

MALACAÑANG
MANILA
BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 27

CONFERRING FLAGSHIP STATUS ON THE MASINLOC (ZAMBALES INDUSTRIAL COMPLEX) PROJECT

WHEREAS, it is the policy of the government to encourage private sector initiative and active participation in realizing national and regional growth and development;

WHEREAS, a consortium of private investors led by Smith Group Gexis, Inc. has conceptualized and proposes to implement a Zambales Industrial Complex Project, more readily known as the Masinloc Project, which will require at least a US\$2 billion investment;

WHEREAS, the Masinloc Project aims to develop the Municipality of Masinloc into an international transshipment port and major industrial-commercial center that will be a key to, and a vital component of, the economic development of the entire Central Luzon of the Republic of the Philippