significance, the same was preserved during the redevelopment.

The MTCVC is envisioned to become another tourist stop in the city with plans to offer it as a convention center and venue to showcase the history and products of Mindanao. It is eyed to house different arts exhibits and the distinct cultures of the region. The concept is that in one place you get to witness the whole of Mindanao.

In December 2018, the project was finally completed paving way for a new venue to highlight the beauty of Mindanao. Moreover, the MTCVC was declared by President Duterte as the Brunei Darussalam - Indonesia - Malaysia - Philippines East ASEAN Growth Area (BIMP-EAGA) cultural center. Through the museum the cultural artifacts and history of the BIMP-EAGA community can be preserved and celebrated.

INTRAMUROS

Reviving Ciudad Murada

Intramuros, otherwise known as the *Walled City* or *Ciudad Murada*, is renowned for the 5-kilometer stretch of massive stone walls and forts that almost surrounds the entire historic district, in the City of Manila.

Within these walls rose a city of stone palaces, churches, monasteries, convents, schools, and fine courtyard houses. For more than 300 years, Intramuros became the center of government, commerce, education, and religion of the Philippines. Tragically, the historic city became the victim of destruction and was reduced into rubbles during the 2nd World War.

San Ignacio Church – Home of Museo de Intramuros

As part of its mandate to develop historic, cultural, religious and historical sites, TIEZA provided financial assistance for the completion of the iconic *Museo de Intramuros* - an ecclesiastical museum found inside the reconstructed San Ignacio Church and Convent located along Calle Arzobispo.

San Ignacio Church was designed in neoclassical style for the Jesuits by Felix Roxas Sr. - the first Filipino recorded architect. Its interiors were intricately designed in Renaissance style and was completed in 1889. Regrettably, the church was almost completely destroyed during the Battle of Manila.

Reconstruction of San Ignacio Church and Convent is part of the Intramuros Rehabilitation Program funded by TIEZA. The program includes improvements for Fort Santiago, pedestrianization of the city streets, underground cabling along General Luna and A. Soriano streets and other important infrastructure rehabilitation and restoration.



The Museum

In 2018, the museum was finally completed through the assistance of TIEZA. Experts on museology, art and architecture history, and heritage conservation joined forces to conceptualize the construction of the museum. This museum houses approximately 500 religious artifacts found in old churches inside and near the Walled City. It has six sections: the Immaculate Concepcion, the Religious Order, the Patronato Real and establishments of Parishes, the establishment of parish and sacred vessels, and The Indio Response. Artworks such as paintings, sculptures and antiques from that defined the historical significance of Intramuros are featured inside the Museo. It was temporarily opened to the public in February 2018 for the first-ever Manila Biennale. Nonetheless, the Museum will be fully operational and will be opened to the public for free in 2019.



MODULAR DOCKING FACILITIES/ FLOATING DOCKS IN PALAWAN



The Modular Docking Facility or Floating Dock is one of the projects that TIEZA has undertaken over the years. It is a mobile structure that can be assembled and disassembled and moved in case of rough water and windy conditions. It is an ideal platform that is an answer to walkways that becomes submerged during high tides.

In 2018, the city of Puerto Princesa and the municipality of El Nido, popular tourist destinations in Palawan, received financial assistance from TIEZA for the installation of floating docks. Puerto Princesa is known for the Subterranean River declared as UNESCO Heritage Site and New Wonders of the World while El Nido is famous for its amazing terrains, white sandy beaches, and coral reefs.

El Nido is one of the most sought after tourist destinations in the world. It is more than just a vacation spot, it offers an unforgettable experience. With it being a well-known tourist destination, many operators offer services to the area bringing with it an influx of boats and passengers. Two ports will be the main sites for the installation of the two Modular Docking Facility: Port Buena Suerte and Port Curong-Curong.

Puerto Princesa is home to one of the new Seven (7) Wonders of the World, the Underground River located within the Puerto Prinsesa Subterranean River National Park. The river spans a length of 8.2km, passing through some of the most beautiful rock-formations in the world, and ends out into the sea. The location of the two floating docks is at the Sabang Pier, while the other is along Honda Bay.

The installation of the Modular Docking Facility will greatly ease the congestion brought by the rising number of boats and passengers, as well as ensure the passenger's safety while loading and unloading onto the boats.



TAYAK HILL



A View and Adventure Like No Other

One of the most promising eco-tourism destinations in the country can be found just a few hours from Manila by land.

Tayak Hill is situated in Sitio Sto. Nino, Rizal, Laguna and is situated near Mt. San Cristobal. It was named after an indigenous reed grass coined by the natives as “tayak” which proliferate mostly in the area. This tall grass has sharp bladed leaves and sturdy thin bamboo-like pole that grows up to 8-9 feet long.

Area of Historical Significance and Environmental Beauty

On top of the hill is a picturesque view of the majestic seven lakes of San Pablo, Laguna de Bay, as well as the adjacent towns of Nagcarlan and Liliw. The hill is noted also for its historical significance. It served as the headquarters of Col. San Pedro's Division Command of Hugh Straughn's Fil-American Irregular Troops (FAIT). In 1945, his group constructed a landing field on a plateau near the Tayak Hill with a runway length of 300 meters. When the landing strip had been completed, an L-4 Piper observation plane flew men in and out to safety in Mindoro. It was also in this airstrip that Mrs. Virginia Llamas Romulo took off to reunite with Gen. Carlos Romulo. In 1945, a critical juncture during the war to reclaim the country from the Japanese, the US Air Force dropped arms, ammunition and food supplies in the area. From then on, the place became popularly known as the “Landing Point”.

Tayak Adventure, Nature and Wildlife Park (TANAW) Park

The Development of TANAW Park revolves around the concept of transforming the area into the town's agri-ecotourism center and a full-fledged tourist destination in the region with the means to provide guests with retreat, relaxation and recreation. The Park is among the approved Ecotourism Destinations in CALABARZON by the Department of Tourism Regional Ecotourism Council in 2015.

Components for this project include the Visitor's Center, which serves as the primary jump-off point for all visitors and assistance headquarters manned by personnel from the local tourism office, restrooms near the campsite, Stations of the Cross facilities in the rest area of the hill. This was completed in November 2018.

This TIEZA-funded project is a good showcase of an adaptive approach to developmental conservation by upholding eco-tourism destination principles leading to sustainable development and protection of natural resources.



CAGSAWA RUINS PARK

Along the quiet municipality of Daraga, and at close proximity to the Mayon Volcano, lies the remnants of an 18th century Franciscan Church, the Cagsawa Church. It was built around 1724, and was destroyed in the 1814 eruption of the Mayon Volcano. Today, the Cagsawa Ruins stands as one of the most popular tourist destinations in the area. The project “Rehabilitation and Improvement of Cagsawa Ruins Park” was an initiative of then Governor Joey Sarte Salcedo back in 2014. His proposal was to develop the park to further promote tourism in the area, to help lower the high unemployment rate of the municipality, and for the participation of the local community in the preservation of cultural heritage.

The restoration that was proposed started with the demolition of several structures, including the earth filling of the swimming pool, as well as removal of the bushes. TIEZA’s financial assistance in the rehabilitation of the Cagsawa Ruins included the construction of a Tourist Visitor’s Center, Green Restrooms, Welcome Arch, the Landscaping of the ruins, amongst other things.

The Project was completed in 2018. The Park serves as the main resting area for visitors of the famous Bell Tower/Church ruins of Albay with Mayon Volcano serving as the background. The park is also the jump-off point of the Mayon ATV Adventure Tours. TIEZA provided P21.5 M for the project.

With the rehabilitation, it is expected to bring in a steady number of visitors to the area as well as increase the employment rate of the local community.



WORLD HERITAGE CONSERVATION

Protecting our Heritage

TIEZA has been actively advocating preservation and protection of National Cultural Treasures. This is manifested by its being in the forefront of infrastructure rehabilitation of Historical, Cultural, Religious and Heritage Sites all over the country. In 2018, TIEZA took a step further by completing the first phase of the Disaster Risk and Conservation Status Assessment for Philippine World Heritage Sites project.

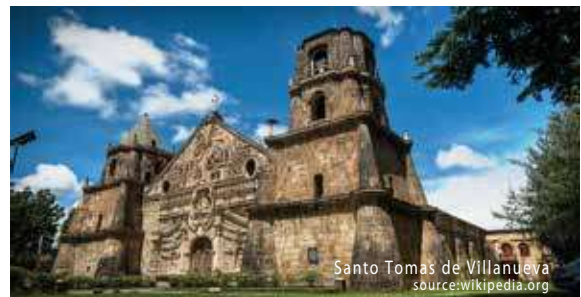
In partnership with the National Commission for Culture and the Arts (NCCA), the agency mandated to conserve, promote and protect the nation's World Heritage Sites (WHS), TIEZA carried out the said project to generate the seed of information leading to the possible reduction or elimination of risks and damages to these heritage structures.

The Philippine Baroque Churches

The Baroque Churches of the Philippines namely, (1) Church of St. Augustine in Paoay, Ilocos Norte, (2) Church of Nuestra Senora de la Asuncion in Santa Maria, Ilocos Sur, (3) Church of Immaculate Conception of San Agustin in Intramuros Manila, and (4) Church of Santo Tomas de Villanueva in Miagao, Iloilo are the Roman Catholic churches constructed between the 16th and the 18th centuries in the Spanish period of the Philippines identified by United Nations Educational, Scientific, and Cultural Organization (UNESCO) as World Heritage Sites.

This group of churches established a style of building and design that was adapted to the physical conditions in the Philippines and had an important influence on later church architecture in

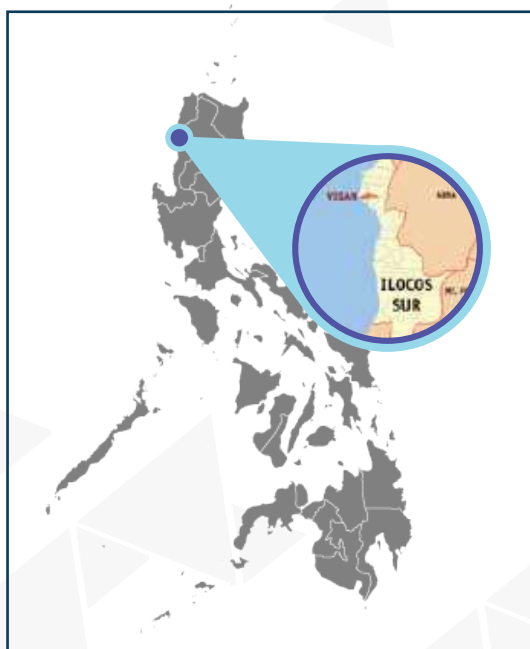
the region. Moreover, the four churches are outstanding examples of the Philippine interpretation of the Baroque style, and represent the fusion of European church design and construction with local materials and decorative motifs to form a new church-building tradition.



Historic City of Vigan

Vigan is the most intact example in Asia of a planned Spanish colonial town, established in the 16th century. Its architecture reflects the coming together of cultural elements from elsewhere in the Philippines and from China with those of Europe and Mexico to create a unique culture and townscape without parallel anywhere in East and South-East Asia.

Vigan has maintained its authenticity in its grid street pattern, historic urban lay out and use of open spaces. The historic buildings have maintained their traditional uses for commerce at the lower floors and as residence for the owners on the upper floors. However, very few houses remain untouched. The original building materials such as bricks, wood, kapis shells and lime for mortar and plaster were all obtained from surrounding areas.



Disaster Risk and Conservation Status Assessment of Heritage Sites

As recommended by the NCCA, the track of conservation that the TIEZA should undergo is summarized in this diagram:



Phase 1 of this project includes Three Dimensional (3D) Survey, Ground Penetrating Radar Survey, Aerial Survey, and other related technologies, all of which are essential for Disaster Risk Assessment. This was completed in March 2018. The primary objective of this project is to be able to give guidance for the best possible approach for conservation and protection of the structures and sites. Another objective is to provide empirical clues on the historical development of each individual site, analyze the materials and construction technology to be able to determine disaster risk reduction measures. While the project is still in the early stage, TIEZA is hopeful that this will help shape a deep sense of awareness and pride for our traditions, natural bounties and uniqueness as a race.

BORACAY ISLAND: A Paradise Regained

Boracay Island, declared as one of the best beaches and preferred tourist destinations in the world, undertook a massive rehabilitation after President Duterte's visit in this premier beach-paradise early in 2018 which he termed as a "cesspool".

Executive Order No. 53 created an Inter-Agency Task Force composed of the different national offices which implemented the island's total clean-up program with its 6-month mandatory closure to the public commencing last April 26, 2018. The Department of Environment and Natural Resources (DENR) headed the task force together with the Departments of Tourism (DOT) and the Local and Interior Government (DILG) as Co-Chairs and the

Tourism Infrastructure and Enterprise Zone Authority (TIEZA), Departments of Justice (DOJ), Public Works and Highways (DPWH), Social Welfare and Development (DSWD), Trade and Industry (DTI), and the Philippine National Police (PNP) as Members.



To regain the island's natural pristine charm, the Task Force was tasked to address the continual environmental deterioration of the area caused by pollution, flooding, overcrowding, encroachment of protected areas by illegal structures and settlers, problems on improper waste management and garbage disposal, sewerage and drainage systems, among other persistent concerns.

TIEZA's contribution to the island's recovery involves the capital infusion of P1.1 billion to help solve the area's perennial flooding. Dubbed as the Boracay Island Drainage Expansion, the project covers two phases of development over an implementation period of three (3) years, such was drastically reduced from the previous plan of seven (7) years to expedite the island's transformation into its former paradise state.



Phase I Development was already completed last October 2018 while Phase II (Package 1 and 2) is targeted for completion by end of 2019. Phase II (Packages IA,3,4,5) is expected to be finished by April of 2020. TIEZA and the TIEZA Regulatory Office, commit to upgrade the island's drainage system and enforce regulations on sewerage and waste water management as part of the on-going rehabilitation efforts.





With the strict compliance and consistent enforcement of environmental rules and regulations not just for business establishments and residents of the island but also for stakeholders and concerned agencies, sustainable and responsible tourism is being assured for future generations to enjoy. While the positive impacts of the island's closure far outweigh the negative implications, better coastal protection and conservation would consequently allow the natural restoration and healing of the island's habitat and ecological system. Similar restoration works are being earmarked for other leading beach-island destinations in the country like in Panglao, El Nido, Coron, Siargao and Puerto Galera, which are experiencing gradual environmental degradation like Boracay.



MANILA CRUISE PORT: A Legacy Project

In utilizing the archipelagic structure of the Philippines through Cruise Tourism, TIEZA, together with the Cultural Center of the Philippines (CCP) and the Department of Tourism (DOT) as the primary stakeholders, looked into the potential of cruise tourism in the country. All of the parties identified possible locations for the project, primarily in the bay area of the CCP Complex – particularly the area covered by the Memorandum of Agreement (MOA) executed by TIEZA and CCP through TIEZA Chief Operating Officer Pocholo J.D. Paragas and CCP President Arsenio J. Lizaso. To further cement the project, an alternative site was also identified in the bay area of Entertainment City in Parañaque.

Last October 17, 2018, the primary stakeholders conducted their kick – off meeting for the Cruise Port Terminal and Facility project where they cooperated with the Joint Venture of ESCA, Incorporated and AMH Philippines, Inc., supported by Moffatt & Nichol in conducting an inception report which will help all the parties involved to have a unified goal in the development of the Manila Cruise Port.

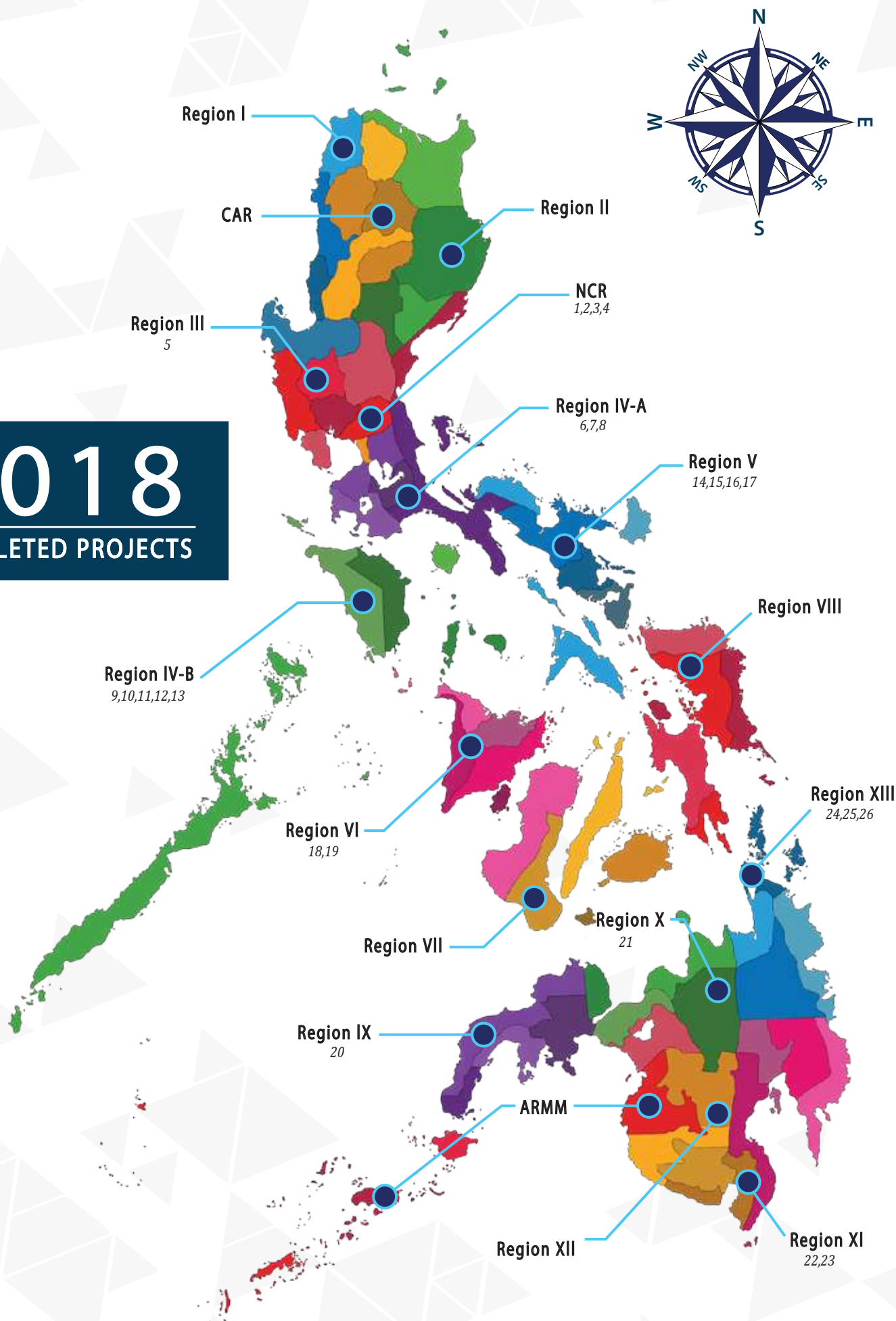
The said Inception Report encapsulated the work done during the inception phase of the Cruise Port FS Project which included the identification of goals, creation of a more detailed work plan, identification of documents, team mobilization, and finalization of the timeline of the project. The Inception Report also highlighted the evaluation criteria which will serve as a guide in choosing the

best location for the project. The criteria, as identified, are: overall cruise functionality; perceived guest and cruise line user experience; ability to scale the project based on market opportunities; highest and best use of in-water and upland areas; environmental impact; overall cost to deliver project elements, amongst others.



2018

COMPLETED PROJECTS



COMPLETED INFRASTRUCTURE PROJECTS 2018

NCR

1. Redevelopment of Intramuros, Intramuros, Manila
2. Supply and Installation of Outdoor High Definition Full Video LED Display, Roxas Boulevard, Pasay City
3. Redevelopment of Casa Azul, Intramuros, Manila
4. Repair Works at Club Intramuros Golf Course, Intramuros, Manila

REGION III

5. Rehabilitation of Bustos Dam and Resort, Bustos, Bulacan

REGION IV-A

6. Nasugbu Beach Phase II, Apacible Boulevard, Nasugbu, Batangas
7. Tourism Information Center and Tourism Rest Area (Green Restroom), Rizal, Laguna
8. Completion of Tayak Adventure Park and Nature Park, Rizal, Laguna

REGION IV-B

9. Tourism information Center and Tourism Rest Area (Green Restroom), Mamburao, Occidental Mindoro
10. Mt. Iglit-Baco Natural Park, Calintaan, Occidental Mindoro
11. Installation of 2 Sets of Modular Docking Facility El Nido, Palawan
12. Installation of 2 Sets of Modular Docking Facility Puerto Prinsesa, Palawan
13. Construction of TIEZA and TEZ office and Tourism Information Center, San Vicente, Palawan

REGION V

14. Rehabilitation of Maguindara Resort, Buhi, Camarines Sur
15. Refurbishment of Department of Tourism Region 5 Office, Legaspi City, Albay
16. Rehabilitation and Improvement of Cagsawa Ruins Park, Busay, Daraga, Albay
17. Tourism Information Center and Tourist Rest Area (Green Restroom), Iriga City, Camarines Sur

REGION VI

18. Concreting of Access road Leading to Pontevedra Public Beach, Pontevedra, Negros Occidental
19. Development of Sunburst Park, Iloilo City

REGION IX

20. Rehabilitation of Zamboanga Golf Course and Beach Park Access Road, Zamboanga City

REGION X

21. Feeder Lines for the Eight (8) New Cottages, Garden of Malasag Eco-Tourism Village (GMETV) , Cagayan De Oro

REGION XI

22. Housing for Hyperbaric Chamber, Southern Phils Med-Center, J.P. Laurel, Bajada, Davao City
23. Mindanao Tourism and Cultural Village Center, Old Airport Road, Sasa, Davao City

REGION XIII

24. Construction of 2km Mangrove Boardwalk, Convention Center and Completion of Tourist Receiving Area, Del Carmen, Siargao Island
25. Development of Barobo River, Poblacion, Barobo, Surigao Del Sur
26. Disaster Risk and Conservation Status Assesement Services for Paoay Church, Paoay, Ilocos Norte / San Agustin Church, Intramuros, Manila / Miag-ao Church, Miag-ao, Iloilo / Santa Maria Church, Sta. Maria, Ilocos Sur / Vigan Cathedral Simbaan sa bassit and Palacio Del Arzobisado

TIEZA Invests



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TOURISM ENTERPRISE ZONES

The Tourism Infrastructure and Enterprise Zone Authority (TIEZA) is the builder of tourism infrastructure, developing areas with high cultural, historical, religious, heritage and / or eco-tourism values and is tasked with the designation, regulation, and supervision of Tourism Enterprise Zones (TEZs) which enjoy fiscal and non-fiscal incentives available to TEZ Developers and Registered Tourism Enterprises (RTE).

A TEZ is a vast tract of land with defined boundaries sustainably master planned to be developed into an integrated tourism complex with prescribed carrying capacity to host tourism enterprises and support facilities & accompanying services to enhance tourist experience in a given location.



Private TEZs

TIEZA, through the TEZs, brings out socio-cultural and economic benefits to the country and community.

For 2018, TIEZA has designated three (3) new Private TEZs, namely: Amorita Resort in Bohol, Aton Land & Leisure Zone in Negros Occidental, and Alphaland Balesin Island.

Amorita Resort, located in Panglao, is geographically positioned within the heart of a key tourism development area that is Bohol. It has been recognized both locally and internationally as one of the leading luxury resorts in the province, and local leaders have acknowledged its efforts on community development and on cultural and environmental preservation.

Aton Land & Leisure Zone, on the other hand, is a 13.1016-hectare property which will be developed into an integrated tourism complex composed primarily of Magikland Theme Park, Hotels, commercial complex and lifestyle complex.

Alphaland Balesin is approximately a 25-minute plane ride from Manila. It offers villas and amenities inspired and crafted after some of the most well-known destinations around the world.

In total, TIEZA has already designated ten (10) Private TEZs, namely: (1) Ciudad de Victoria in Bulacan, (2) Queen's Castle in Cebu, (3) Hijo Resources in Davao, (4) Bravo Golf Resort in Dumaguete, (5) Aton Land & Leisure Zone in Bacolod, (6) Jewel Resort in Palawan, (7) Amorita Resort in Bohol, (8) Kingdom Global City in Davao, (9) Alphaland Balesin Island in Quezon, and (10) Resorts World in Manila. Among the Registered Tourism Enterprises designated for 2018 are (1) Lazuli, (2) Kabote Beach Resort, (3) Magikland, and (4) Signature Suites Boracay.

SAN VICENTE FLAGSHIP TEZ:

More tourism infrastructure projects roll out in the newest eco-town



In line with the TIEZA's mandate to designate, regulate, and supervise TEZs in the country, the entire Municipality of San Vicente in Palawan was designated as the country's first Flagship TEZ on 29 September 2015. Master planned by TIEZA, the San Vicente Flagship TEZ (SVFTEZ) is envisioned to be an integrated zone for tourists and investors that is environmentally and socially sustainable, and a catalyst for inclusive economic growth through public and private partnerships.

Three years after its designation, the ball is set rolling for more TIEZA - funded infrastructure projects in SVFTEZ. First to be completed among these projects were the TIEZA Field Office and Tourist Information Center (TIC), both located in Barangay New Agutaya, which started construction in 2016 and reached completion in 2018. The two buildings were inaugurated and became open to the public on 28 October 2018. The TEZ Office serves as TIEZA's on-site office for the promotion of collaborative institutional linkages between and among the Municipal Government of San Vicente, the Department of Tourism (DOT), property owners and operators of private enterprises, and other

stakeholders. Meanwhile, the TIC, which was turned over to the local government, is the frontline for tourists and visitors who need vital information such as the available facilities, stations, establishments, and activities within the vicinity of the Flagship TEZ.



Another project milestone in 2018 was the San Vicente Airport Improvement Project. As an initiative of TIEZA and the San Vicente LGU, this project serves as foundation for the proposal in extending the runway length to cater to bigger and wider aircrafts as well as to prepare San Vicente for a projected massive tourism traffic.

TIEZA is also on the watch for the completion of its on-going funded projects, to be completed in the next few years. The Water Supply, Distribution and Sewerage Treatment System which is currently undergoing negotiations, and the Power Generation and Distribution System, the Feasibility Study of which is to be completed by the first half of 2019. TIEZA is also looking to fast track developments in San Vicente with approved basic support infrastructure projects, such as, Modular Docking Facilities at Bokbok Point, Barangays Port Barton and Poblacion, Tourist Assistance Centers (TAC) at Barangays Port Barton and Alimanguan, Elevated Pathway and Hanging Bridge traversing mangrove areas within Barangay Poblacion and TIEZA Field Office Site Development, construction of eight (8) Access Roads within the priority areas, and placement of 14-kilometer Solar Street Lights.

With more infrastructure projects on the rise, TIEZA is more than committed in shaping the future of San Vicente as the newest eco-town in the country and, at the same time, a model of sustainability and inclusiveness.



TEZ FACT SHEET

DESIGNATED FLAGSHIP TEZ	DATE DESIGNATED
Rizal Park Complex, Manila	October 2014
San Vicente, Palawan	September 2015
Mt. Samat Shrine of Valaro, Batan	February 2017
Panglao Bay Premiere, Bohol	October 2017
Bucas Grande, Surigao Del Norte	May 2018
Total	5

DESIGNATED PRIVATE TEZ	DATE DESIGNATED
Resorts World Manila, Pasay	February 9, 2012*
Ciudad de Victoria, Bulacan	February 9, 2012
Queen's Castle, Cebu	September 20, 2012
Hijo Resources, Davao	June 25, 2014
Bravo Golf, Negros Occidental	June 25, 2014
Jewel Resort, Palawan	May 15, 2015*
Kingdom Global City, Davao	August 1, 2016*
Alphaland Balesin Island, Quezon	January 12, 2018*
Amorita Resort, Bohol	May 22, 2018
Aton Land & Leisure Zone, Negros Occidental	May 22, 2018
Total	10

* Conditionally designated; there are pending files yet to be submitted.

REGISTERED TOURISM ENTERPRISES (RTES)	DATE DESIGNATED
Philippine Arena and NEU Sports Complex	February 20, 2012
Kingdome Stadium inside Kingdom Global City, Davao	November 29, 2017
Magikland inside Aton Land & Leisure Zone, Negros Occidental	May 22, 2018
Lazuli Resort inside San Vicente FTEZ, Palawan	October 10, 2018
Kabote Beach Resort in San Vicente FTEZ, Palawan	October 10, 2018
Signature Suites in Boracay, Aklan	October 10, 2018*
Total	6

TEMFS/TEZ DEVELOPERS	DATE DESIGNATED
Rizal Park Complex, Manila	October 2014
San Vicente, Palawan	September 2015
Mt. Samat Shrine of Valaro, Batan	February 2017
Panglao Bay Premiere, Bohol	October 2017
Bucas Grande, Surigao Del Norte	May 2018
Total	5

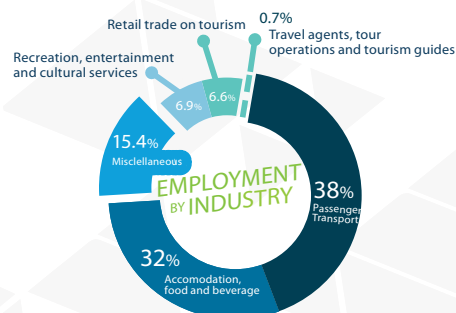
* Conditionally designated; there are pending files yet to be submitted.



TOURISM'S TOTAL CONTRIBUTION TO THE PHILIPPINE ECONOMY IN 2018 WAS

Php 2.2 TRILLION,

EQUIVALENT TO **12.7%** OF THE GROSS DOMESTIC PRODUCT (GDP)



MT. SAMAT FLAGSHIP TEZ:

On the road to becoming a world-class historical tourism hub



Relative to the Flagship Tourism Enterprise Zone (FTEZ) Program of the Department of Tourism (DOT) and TIEZA, the Mt. Samat Shrine Site in Pilar, Bataan was designated as a Flagship TEZ on 25 October 2017, followed by the Board of Directors' approval of the Comprehensive Tourism Master Plan (CTMP) for the Mt. Samat FTEZ (MSFTEZ). The designation of the MSFTEZ is aimed at introducing more developments in the Shrine of Valor to make it an emerging world-class historical city and tourism destination in the country.

Known for being a national historic symbol of Filipino bravery, the heritage site is one of the most visited tourist sites in the Philippines by foreign VIPs and delegates of national and international events. On 9 April 2018, TIEZA co-hosted the Program and Activities of the Annual Araw ng Kagitingan (Day of Valor) Commemoration Ceremony which is an auspicious event held at the Shrine Site that is being attended by the President or his designated representative.



The year 2018 laid the groundwork for the 5-year development of the MSFTEZ. Among the first projects that started implementation in 2018 include the Lighting of the Mt. Samat Cross and the View Deck Exhibit Area. Further developments in the Zone will be implemented under the approved CTMP through the inter-agency partnership of TIEZA and the FTEZ stakeholders - the Philippine Veterans Affairs Office (PVAO), the Provincial Government of Bataan, and Municipal Government of Pilar.

TIEZA remains committed to the strategic thrust of the MSFTEZ Development Plan including the recommended improvements in the Shrine Site, better accessibility and signage, more cohesive landscaping features, provision of utilities, and the expansion and addition of new facilities. Other projects are in the pipeline including the renovation of the Shrine's gate and ticketing booth, rehabilitation of the Viewing Gallery and Colonnade, upgrading of the Underground Museum, repair of the Comfort Rooms at the Cross Area, and the construction of the Visitors Complex Tourist Assistance Center (TAC) and Visitors Center.

Moving forward, TIEZA believes that the foregoing and upcoming developments in the Zone will mark the launch of the Shrine Site as one of TIEZA's premier FTEZs and as a world-class historical tourism hub.



MASTER PLANNING OF CORREGIDOR ISLAND

The Corregidor Island is an approximately 546-hectare island located 48 kilometers west of Manila. The tadpole-shaped island hosts significant World War II relics, memorial parks, accommodation facilities, and various souvenir shops operating at various places of interests within the property. Battlefields of the island are now open to the public to visit and explore.

The island boasts of immense historical value which was the anchor of a 5-year development plan by Architect Francisco "Bobby" T. Mañosa in 1987, and given its historical and cultural importance and development potential, Corregidor Island and its surrounding islands was also identified as a possible Flagship TEZ. The TIEZA Board of Directors has allocated a total of 14 Million Pesos for the master planning of Corregidor in 2015.

In 2018, after going through the process of procurement under R.A. 9184, Palafox Associates emerged as the winning consultant and masterplanner. The project is expected to be completed by the 1st Quarter of 2020.

The primary expected result of the undertaking is to produce a viable and sustainable integrated Comprehensive Tourism Master Plan (CTMP) for the 546 - hectare Corregidor Island and a Conceptual Development Plan for the surrounding islands, anchored on the property's rich historical background that is marketable to the private sector. TIEZA, will identify the socio - cultural and environmental impacts, especially nature and biodiversity conservation of the intended tourism development and propose measures and programs to ensure that the future development of the property is socially and environmentally sustainable. This shall include the manner by which nearby local communities can participate in the supply chain to be created by the proposed Flagship TEZ. Moreover, TIEZA will determine the institutional, operational, and management arrangements on the development of the Corregidor Island Flagship TEZ as well as the linkages which will ensure its inclusive growth.



Maintaining its integrity as a military memorial and national shrine

TIEZA aims to enhance Corregidor Island and its surrounding islands' utmost potential as a vibrant tourism and investment attraction and destination while maintaining its integrity as a military memorial and national shrine.

TIEZA GREEN LIGHTS THE DEVELOPMENT OF AN ONLINE IMPORT PERMIT SYSTEM

TIEZA partnered with Inter Commerce Network Services, Inc. (INS), a Bureau Of Customs-accredited (BOC) service provider, to create an online system to process import permit applications of Registered Tourism Enterprises (RTEs). The service is accessible to the RTEs availing the 100% tax and duties exemption for the importation of capital equipment, transportation equipment & spare parts, and consumable goods to be used for activities and services registered under TIEZA.



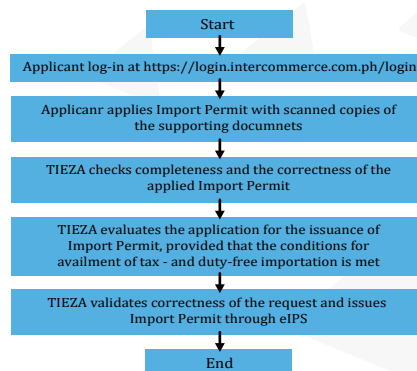
Talks to automate the import permit application process began in early 2017 and several meetings were held over the course of 2018 to work out the software specifications for each stakeholder. The partnership was made official with the signing of the Service Level Agreement by TIEZA Chief Operating Officer, Mr. Pocholo Paragas, and INS Chief Executive Officer, Mr. Francis Lopez at the TIEZA Central Office on July 26, 2018.

In line with the TIEZA Core Values of Excellence, Innovation, and Integrity, and in congruence with the State's thrust on the Ease of Doing Business (Republic Act No. 11032), the system was developed with an emphasis on making the application process easier and more accessible to the RTEs.

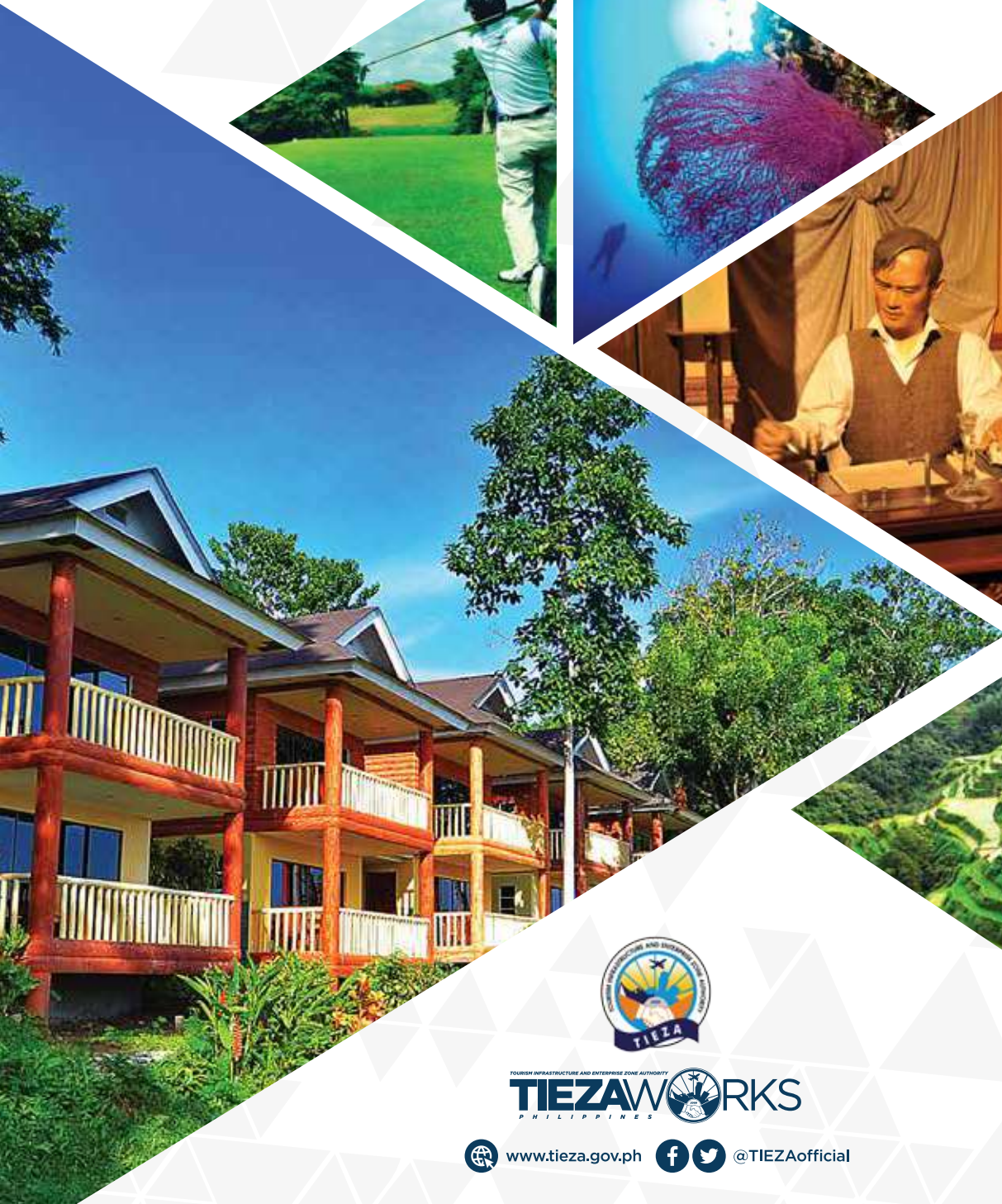
Manual Process versus Online System

Previously, RTEs that have applied for the issuance of import permits need to personally submit their applications with the requirements to the TIEZA office and will have to wait at least seven (7) days for the import permit to be issued. Existing requirements under the manual process also limits the applications to be submitted prior to shipment of the items. With the online system, however, it enables easier submission of documents thru web uploads, reduces the application time from a minimum of seven (7) days processing to merely one (1) day, and RTEs will be able to apply while the shipments are already in transit to the Philippines. The entire application procedure can be done via the internet.

The new system is expected to increase transparency and efficiency with the transactions as customers will have the capability to see the application status every step of the way.



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AMS PUSHING AHEAD

PUBLIC-PRIVATE PARTNERSHIP

In 2018, initiatives were intensified to maximize the utilization of TIEZA assets. TIEZA has forged an alliance with the Public-Private Partnership Center (PPPC) to develop a robust pipeline of PPP projects considering several modalities, after initial business studies were conducted by the Business Development Department project officers under the Assets Management Sector.

Thirteen (13) assets were counted in for review and assessment of PPPC for viable joint venture arrangements. Among the Luzon Properties are (1) Mt. Data Lodge, (2) Agoo Playa Hotel, (3) Balacad Property, (4) Banua Presidential House, (5) San Fabian Bagong Lipunan Lodge, (6) Pagudpud Bagong Lipunan Lodge. Earmarked for the Visayas Region are (1) Balicasag Island Dive Resort, (2) Argao Beach Club & Airstrip, (3) Dalaguete Beach Park, (4) Moalboal Property. For Mindanao, (1) Cagayan de Oro Convention Center, (2) Gardens of Malasag Ecotourism Village and the (3) Zamboanga Golf Course & Beach Park form part of the priority projects.



REHABILITATION OF TIEZA ASSETS

Alongside the PPP initiative, efforts to fortify TIEZA's presence and proprietorship over the properties have been undertaken in 2018 to better advance the agenda for rehabilitation and re-development. Php 17.2M was earmarked for fencing, perimeter lighting and installation of signages deemed as business essentials for San Fabian Bagong Lipunan Lodge, Pagudpud Bagong Lipunan Lodge, Banua Presidential Resthouse, Agoo Property and Moalboal Property. Meanwhile, rehabilitation for the six (6) operating assets are underway to upgrade facilities that are responsive to industry trends and market demands.

To keep the integrity of the greens and fairways of Club Intramuros, works were done for the refurbishment of the golf course's irrigation and drainage. Additional protective nets have been installed to serve as safeguards for pedestrians as well as vehicles passing the route within the trajectory of flying golf balls. Additional posts were installed in Holes # 2, 3 and 4. To improve aesthetics, repainting and restoration were done at the main dining, function rooms, hallway, men and women's locker room and the driving range.

To complement the physical enhancement efforts being undertaken for the operating assets, the Business Development Department (BUDD) coordinated with the Management Information Systems Department (MISD) for the development of individual websites and online reservation system for all operating assets. This will provide easy access and user friendly navigation allowing tourists and guests to book at any TIEZA Operating tourism facility within the comforts of their home. Banaue Hotel has been identified as the pilot entity.



Mt. Data Lodge



Agoo Playa Hotel



Banua Presidential Resthouse



Moalboal Property

MARKETING AND PROMOTIONS

Further strengthening TIEZA's promotional and marketing efforts for trade and investment, TIEZA has allied with various tourism associations, Philippine Travel Agencies Association (PTAA), Hotel Sales and Marketing Association (HSMA), Philippine Tour Operators Association (PHILTOA), Pacific Asia Travel Association (PATA), Meetings, Incentives, Conventions and Exhibitions (MICE), Philippine Travel Factory and Agoda among others. These associations are strong forces in the industry that create travel movement across the archipelago.

In 2018, TIEZA joined Travel Tour Expo 2018, 29th Philippine Travel Mart 2018, Travel Business Exchange Pilipinas 2018, North Phil Expo 2018, Dive Resort Travel 2018 Expo, 3rd Philippine Halal Trade and Tourism Expo 2018, 4th Asia Pacific Coral Reef Symposium 2018, 22nd KUMBIRA 2018, Kasalan at Kotilyon Expo 2018, 5th International Travel Festival 2018, Global Farm Tourism Summit 2018, and Kabisig Government Expo and Trade Fair 2018.



Pacific Asia Travel Association (PATA) Courtesy Call



Philippine Travel Mart 2018 - Philippine Tour Operators Association's flagship project, the PTM



HSMA 2018 - Hotel Sales & Marketing Association (HSMA) General Membership Meeting (GMM)



Travel Tour Expo 2018 - Philippine Travel Agencies Association's (PTAA) flagship project, the Travel Tour Expo (TTE)

HYPERBARIC CHAMBER SYSTEM

Among the sectors in Philippine travel that draws much interest is diving. With the Philippines' rich and awesome marine environment, diving in the Philippines has gained traction not only among the locals but also among the international dive enthusiasts.

In line with the promotion of dive tourism, the government deemed it necessary that support facilities are in place for our SCUBA divers such as access to affordable treatment for decompression sickness.

In 2018, to assure the divers of the safety and care in case of dive accidents, TIEZA installed hyperbaric chambers in identified key diving destinations. across the nation, specifically in Municipal Health Office in Batangas, Ospital ng Palawan in Puerto Princesa and Southern Philippine Medical Center in Davao City as identified key diving destinations. Soon, hyperbaric chamber facilities will be put in Panglao, Bohol, Zamboanga, Occidental Mindoro and Boracay.



Medical conditions that can be addressed by hyperbaric oxygen therapy are gas embolism, carbon monoxide poisoning, serious infections and non-healing wounds. As approved by the U.S. FDA and UHMS (Undersea Hyperbaric Medicine Society) indications for severe spinal cord disorders and injury, acute and severe hypoxic brain disorders, bell's palsy, multiple sclerosis, cranial traumas, and viral encephalitis among others, can also be treated by the hyperbaric chambers.

Envisioned to become a facility not only for SCUBA diving medical aid but also for over-all wellness and for aesthetic procedures and services, TIEZA conducted seminars in Manila and Cebu on May 7–9, 2018 and May 10–12, 2018, respectively. Those who attended include medical practitioners, diving operators, dive instructors, dive masters and other stakeholders.



TIEZA SERVES



TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY
TIEZAWORKS
PHILIPPINES



www.tieza.gov.ph



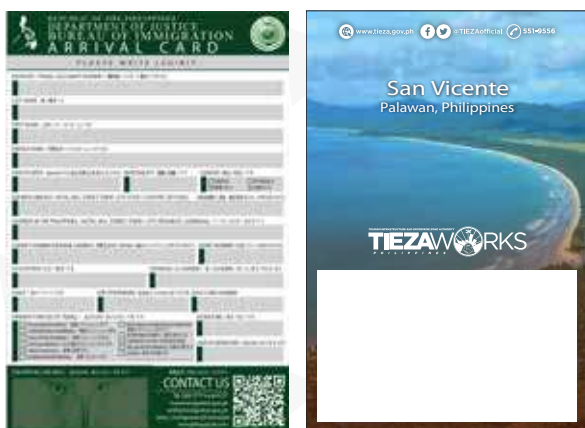
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TIEZA SERVES

TIEZA partners with the Bureau of Immigration for enhanced Arrival and Departure Cards

In order to aid TIEZA in ensuring that travel taxes are properly paid and the Bureau of Immigration (BI) in overseeing the movement of foreign nationals and Filipino citizens entering and exiting the country, the two agencies entered into a Memorandum of Agreement (MOA) for the production of upgraded and enhanced Immigration Arrival and Departure Cards (A/D Cards) on December 29, 2017, for implementation in 2018. A total of (3) three unique designs were approved for the cards. For the Arrival Cards, images of Flagship Tourism Enterprise Zones (TEZs) Mt. Samat and San Vicente, Palawan were used to promote both destinations to arriving tourists, while the Departure Card features an infographic showing the breakdown of where the travel tax goes for the benefit of the travelling public.

Under the terms of the MOA, TIEZA is responsible for shouldering the cost of designing and printing the A/D Cards, which shall contain promotional tools to further the mandate of TIEZA. The BI for its part, agrees to share with TIEZA information pertaining to travel taxes obtained from the A/D Cards as well as statistical data on tourist arrivals.



For 2018, TIEZA undertook the process of procuring a print supplier to produce the cards with the design and specifications agreed upon by both TIEZA and BI. The enhanced A/D Cards are now printed on heavier 100gsm matte paper for better durability and ink absorption. Also, the addition of the ticket number as one of the information boxes to be filled-up will allow TIEZA to better track and audit the payment of travel taxes. The Japanese, Chinese and Korean translations on the cards were updated as well through coordination with the respective embassies.

TIEZA views its continuing partnership with the BI as a way to foster synergy, where the mandates of both agencies intersect, and efficiency, in achieving concurring goals through inter-agency cooperation.

TOP 5 TOURIST ARRIVALS TO THE PHILIPPINES BY COUNTRY OF RESIDENCE IN 2018



TIEZA LAUNCHES ONLINE TRAVEL TAX PAYMENT SYSTEM (OTTPS)



In line with the directive of the President to reduce the queues in government centers the Tourism Infrastructure and Enterprise Zone Authority (TIEZA), the Development Bank of the Philippines (DBP) and the DBP Data Center Inc. (DCI) formally launched the Online Travel Tax Payment System (OTTPS) on April 16, 2018 to provide a more convenient way of paying the travel tax.

Using the OTTPS, the travel tax can now be paid online through Visa credit and debit cards; or through any of more than 800 Over The Counter (OTC non-bank) channel partners such as San Mig Food Avenue, Petron Corporation, Total Philippines Corporation, HLhuillier Pawnshop, Tambunting Pawnshop Inc., Shopwise and Wellcome supermarkets, among others; and Touchpay Kiosks which are placed in strategic locations nationwide. With the OTTPS operating 24 hours a day and 7 days a week, TIEZA is able to provide a hassle-free payment scheme that allows passengers the option to pay their travel taxes at any time instead of lining up at airports or travel tax centers.

To access the OTTPS, passengers simply need to register an account through its website at <https://traveltax.tieza.gov.ph>. From there they can

process their full travel tax payment and be issued an acknowledgment receipt. On the date of travel, passengers need only to print 2 copies of their acknowledgment receipt and surrender both at the airline check-in counter without the need to go through the travel tax counter.



For 2018, more than Php 6.3 million travel taxes were collected through the OTTPS. This number is expected to keep growing as TIEZA continues to make upgrades to the system in order to make travel tax payments easier and more convenient. By adopting available information technology to ease the burden of travel taxpayers, TIEZA exemplifies its core values of Excellence, Integrity and Innovation.

TIEZA'S FIRST COASTAL CLEAN-UP DRIVE

As part of its corporate social responsibility, TIEZA volunteered in the International Coastal Clean-up (ICC) last September 2018. Established in 1986, the Ocean Conservancy's ICC is the world's largest volunteer effort to clean-up our shorelines, bays, oceans and beaches. Held yearly, thousands of volunteers from around the world participate in clearing tons of garbage along coastlines, rivers and lakes, and recording every piece of trash collected. Presidential Proclamation No. 470 declares the third Sunday of September of each year as the ICC Day in observance of the Global Coastal Clean-Up Celebrations in the Philippines.

Last September 22, 2018, TIEZA's 50 employees participated in the cleaning of the Las Piñas – Parañaque Critical Habitat and Ecotourism Area

(LPPCHEA) situated South of Manila Bay together with other 1,000 delegates from various government agencies and the private sector.

Aptly themed “Tayo ang Solusyon sa Polusyon”, Senator Cynthia Villar, a staunch supporter of this laudable project spearheaded the activity with the DENR Biodiversity Management Bureau under the Coastal Marine Division initiating the same. TIEZA, like other agencies, participated in the environmental campaign by collecting trash and recording information on debris collected towards the preservation of the natural environment through better waste management policies and inculcating environmental consciousness.



The LPPCHEA is the first critical and nature reserve habitat to be declared in the country consisting of a 36-hectare mangrove forest which is home to 11 mangrove species and a sanctuary to migratory birds species. Established in 2007 thru Presidential Proclamation No. 1412 as amended, the area covers around 175 hectares of wetland ecosystem with mangroves, ponds and lagoons, mudflats, salt marshes and mixed beach forest cover. The TIEZA Board approved the development of a Wetland Center inside LPPCHEA in 2015 to further develop it as an ecotourism area.

Indeed, concerted action by both the private and public sectors, together with the international and local communities encourages responsible stewardship of the earth's natural resources and ensures a livable environment for our future generations.



TIEZA'S OUTREACH PROGRAM FOR WOMEN AND GIRLS

TIEZA's Gender and Development (GAD) Focal Point System members along with other employees and officials visited the Marillac Hills in Muntinlupa to conduct an Outreach Program for Women and Girls last March 23, 2018. The event was part of the activities during the Women's Month celebration and as TIEZA's corporate social responsibility (CSR).

Marillac Hills Haven for Women is a temporary shelter for girls and young women who are in need of social care and special protection as victims of trauma or sexual abuse, exploitation, unwanted pregnancy, violence and those in conflict with the law. The group's presence and visit manifests TIEZA's special attention and socio-cultural service to uplift their morale and spirit.

TIEZA donated personal items needed by the victims like toiletries and hygiene supplies, electric fans and different recreational and educational materials as our way of assistance to somehow alleviate their plight and inadequacies.

Likewise, with the same goal of uplifting the morale of women and children who are victims of violence, the group had another outreach activity during the observance of the 18-day Campaign to End Violence Against Women from November 25 - December 12, 2018. This time, the chosen foundations were Quezon City Protection Center (QCPC) and Golden Reception and Action Center for the Elderly and Other Cases (GRACES). There were 31 attendees from QCPC and 162 from GRACES who benefitted from the group's presence and generosity.

The TIEZA GAD focal point system members and volunteers appreciated these meaningful opportunities to take part in the promotion of gender equality, addressing the vulnerabilities brought about by gender-based violence and empowerment of all women and girls.



TIEZA LEADS



TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY
TIEZA WORKS
PHILIPPINES



www.tieza.gov.ph



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TIEZA finds a “New Home”



Transfer to a more strategic location

Along with the change in the top leadership of TIEZA, was the transfer of TIEZA's central operations from Makati to Pasay City. In the 1st Quarter of 2018, TIEZA inaugurated its new office on the 6th and 7th floors of Tower 1 Double Dragon Plaza. TIEZA entered into a 5-year lease agreement for its office while plans are underway for its own permanent office building.

The relocation was approved by the TIEZA Board of Directors in 2017. The relocation committee undertook the procurement of the lease contract pursuant to RA 9184, taking into consideration the need for prudence and economy in government service, the suitability of the area in relation to the mandate of the office, and its accessibility to its clients.

The relocation was an effort to provide accessible services to various stakeholders. Pasay City is considered Metro Manila's travel capital as it serves as a gateway to both international and local travelers. TIEZA is now more accessible especially to regular commuters and is now nearer to the country's largest travel tax collection points i.e. NAIA terminals 1, 2 and 3. With this, the central office can be a viable option for passengers who want to avoid queueing at the airport travel tax counters.

The accessibility of the new office is also beneficial to other key stakeholders such as investors in tourism enterprise zones, proponents of infrastructure projects, other government agencies and bidders of various procurement undertakings, to name a few.

A closer look on the inside

The departments and offices of the agency are strategically arranged to provide convenience and to ensure effective and efficient delivery of services. The new office has improved facilities and amenities. Among these are a number of conference rooms designated for business meetings needing more formal and private setup. It also features a Multi-Purpose Hall that accommodate large events such as trainings, assemblies and other corporate social gatherings. Another space is for day care in preparation for the planned childcare services in the workplace. In addition, TIEZA has provided a mess hall on the 6th floor for employees' general use. Other amenities include accessible sanitation with adequate number of restrooms and shower rooms that support physical fitness programs.

Positive Feedbacks from Travel Tax Clients

A lot of good comments from clients pertaining to the new office building were cited in the "Anti-Red Tape Act" (ARTA) survey. Here are some of the actual comments:



Out of the 1,432 clients who took the ARTA Survey, 1371 or 95.8% gave the highest satisfaction rating for the physical working condition of the office.

What lies ahead?

A 1.7 hectare land inside Intramuros is being targeted to become the site for the Philippine Travel Center – touted to become the central hub for all the government agencies involved in the tourism industry. The leadership of TIEZA, DOT and its attached agencies have long been planning to hold office under the same roof, in order to provide a seamless workflow for the benefit of the tourism industry and the Filipino people.



TIEZA CERTIFICATION ISO 9001:2015 QMS



From ISO 9001:2008 in May 2015, TIEZA was recertified anew in 2016 and 2017. Last December 28, 2018, the Authority's Certification was upgraded under the QMS ISO 9001:2015 by the TÜV Rheinland, Inc., an internationally recognized certification body. This clearly manifested management's staunch advocacy for continual improvement in organizational quality standards in work process systems which redounded to better productivity, increased agency performance and more importantly, to an enhanced customer experience satisfaction.

Several preparatory activities during the transitory period were undertaken which ensured the program's success, among which include the

conduct of orientations and training programs on quality management system (e.g. on procedures, documentation, records management and general workplace environment); the identification and assessment of organizational gaps vis-à-vis risk management which is a requisite under the new certification; the conduct of periodic internal audits to monitor and evaluate the extent of agency compliance to ISO and external policy standards; and lastly, the conduct of management review on quality management system for continued suitability, adequacy and effectiveness, all of which were found by the TÜV as implemented.

Based on the Third Party audit, the following commendable findings were noted: 1) highly satisfactory rating from the conduct of surveys on the Third Party Satisfaction for TIEZA's Core Processes' and ARTA Report; 2) achievement of 123% in travel tax collection efficiency; and the 3) crafting of board resolutions during board meetings that fast-tracked the timely implementation of projects. Although there were opportunities for improvement, some of these had already been addressed accordingly.

With the concerted effort of everyone and thru management's continuing support, the ISO Certification could be sustained and ready for recertification next year as part of the organization's performance commitments.

TIEZA GOVERNMENT LINKAGES

Government linkages and mutual assistance are established to enhance the value of cooperation among different government agencies in the exercise of their mandate and improve the quality of service which TIEZA renders to the nation.

TIEZA gives high importance on the environmental, socio-cultural, and financial impacts of its infrastructure projects and investments, with the requisite measures put in place to ensure sustainable development and operation of tourism destinations around the country, in accordance with existing laws and regulations.

TIEZA-NEDA for the Formulation of Tourism Infrastructure Development Plans



**National
Economic
Development
Authority**

The General Appropriations Act (GAA) for 2018 has allocated the amount One Billion and Five Hundred Ninety-Five Million Pesos (PHP 1.595 Billion) under the Project Development and other Related Studies (PDRS) Fund to be administered by the National Economic Development Authority (NEDA) for the conduct of pre-investment activities for key infrastructure projects of the government. TIEZA submitted the subject proposal to NEDA for consideration and inclusion under the said fund. The formulation of Tourism Infrastructure Development Plans in Top Tourist Destinations in the Philippines Based on Their Carrying Capacities is one of TIEZA's priority major initiatives, where the NEDA is the Executing Agency while TIEZA is the Implementing Agency.

The focus of the project is on the following tourist destinations:

BALER AURORA



MALAPASCUA ISLAND



GUIMARAS ISLAND



CUATROS ISLAS



These easily accessible tourist destinations are among the prioritized areas in the National Tourism Development Plan (NTDP) 2016-2022 formulated by the Department of Tourism (DOT). These areas have high tourist arrivals and potential, with strong institutional support from LGUs concerned and other stakeholders.

TIEZA aims to provide assistance to LGUs in destination development, conceptualize and develop new products which will enhance tourism sites and facilities, and formulate policies and programs for global competitiveness and national tourism development. TIEZA also intends to conduct a study on carrying capacity and identify necessary infrastructure projects for each of the identified priority tourist destinations in the country.

TIEZA-PVAO in the Master Planning of Corregidor and Mt. Samat Flagship TEZ



**Philippine
Veterans
Affairs Office**

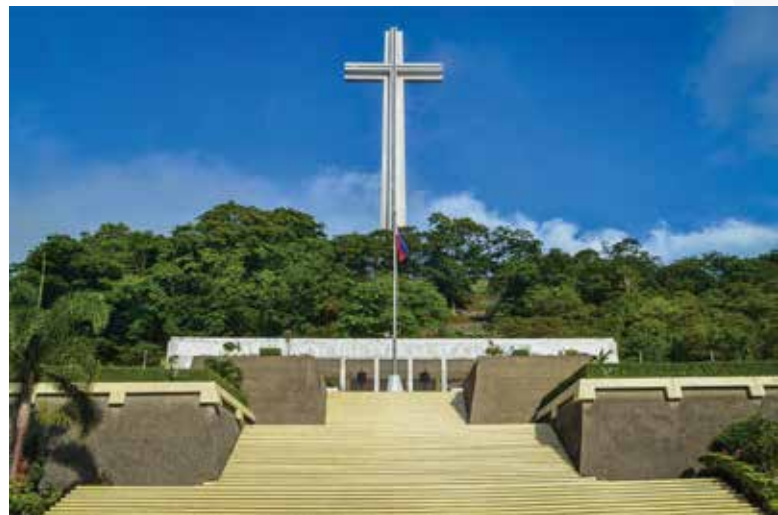
The Philippine Veterans Affairs Office (PVAO) administers veterans' benefits, implements programs and projects to enhance their general welfare, and institutes measures to memorialize their patriotism and heroism. It also oversees the administration and development of military shrines.

Corregidor



In 2018, the TIEZA Board approved the budgetary allocation for the conduct of the master plan of Corregidor toward its designation as a TEZ. In relation to this, PVAO is one of the stakeholders in the master planning as part of the Technical Working Group (TWG). Now that the master plan is well on its way, Corregidor will become a sustainable premier war memorial and socio-cultural island destination in Asia Pacific. The main objective of the master plan is to make Corregidor a major tourist attraction that continuously offers the experience of its rich cultural and biodiverse heritage to global and local visitors with affordable and comfortable state-of-the-art facilities and services while maintaining its historical value.

Mt. Samat FTEZ



TIEZA officially designated Mt. Samat National Shrine area as Mt. Samat Flagship TEZ (MSFTEZ) in October 2016. For 2018, TIEZA kick-started various developments within the Mt. Samat National Shrine, also under PVAO's jurisdiction. Among the developments include the Lighting of the Mt. Samat Cross and the View Deck Exhibit Area. Through the partnership with PVAO, TIEZA will further implement the development plan to spur investments, making the MSFTEZ one of the primary tourism hubs in the country with its historical past preserved.



Public Private Partnership Center

TIEZA – PPP CENTER

The reorganization of PTA into TIEZA under RA 9593 or the “Tourism Act of 2009” pursues the direction of the agency towards an increased involvement of the private sector. It encourages the privatization of TIEZA assets, in accordance with the national policy of revitalizing privatization in all government agencies.

On 19 January 2018, the Office of the Government Corporate Counsel (OGCC) released an opinion (OGCC Opinion No. 021, series of 2018) stating that TIEZA has the power to adopt its own rules and procedures for entering into joint ventures and management contracts. The aim of TIEZA when it requested OGCC for affirmation of this authority was to accelerate the development and enhancement of the TIEZA owned or controlled assets, contribute to tourism infrastructure development, establish TEZs and undertake other future tourism-related projects with the private sector, through the various modes of public-private partnerships.

A Memorandum of Agreement (MOA) was signed by TIEZA with the Public-Private Partnership Center (PPPC) last 15 November 2018 for the purpose of providing a framework for cooperation and coordination for private participation in TIEZA’s investment opportunities.

Under the MOA, the General Objective of the Indicative Strategy Plan is to develop a robust pipeline of PPP Projects, in various stages of implementation, which are compliant with standards and safeguards established to ensure inclusiveness and sustainability in the tourism sector.



The Plan’s Core Components are:

Policy

The Promulgation of TIEZA Joint Venture Guidelines, and
Development of Principles, Standards, and
Safeguards for PPPs in the Tourism Sector

Capacity

Conduct of trainings to capacitate TIEZA team for
PPP project development and implementation

Project Development

Rapid Assessment of Existing Assets
Conduct of Feasibility Study / Business case
Award PPP Projects and Initiate Implementation

In 2018, the TIEZA PPP Committee was created to coordinate with the PPP Center pursuant to the MOA. An Investment Committee was thereafter created in May 2019 under Office Order No. 114-2019. The Committee was tasked to facilitate activities in preparation for the actual selection process for joint venture and management contracts. It shall continue the functions of the TIEZA PPP Committee and as such will be responsible for the implementation of the MOA and the development of TIEZA’s PPP programs and projects.

With the crafting of the JV Guidelines consistent with its mandate under RA 9593 and PD 564, the private sector is assured that the principles of fairness, transparency and competitiveness are practiced, while contributing to national tourism goals through gainful and advantageous business arrangements for both the public and the private sectors.

STRATEGY MAP

TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY



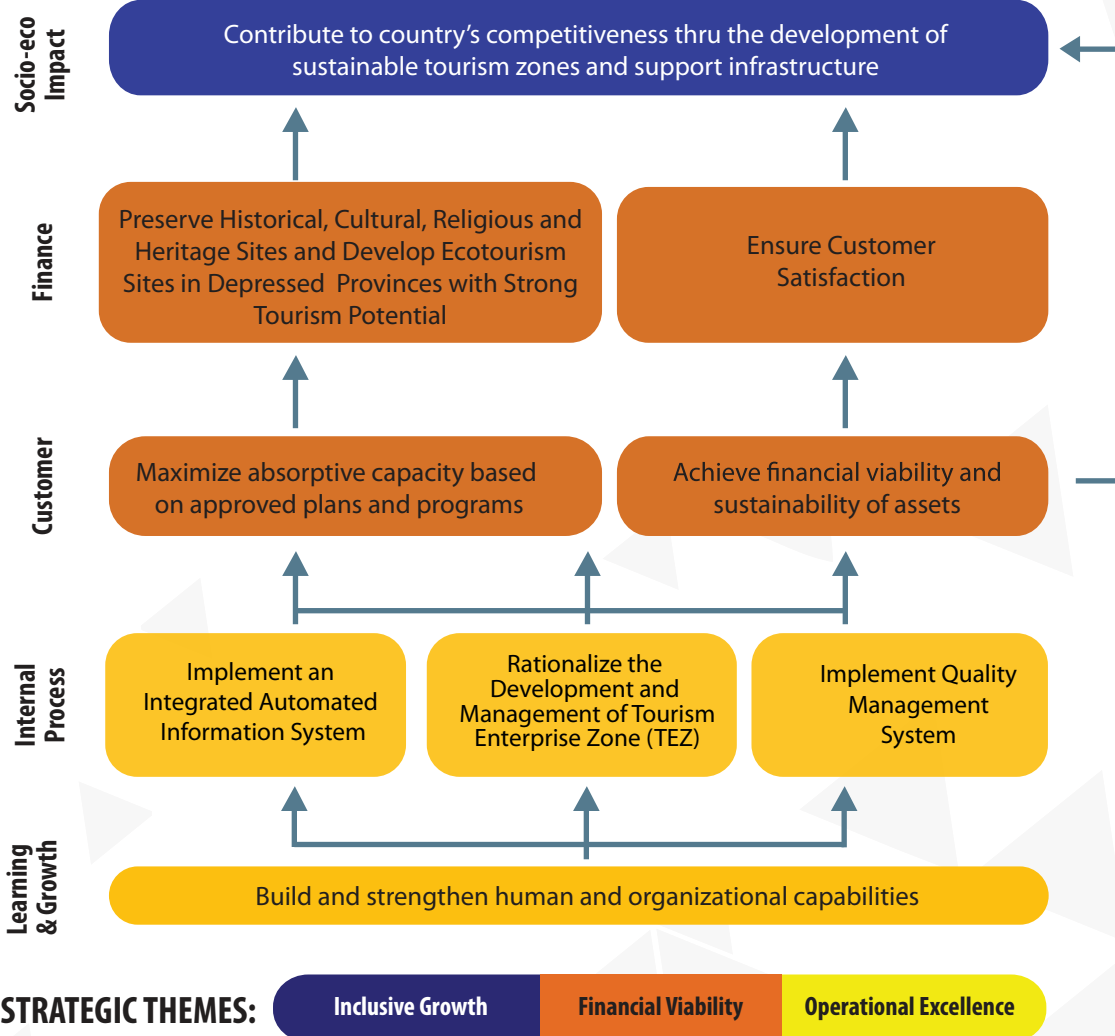
VISION : By 2026, TIEZA is a globally recognized tourism development agency and a primary catalyst for inclusive and sustainable socio-economic growth

OUR MISSION

To contribute to national tourism development goals and showcase Philippine culture by designating, supervising, and regulating sustainable Tourism Enterprise Zones; undertaking viable Tourism Infrastructure Projects; and managing assets.

OUR CORE VALUES

- El₂
1. Excellence
 2. Integrity
 3. Innovation



STATEMENT OF FULL COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

CERTIFICATION

This is to certify that the **TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY** has complied with the Code of Corporate Governance governing Government - Owned and Controlled Corporations (GOCCs), and has so far accomplished the following:

Requirement	Status	Remarks
No Gift Policy	Complied	Posted on TIEZA website (Main web page)
Directors and Officers Liability Insurance (DOLI)/Directors and Officers Liability Fund (DOLF)	On process	On-going query and communication with GCG, Land Bank of the Philippines and Marsh Consultancy
Manual of Corporate Governance	Complied	Posted on TIEZA website (Main web page)
Creation of Board Committees Update on Board Committee Membership from 2017	Complied	Posted on TIEZA website (Governance seal > b. TIEZA Board and its Officers)
On Institutional Matters		
For Chartered GOCCs, the latest version of its Charter	Complied	Posted on TIEZA website (Main web page)
For Non-chartered GOCCs, latest General Information sheet (GIS) and brief company background including date of incorporation, history, functions and mandate	N/A	N/A

List of Subsidiaries and affiliates		
Government Corporate Information Sheet (GCIS) as mandated by the GCG MC No. 2012-01	Complied	Posted on TIEZA website (Governance Seal > a.3 Corporate Information Sheet (GCIS) as mandate by the GCG in its MC 2012-01 (GCIS 2014)
On Board and Officers		
Complete listing of the Directors and Officers with attached resume, and their membership in Board Committees	Complied	Posted on TIEZA website (About us > Board of Directors)
Complete compensation package of all the board members and officers, including travel, representation, transportation and any other form of expenses or allowances	Complied	Posted on TIEZA website (Governance seal > b.2 Complete compensation package of all the board members and officers, including travel, representation and any other form of expenses or allowance)
Information on Board Committees and their activities	Complied	Posted on TIEZA website (Governance Seal > b.3 Information on Board Committees and their activities)
Attendance record of Committees and their activities	Complied	Posted on TIEZA website (Governance Seal > b.4 Attendance Record of Directors in Regular Board and Committee Meetings)
On Financial and Operational Matters		
Their latest annual Audited Financial and Performance Report within thirty (30) days from receipt of such Report	Complied	Posted on TIEZA website (Governance Seal > c.1 Annual Audited Financial and Performance Report within thirty (30) days from receipt of such Report)

<i>Audited Financial Statement in the immediate past three (3) years</i>	Complied	Posted on TIEZA website (Governance Seal > c.2 Audited Financial Statements in the immediate past five (5) years)
<i>Quarterly, and Annual Reports and Trial Balance</i>	Complied	Posted on TIEZA website (Governance Seal > c.3 Quarterly and Annual Report and Trial Balance
<i>Current Corporate Operating Budget (COB)</i>	Complied	Posted on TIEZA website (Governance Seal > c.4 Current Corporate Operating Budget (COB))
<i>Local and foreign borrowings</i>	Complied	Posted on TIEZA website (Governance Seal > c.5 Local and foreign borrowings)
<i>Government subsidies and net lending</i>	Complied	Posted on TIEZA website (Governance Seal > c.6 Government subsidies and net lending)
<i>All borrowings guaranteed by the Government</i>	Complied	Posted on TIEZA website (Governance Seal > c.7 All borrowings guaranteed by the Government)
<i>Any material risk factors and measures taken to manage such risk</i>	On Process	For posting on the TIEZA website
<i>Performance Evaluation System (PES)</i>	Complied	Posted on TIEZA website (Governance Seal > c.8 Performance Evaluation System (PES))
On Financial and Operational Matters		
<i>Charter Statement/ Mission Vision Statement</i>	Complied	Posted on TIEZA website (Governance Seal > d.1 Charter Statement and d.2 Mission-Vision)
<i>Performance Scorecards and Strategy Map</i>	Complied	Posted on TIEZA website (Governance Seal > c.7 Performance Scorecards and Strategy Map)

<i>Organizational Chart</i>	Complied	Posted on TIEZA website (Governance Seal > d.4 Organizational Chart)
<i>Manual of Corporate Governance</i>	Complied	Posted on TIEZA website (Governance Seal > d.5 TIEZA code of Corporate Governance)
<i>CSR Statement</i>	Complied	Posted on TIEZA website (Governance Seal > d.6 CSR Statement)
<i>Balance Scorecard</i>	Complied	Posted on TIEZA website (Governance Seal > d.7 Balance Scorecard

This certification is issued in compliance with the provision of GCG Memorandum Circular 2012-07.

Witness my HAND AND SEAL of TIEZA this 04 June 2019.


Atty. AL CONRAD B. ESPALDON
 Corporate and Board Secretary/Compliance Officer

TIEZA WHISTLEBLOWING POLICY

A. OBJECTIVE

The TIEZA Whistleblowing Policy is issued to enable any concerned individual, either TIEZA employees or non-TIEZA employees, to report and provide information, anonymously if requested, and testify on matters involving acts or omissions of the TIEZA Board of Directors, Officers and Employees that are illegal, unethical, violate good governance principles, contrary to public policy and morals, promote unsound and unhealthy business practices that are grossly disadvantageous to TIEZA and/or the Government.

B. COVERAGE

The TIEZA Whistleblowing Policy shall be applicable to all the members of the TIEZA Board of Directors, Officers and employees, whether permanent, temporary or co-terminus including those employed under Contracts of Service/Job Orders.

C. DEFINITION OF TERMS

1. TIEZA employee – shall refer to the TIEZA Board of Directors, Officers and employees, whether permanent, temporary, co-terminus or directly hired contractual, including those employed under Contracts of Service/Job Orders.

2. TIEZA Diligence Monitoring Committee (TDMC) – shall refer to the Committee tasked with handling the implementation of this Policy.

The TDMC shall be composed of the following:
Chairman: Department Manager - Administrative Services Department

Vice - Chairman: Assistant Chief Operating Officer – Office of the Assistant Chief Operating Officer for Administration and Finance Sector
Members:

Department Manager – Legal Department

Manager - Human Resource Services Division

Manager – Management Information Systems Department

TEA – Union Representative

3. Reportable Matters – matters that may be brought to the attention of the TDMC through this Policy as enumerated in Section D.

4. Reporting Channels – the following are the dedicated Reporting Channels which the Whistleblower can use to file any Reportable Matter:

a. TIEZA website : <http://tieza.gov.ph>

b. Face-to-Face meetings : the TDMC

c. E-mail : hrdtieza@gmail.com

d. Mail : Tourism Infrastructure and Enterprise Zone Authority 6th and 7th floors, Tower 1, Double Dragon Plaza, Macapagal Ave., cor. EDSA extension, Pasay City

e. Telephone : 512-04-76

f. Fax :

5. Respondent – the person who is the subject of a Whistleblowing Report filed through any of the Reporting Channels

6. Retaliatory Actions - refers to negative or obstructive responses or actions carried out by a Respondent in retaliation against a Whistleblower, such as, but not limited to, administrative or criminal proceedings commenced or pursued, reprisals or threats against the whistleblower and / or those TIEZA employees supporting him/her or any of the whistleblower's relatives, such as, but not limited to, forcing or attempting to force any of them to resign, retire or transfer, giving negative performance appraisals, fault-finding, undue criticism, alienation, blacklisting and other similar acts, discrimination or harassment in the TIEZA workplace carried out by a Respondent against a Whistleblowing Employee.

7. Whistleblower - any concerned individual, TIEZA employee or group of TIEZA employees who reports a Reportable Condition through any of the Reporting Channels.

8. Whistleblowing Report (WR) - refers to a Complaint filed by a Whistleblower about a Reportable Condition.

D. SCOPE OF REPORTABLE CONDITIONS

Whistleblowing is the disclosure of and/or giving of evidence to information of such acts or omissions that are illegal, unethical, violate good governance principles, contrary to public policy and morals, promote unsound and unhealthy business practices that are grossly disadvantageous to TIEZA and/or the Government, such as, but not limited to:

- a. Abuse of Authority;
- b. Bribery;
- c. Conflict of Interest;
- d. Destruction/Manipulation of Records;
- e. Fixing;
- f. Making False Statements;
- g. Malversation;
- h. Misappropriation of Assets;
- i. Gross inefficiency;
- j. Grave Misconduct
- k. Money Laundering;
- l. Nepotism;
- m. Plunder;
- n. Receiving a Commission;
- o. Solicitation of Gifts;
- p. Taking Advantage of Corporate Opportunities;
- q. Undue Delay in Rendition of Service;
- r. Undue influence and;
- s. Violation of Procurement laws.

Whistleblower may also report such other acts or omissions that otherwise involve violations of the following laws, rules and regulations:

- a. R.A. No. 6713, "Code of Conduct and Ethical Standards for Public Officials and Employees";
- b. R.A. No. 3019, "Anti-Graft and Corrupt Practices Act"; Conflict of Interest;
- c. R.A. No. 7080, as amended "The Plunder Law"
- d. Book II, Title VII, Crimes Committed by Public Officers, The Revised Penal Code;
- e. Executive Order (E.O.) No. 292, s. 1987, "Administrative Code of 1987"; Misappropriation of Assets;
- f. Code of Ethical Principles and Rules of Conduct for TIEZA Officers and Employees;
- g. Violations of the TIEZA's Charter, Republic Act (R.A) No. 9593 and its Implementing Rules and Regulations;
- h. TIEZA Code of Corporate Governance;
- i. TIEZA Fit and Proper Rule and;
- j. Other applicable laws and regulations.

E. PROCEDURES IN HANDLING WHISTLEBLOWING REPORTS (WR)

1. FILING OF WR

1.1. Who may file - Any concerned individual or TIEZA employee who witnesses or becomes aware of any attempted, ongoing or consummated

Reportable Conditions involving any TIEZA employee may file the WR. The Whistleblower who files the WR anonymously may choose to provide a manner by which he/she can be contacted without jeopardizing his/her anonymity. Such means shall include, but shall not be limited to using an e-mail, a prepaid mobile number and the like.

1.2. Where to File - The WR shall be filed with the TDMC or through any of the Reporting Channels.

1.3. Form of the WR: The WR must be in writing and shall contain the following:

- a. The Respondent must be clearly identified by his/her full name and position;
- b. The specific condition(s), action(s), and/or omission(s) being complained about, as well as the corresponding laws, rules and regulations allegedly violated and;
- c. Documentary and other evidence to support the allegations.

2. PRELIMINARY EVALUATION OF THE WR

2.1. The TDMC will make the initial determination of whether or not information provided may be considered as a Reportable Condition. If the TDMC determines that such information does not qualify as a Reportable Condition, the same shall be treated as ordinary complaint which will be acted on accordingly in accordance with applicable TIEZA policy, or existing rules and regulations.

The TDMC reserves the right to disregard WR's that are vague, ambiguous, patently without merit, or are clearly harassment complaints against the Respondent/s. The TDMC shall communicate its initial findings on such WR to the Whistleblower who will be given the opportunity to substantiate the same, failing in which the matters raised in the WR will be considered closed and terminated.

3. FULL INVESTIGATION

3.1. If the TDMC finds the WR sufficient in form and substance, the TDMC shall conduct an investigation, part of which will involve informing the Respondent of the allegations against him/her and requiring the Respondent to submit comments within fifteen (15) calendar days from receipt thereof.

The TDMC shall furnish the Whistleblower a copy of the comments of the Respondent, and shall give him/her opportunity to provide more information or controverting evidence within fifteen (15) calendar days from receipt of the copy of the Respondent's comments. If the Whistleblower submits additional information or evidence, the TDMC shall likewise give the Respondent the opportunity to submit rebutting evidence.

3.2. If the TDMC is satisfied that all the information and evidence necessary for the resolution/decision of the WR are ready on hand, it may proceed to draft the corresponding resolution/decision of the WR and submit its recommendation to the Chief Operating Officer and the TIEZA Board of Directors.

4. FINAL ACTION ON THE TDMC's REPORT

4.1. In cases of WR filed against TIEZA employees (other than the members of the TIEZA Board), the TIEZA Board of Directors in consideration of the resolution/decision and/or recommendation of the TDMC, may pursue any of the following actions:

- a. Dismiss the WR for want of palpable merit;
- b. Impose disciplinary action or sanction against the Respondent pursuant to existing rules and regulations;
- c. Indorse to the proper Government Agency, such as the Office of the Ombudsman and/or Civil Service Commission, the pursuit of the criminal and/or administrative processes against the Respondent;
- d. Enjoin the TIEZA Management to comply with applicable laws or jurisprudence and/or to undertake corrective measures to address the matters raised in the Complaint and;
- e. Consider the TDMC report closed and terminated if the response of the Respondent is found to be adequate.

4.2. In cases of WR's filed against the members of the TIEZA Board of Directors, the TDMC shall submit its recommendation to the Governance Commission for GOCCs for appropriate action.

F. GENERAL GUIDELINES

1. Withdrawal of Report by the Whistleblower. In the event that the Whistleblower withdraws his/her WR, the investigation shall continue provided that the evidence gathered is sufficient as determined by the TDMC.

2. Resignation of Respondent pending Completion of Investigation. In the event that the Respondent resigns prior to the final resolution of the case against him, the investigation shall still continue provided that the evidence gathered is sufficient as determined by the TDMC.

3. Confidentiality - Except when the whistleblower does not invoke anonymity and/or confidentiality under this Policy, the TDMC shall ensure confidentiality of all information arising from WR's. It shall treat all reports, including the identity of the whistleblower and the person/s complained of in a confidential and sensitive manner. The identity of the whistleblower will be kept confidential, unless compelled by law or the Courts to be revealed, or unless the whistleblower authorized the release of his/her identity.

4. Protection of Concerned Individual against Retaliatory Actions. Retaliatory acts against a concerned individual who submits WR's in good faith shall not be tolerated by the TIEZA which shall extend possible assistance to the whistleblower under the law.

5. Protection of TIEZA Employee against Retaliatory Actions.

a. No administrative action shall be entertained or pursued by TIEZA against a TIEZA Employee who submits WR's and who is deemed protected under these guidelines and he/she shall be extended possible assistance under the law and;

b. No retaliatory action shall be taken against a Whistleblower who is a TIEZA Employee such as, but not limited to the following:

- i. discriminatory action;
- ii. reprimand;
- iii. punitive transfer;
- iv. demotion;

- v. evident bias in performance evaluation;
- vi. attachment of adverse notes in the personnel file;
- vii. accusations of disloyalty and dysfunction;
- viii. public humiliation;
- ix. the denial or work necessary for promotion;
- x. the denial or work necessary for promotion;
- xi. termination of contract and;
- xii. any acts or threats that adversely affect the rights and interest of the whistleblower.

Any TIEZA employee who refuses to follow orders to perform an act that would constitute a violation of this provision shall likewise be protected from retaliatory actions.

6. Whistleblower is a Party to the Reportable Conditions A Whistleblower, who is a party in the Reportable Condition, shall be accorded protection and assistance by TIEZA in accordance with this Policy provided that:

- a. The whistleblower shall formally undertake to actively participate in the investigation and testify in the appropriate proceedings to be filed against the Respondent/s;
- b. He/She has personal knowledge of material facts and information regarding the Reportable Condition and;
- c. He/She should not appear to be the guiltiest.

7. No Breach of Duty of Confidentiality: A Whistleblower that has an obligation by way of oath, rule or practice to maintain confidentiality of information shall not be deemed to have committed a breach of confidentiality if he/she makes a Protected Disclosure of such information.

G. REMEDIES AND SANCTIONS

1. Retaliatory Actions: Any TIEZA employee, who does, causes or encourages retaliatory actions as defined under these Policy against a Whistleblower and/or TIEZA employees supporting him/her or any of his/her relatives shall be subjected to administrative, civil and/or criminal proceedings.

2. False, Untrue, Misleading and Malicious Reports: If a Whistleblower makes allegations that are determined to be fabricated or malicious falsehoods, and/or he/she persists in making them, appropriate legal action may be taken against him/her by TIEZA.

H. EFFECTIVITY

This Policy becomes effective upon approval of the TIEZA Board of Directors on July 24, 2018.

2018 BOARD OF DIRECTORS



Pocholo D. Paragas

TIEZA Chief Operating Officer
Vice Chairman



Bernadette Romulo-Puyat

Department of Tourism
Chairman



Arturo P. Boncato Jr.

DOT Undersecretary
Permanent Alternate Chairman



Eduardo M. Año

DILG Secretary



Epimaco V. Densing

DILG Undersecretary



Roy A. Cimatú

DENR Secretary



Atty. Analiza R. Teh

DENR Undersecretary



Mark A. Villar

DPWH Secretary



Atty. Maximillian Fernandez

DPWH, Chief, Legislative Affairs
& Research Division



Datu Abul Khayr Dangcal Alonto

MinDA Secretary



Elizaldy S. Co

Accommodation Services



Richard Thomas F. Joson

Other Tourism Enterprises



Arnold T. Gonzales

TPB Chief Operating Officer



Maria Vida H. Stoifl

Air, Sea and Land
Transportation Services



Roy B. Martin

Tourism Estate Development

2019 BOARD OF DIRECTORS



Pocholo D. Paragas

TIEZA Chief Operating Officer
Vice Chairman



Bernadette Romulo-Puyat

Department of Tourism
Chairman



Atty. Edwin R. Enrile

DOT Undersecretary
Permanent Alternate Chairman



Eduardo M. Año

DILG Secretary



Epimaco V. Densing

DILG Undersecretary



Roy A. Cima

DENR Secretary



Atty. Analiza R. Teh

DENR Undersecretary



Mark A. Villar

DPWH Secretary



Maria Catalina E. Cabral

DPWH Undersecretary



Emmanuel Piñol

MinDA Secretary



Richard Thomas F. Joson

Other Tourism Enterprises



Venus Q. Tan

TPB Chief Operating Officer



Roy B. Martin

Tourism Estate Development

TIEZA 2018 BOARD OF DIRECTORS



Usec. Densing is the Undersecretary for Operations of the Department of Interior and Local Government (DILG) and its permanent alternate representative to the TIEZA Board of Directors. Usec. Densing has two bachelor's degrees in Humanities and Accounting from De La Salle University. He finished his Master in Business Administration from the Ateneo Graduate School of Business under the Regis University (USA) Executive MBA Program where he was awarded the Gold Medal for Academic Excellence for being a consistent First Honor student. In 2018, he was appointed as Undersecretary of DILG. Usec. Densing also represents the Department in the National Economic Development Authority, Mining Industry Coordinating Council, and sits as Vice-Chair of the National Organic Agricultural Board. He is also a regular resource and keynote speaker in pushing for Federalism in the Philippines. Currently, Usec. Densing is the Chairperson of Tourism Enterprise Zone Committee of TIEZA and holds membership in Infrastructure Committee and Governance Committee of the Authority.



Usec. Teh is the Undersecretary for Climate Change Service and Mining Concerns of the Department of Environment and Natural Resources (DENR) and its permanent alternate representative to the TIEZA Board of Directors. Usec. Teh is a product of De La Salle University where she ranked number 1 in the graduating class of Bachelor of Science in Commerce Major in Marketing Management in 1985. In 1996, she finished her Bachelor of Laws from the University of the Philippines. Usec. Teh is also sitting as the Permanent Alternate Representative/ Permanent Representative in the Mining Coordinating Council, National Disaster Risk Reduction and Management Council, Energy Investment Coordinating Council, and National Intelligence Board. Currently, Usec. Teh holds membership in various TIEZA Committees namely: Tourism Enterprise Zone Committee, Audit Committee, and Finance Committee.



Atty. Fernandez is the current Chief of the Legislative and Research Division of the Department of Public Works and Highways. He serves as the permanent alternate of DPWH Secretary Mark Villar since July 2017. He holds regular membership in DPWH Bids and Awards Committee for Goods, DPWH Bids and Awards Committee for Consultancy Services, and Price Escalation and Extra Ordinary Claims Review Committee. He reached his 34th year in public service under the Department. He is the Chairperson of TIEZA Infrastructure Committee, Vice-Chairperson of TIEZA Audit Committee and a member in Tourism Enterprise Zone Committee.



Usec. Alonto was the Secretary of the Mindanao Development Authority and a member of the TIEZA Board of Directors. Prior to his appointment, he was also elected as Assemblyman and sat as the Interim Head of the Regional Autonomous Government and subsequently elected Speaker of the Regional Legislative Assembly, in absentia after he resigned as the Interim Head of the Regional Autonomous Government. He was instrumental in the establishment of most of the infrastructure in the ARMM (ORG), Cotabato City, as well as the only housing program in Muslim Mindanao, the BLISS Project. He was also the proponent of the creation of the Ministry of Muslim Affairs and National Cultural Communities now known as the National Commission on Muslim Filipinos or NCMF and the NI Scholarship.



Currently the Chief Operating Officer of the Tourism Promotions Board (TPB) and a member of the TIEZA Board. Prior to her appointment as the COO of TPB, she was the regional director of Department of Tourism – Cordillera Administrative Region. She likewise served as Tourism Attaché and Regional Coordinator of the DOT for Europe (Frankfurt, Germany, London and United Kingdom) for 15 years. She is the Chairperson of TIEZA Governance Committee.



A member of the TIEZA Board of Directors as the representative for the Accommodation Services Sector. He is the president of the Sunwest Group Holding Company, Inc., Sunwest Construction and Development Corporation, Sunwest Water and Electric Co., Sunwestville Realty and Development Corporation, Misibis Aviation and Development Corporation and of the Albay – based beach resort, Misibis Bay. He is also the president of Monte de Tesoro Corporation. Concurrently, he is the treasurer of Sunwest Water and Electric Company 2, La Venezia Hotel and Spa in Legazpi City, Albay, and Delfin A. Co Foundation Inc. He is also the Treasurer and Secretary of DEFEDVAC Corporation. He is a graduate of Aquinas University in Legazpi City, Albay with a degree in Business Administration.



A member of the TIEZA Board of Directors representing the Other Tourism Enterprise Sector. He is currently a Director of El Masfino Country Club in Bulacan. He also held various managerial positions in different private tourism and recreational industries. He is a graduate of De La Salle University with a degree in Business Management. Director Joson is the Chairperson of the Audit Committee and also holds membership in the Infrastructure Committee, Tourism Enterprise Zone Committee, Human Resource Committee.



A member of the TIEZA Board representing Air, Land, and Sea Transport Sector. She is currently the Director for External Affairs of Cebu Pacific Air. Prior to that, she served as a Cabin Crew Supervisor and Director of Airport Services of Cebu Pacific Air. She earned a short course degree of Kepner Tregoe (KT) Problem Solving and Decision Making in 2002. She was the Chairperson of the Audit Committee and held membership in the Governance Committee.



A member of the TIEZA Board of Directors representing the Tourism Estate Development. He is currently the Area General Manager of Microtel Development Corporation for North Luzon. He is a graduate of Manuel Luis Quezon University with a degree in Commerce major in Management and he specializes in Hotel Management. Dir. Martin is the Chairperson of Human Resource Committee, Chairperson of Risk Management Committee and also holds membership of Infrastructure Committee and Audit.



TOP

MANAGEMENT



POCHOLO J.D. PARAGAS

Chief Operating Officer



ATTY. KAREN MAE G. SARINAS-BAYDO

*Tourism Enterprise Zone
Management Sector*



ATTY. JOY M. BULAITAN

Administrative and Finance Sector



JETRO NICOLAS F. LOZADA

Assets Management Sector



ENGR. NESTOR M. DOMALANTA

*Architectural and Engineering
Services Sector*



OC00

OFFICES UNDER THE CHIEF OPERATING OFFICER



RAQUEL S. DELA CRUZ

*Management Information
Systems Department*



LEONARDO M. MENDOZA

Internal Audit Department



ATTY. AL CONRAD ESPALDON

Legal Department



ATTY. IVY ASETRE

Corporate Planning Department



ATTY. JOSE T. BECHAYDA, JR.

Monitoring & Evaluation Division



ATTY. SHANGRILA C. QUEZON

Legal Services Division



ANNA LEAH R. BAYOT

Strategic Planning Division



EDWIN F. VERDE

Operations Audit Division



ANTONIO MARI L. ORIONDO

Financial Audit Division



ATTY. MICHELLE RIVERA

Litigation Division



TEZMS

TOURISM ENTERPRISE ZONE MANAGEMENT SECTOR



ATTY. NIÑO RUPERTO F. AQUINO

TEZ Regulation Department



ATTY. KAREN MAE G. SARINAS-BAYDO

*Tourism Enterprise Zone
Management Sector*



HERNANDO A. ENAL

*TEZ Assistance and
Monitoring Department*



ERMINA A. PALOMIQUE

Incentives Administration Division



DONALDO R. MALDONADO

Evaluation and Registration Division



FRANCIS THEODORE INITORIO

TEZ Administrator, Mt. Samat



ENGR. BERNARDO C. ALARILLA

TEZ Administrator, San Vicente



AMS

ASSETS MANAGEMENT SECTOR



MA. EVELYNE A. FRANCISCO

Business Development Department



JETRO NICOLAS F. LOZADA

Assets Management Sector



ATTY. MA. TERESA C. ALVAREZ

Operations Department



MARLON S. PRIETO

R.M. Banaue Hotel & Youth Hostel



MA. ZENaida R. QUIÑAHAN

Business Research Division



IRENE R. TUMAOb

Business Research Division



EVA MARIE M. VICEDO

Sales Division



ADELFO A. MENDOZA III

R.M. Club Intramuros Golf Course



AFS

ADMINISTRATIVE AND FINANCE SECTOR



DRA. ROSANNA M. OLGADO

Administrative Services Department



RODOLFO E. ANCHETA

Financial Services Department



ATTY. JOY M. BULAUTAN

Administrative and Finance Sector



FLORENCIO V. ABENES

Travel Tax Department



ANNA RUTH MATEO

General Services Division



CRISTETO OCAMPO

Privilege Administration Division



JOSEFINA U. SORIANO

Human Resource Services Division



PERLITA C. ADEFUIN

Examination Division



MYRNA A. SUAREZ

Treasury Division



LEONILA G. DE PERALTA

Accounting Division



EVA M. YU

Budget Division



AESS

ARCHITECTURAL AND ENGINEERING SERVICES SECTOR



ENGR. AMELITA S. CAGANDA

*Project Evaluation and
Planning Department*



ENGR. NESTOR M. DOMALANTA

*Architectural and Engineering
Services Sector*



RESURRECION L. ASPURIA

*Construction and
Management Department*



JEOFFREY L. MACALALAD

Project Management Division



ENGR. ELIEL JOY A. SISON

Contract Management Division



RADY E. ADAME

Project Planning & Design Division



ENGR. GREGORY A. OLLER

Construction Supervision Division

FINANCIAL STATEMENT

TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY STATEMENT OF FINANCIAL POSITION December 31, 2018 and 2017

	Note	2018	2017 (As Restated)
ASSETS			
Current Assests			
Cash and Cash Equivalents	4	2,285,315,095	3,872,129,533
Investment	5	11,605,791,041	8,013,062,582
Receivables, net	6	393,733,558	274,528,560
Inventories	7	14,227,591	12,785,697
Other Current Assests	8	197,281,410	96,382,074
		14,499,348,695	12,268,888,446
Non-Current Assests			
Investments, net	5	762,278,005	762,278,005
Investment in Associate	9	165,689,956	164,356,901
Receivables, net	6	580,604,054	602,076,324
Investment Property, net	10	335,736,047	343,204,059
Property and Equipment, net	11	5,352,450,574	5,254,376,942
Service Concession Assets, net	12	2,030,886,609	2,147,490,145
Other Non-Current Assests	8	149,460,889	170,789,462
		9,377,106,134	9,44,571,838
TOTAL ASSETS		23,876,454,829	21,713,460,284
LIABILITIES			
Current Liabilities			
Financial Liabilities	13	248,199,745	165,841,727
Inter-Agency Payables	14	1,061,819,955	992,284,882
Deferred Creadits/Unearned Income	15	108,170,802	103,152,424
Provisions	16	78,723,842	68,268,913
Other Payables	17	34,0555,567	21,091,159
		1,530,969,911	1,350,639,105
Non-Current Liabilities			
Financial Liabilities	13	189,364,942	200,453,661
Inter-Agency Payables	14	856,136,226	841,400,560
Trust Liabilities	18	239,976,360	241,117,118
Deferred Creadits/Unearned Income	15	1,566,288,801	1,663,223,319
		2,851,766,329	2,919,194,658
TOTAL LIABILITIES		4,382,736,240	4,269,833,763
NET ASSETS/EQUITY			
Accumulated Surplus		19,482,868,374	17,432,776,306
Share Capital	30	10,850,215	10,850,215
NET ASSETS/EQUITY		19,493,718,589	17,443,626,521
TOTAL LIABILITIES AND NET ASSETS/EQUITY		23,876,454,829	21,713,460,284

TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY STATEMENT OF FINANCIAL PERFORMANCE
December 31, 2018 and 2017

	Note	2018	2017 (As Restated)
Revenue			
Tax Revenue	19	3,181,863,530	2,852,449,460
Service and Business Income	20	590,294,101	530,067,317
		3,772,157,631	3,382,516,777
Current Operating Expenses			
Personnel Services	21	398,928,199	365,735,833
Maintenance and Other Operating Expenses	22	569,891,733	521,214,315
Financial Expenses	23	8,679,677	9,479,075
Direct Costs	24	19,823,201	17,747,634
Non-Cash Expenses	25	201,853,553	197,915,991
		1,199,176,363	1,112,102,848
Surplus from Operations		2,572,981,268	2,270,413,929
Non-Operating Income (Loss)			
	26		
Gain on Sale of Assets		0	11,318
Miscellaneous Income		4,173,928	4,177,817
Gain on Foreign Exchange		3,364,977	103,843
Losses		(23,702,496)	(13,323,303)
Surplus Before Tax		2,556,817,677	2,261,383,604
Income Tax Expense (Benefits)		1,363,133	1,245,086
Surplus After Tax		2,555,454,544	2,260,138,518
Net Assistance /Subsidy/(Financial Assistance/ Subsidy/Contribution)			
	27	(512,791,614)	(349,356,556)
Surplus After Tax		2,042,662,930	1,910,781,962

TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY
STATEMENT OF CHANGES IN NET ASSETS/EQUITY December 31, 2018 and 2017

	Note	Accumulated Surplus	Share Capital	Total
BALANCE AT JANUARY 1, 2017				
		15,525,277,618	10,850,215	15,536,127,833
CHANGES IN NET ASSETS/EQUITY FOR CY 2017				
Surplus for the Year		1,910,781,962		1,910,781,962
Other Adjustment	30	(3,283,274)		(3,283,274)
BALANCE AT DECEMBER 31, 2017, AS RESTATED		17,432,776,306	10,850,215	17,443,626,521
CHANGES IN NET ASSETS/EQUITY FOR CY 2018				
Surplus for the Year		2,042,662,930		2,042,662,930
Other Adjustment	30	7,429,138		7,429,138
BALANCE AT DECEMBER 31, 2018		19,482,868,374	10,850,215	19,493,718,589

TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY STATEMENTS OF CASH FLOWS
December 31, 2018 and 2017

	2018	2017 (As Restated)
CASH FLOW OPERATING ACTIVITIES		
Cash Inflows		
Collection of Income/Revenue	6,733,260,913	6,028,336,226
Collection of Receivable	67,835,822	136,656,508
Receipt of Inter-Agency Fund Transfers	27,386,155	5,479
Receipt of Intra-Agency Fund Transfers	213,179,928	303,399,897
Trust Receipts	59,874,589	6,141,468
Other Receipts	65,346,287	32,798,397
Total Cash Inflows	7,166,883,694	6,507,337,975
Cash Outflow		
Payment of Expenses	592,778,843	599,501,596
Purchase of Inventories	54,198,108	33,663,041
Grant of Cash Advances	13,759,614	19,034,059
Prepayments	1,325,868	44,940,132
Refund of Deposits	27,018,272	14,908,993
Payment of Accounts Payable	113,023,388	98,664,149
Remittance of Share on travel tax Collection	3,083,581,485	2,666,382,255
Remittance of Personal benefit Contribution and Mandatory Deductions	235,765,123	244,522,405
Grand of Financial Assistance/Subsidy/Contribution	41,812,642	25,739,594
Release of Inter-Agency Fund Transfers	179,590,006	54,338,208
Release of Intra-Agency Fund Transfers	217,341,075	181,265,310
Other Disbursements	62,667,700	63,718,239
Total Cash Outflows	4,622,802,124	4,046,677,981
Net Cash Provided by Operating Activities	2,544,081,570	2,460,659,994
CASH FLOW FROM INVESTING ACTIVITIES		
Cash Inflows		
Proceeds from sale of disposed assets	12,250	0
Proceeds from Matured Investments/Redemption of Long-term Investments/ Return on Investments	171,705,079	9,759,827,057
Total Cash Inflows	171,717,329	9,759,827,057
Cash Outflows		
Purchase/Construction of Property and Equipment	496,418,635	414,421,523
Purchase of Investments	3,767,433,538	8,542,815,972
Total Cash Outflows	4,263,852,173	8,957,237,495
Net Cash Provided Bt (used In) Investing Activities	(4,092,134,844)	802,589,562

CASH FLOWS FROM FINANCING ACTIVITIES		
Cash Outflows		
Payments of Long-Term Liabilities	38,813,399	36,938,473
Total Cash Outflows	38,813,399	36,938,473
Net Cash Used in Financing Activities	(38,813,399)	(36,938,473)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,586,866,673)	3,226,311,083
Effects of Exchange Rate Changes on		
Cash and Cash Equivalents	52,235	23,924
CASH AND CASH EQUIVALENTS, AT BEGINNING OF THE YEAR	3,872,129,533	645,794,526
CASH AND CASH EQUIVALENTS, AT END OF THE YEAR	2,2875,315,095	3,872,129,533

TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY
STATEMENTS OF COMPARISON OF BUDGET AND AMOUNTS (December 31, 2018 and 2017)

Particulars	Budgeted Amounts		Actual Amounts on Comparable Basic (2)	Difference Between Final Budget and Actual Amounts (3) = (1) - (2)
	Original	Final (1)		
RECEIPTS				
Tax Revenue	2,564,000,000	2,564,000,000	3,181,863,530	(617,863,530)
Business Income	227,482,000	227,482,000	235,995,967	(8,513,967)
Service Income	800,000	800,000	1,528,734	(728,734)
Other Income	298,070,000	298,070,000	383,096,764	(85,026,764)
	3,090,352,000	3,090,352,000	3,802,484,995	(712,132,995)
PAYMENTS				
Personnel Services	479,984,000	411,709,000	385,962,734	25,746,266
Maintenance and Other				
Operating Expenses	854,548,000	685,752,000	479,799,454	205,952,546
Capital Outlay	1,714,113,000	1,714,113,000	1,701,929,489	12,183,511
Debt Payment	32,937,000	32,937,000	32,663,623	273,377
Finance Cost	8,770,000	8,393,000	9,127,537	(734,537)
	3,090,352,000	2,852,904,000	2,609,482,837	243,421,163
NET RECEIPTS	0	237,448,000	1,193,002,158	(955,554,158)

TIEZA 9TH YEAR ANNIVERSARY CELEBRATION



YEAR END EMPLOYEES ASSEMBLY



TIEZA FUN RUN 2018



PCSA FUN RUN 2018



MUSEUM TOUR



MOVING FORWARD TO 2019 & BEYOND STRAT PLAN



HERITAGE TOUR AT CORREGIDOR





MESSAGE FROM THE EDITOR IN CHIEF

The challenging act of closing down Boracay, our country's crown jewel in tourism, will always be remembered as one of the important events in the Philippine tourism industry that happened in the year of 2018. It was the year that started the emphasis on sustainable tourism, that which the United Nations World Tourism Organization (UNWTO) describes as,

"Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities."

A clean up of the island was ordered from April to October after President Rodrigo Duterte branded it a "cesspool" fouled by reckless development. The Tourism Infrastructure and Enterprise Zone Authority (TIEZA), with its mother agency the Department of Tourism (DOT), joined forces with the Department of Environment and Natural Resources (DENR) and the Department of the Interior and Local Government (DILG) to rehabilitate Boracay Island.

But the challenge does not stop in Boracay. It reverberates across all tourism destinations whether up and coming or enjoyed by generations past. For this to work, all concerned agencies, government officials, private stakeholders must come together as one in ensuring the development and implementation of action plans in these tourist areas for the benefit of the present and future generations.

And TIEZA is committed to take part in this.

The 2018 TIEZA Annual Report chronicles the internal and external efforts of TIEZA in the various stages of development of tourism areas in the country, from planning to construction and monitoring. It showcases, among others, the tourism infrastructure projects by TIEZA to spur the countryside development, the automation initiatives to make travel tax payment convenient, the rehabilitation milestones for the assets of TIEZA all over the country, the newly designated tourism enterprise zones pursuant to Republic Act 9593, and the partnerships forged along the way.



Top Row (L-R): Mark Anthony K. Virtus (Layout Editor), Atty. Bumbo S. Cruz (Contributor), Cesar B. Ladrangan, Jr. (Contributor), Lanz Renz M. Baldovino (Artist), Mikhael Bryan G. Caluya (Lead Coordinator/Contributor), Laurence M. San Pedro (Contributor), Mark Timothy G. Linsag (Contributor), Jo Ian E. Moreno (Artist), Michael Louis N. Flororita (Coordinator)

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Not in photo: Joseph Bryan S. Mendoza (Contributor)

With these in mind, it is but imperative to recognize the efforts of our Board of Directors, TIEZA officers and employees and partners from the public and private sectors, who have done their best in completing the tasks set before them in order to make 2018 a successful one.

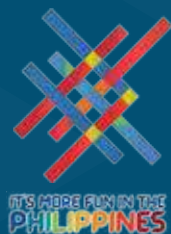
In behalf of the 2018 TIEZA Annual Report Committee, who worked tirelessly for this project, we are proud to highlight the accomplishments and initiatives of TIEZA in its desire to live up to its mandate and contribute to the growth of the tourism sector in particular, and the country in general.

Atty. Karen Mae G. Sarinas-Baydo
ACOO, Tourism Enterprise Zone Management Sector





TIEZAWORKS



TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY



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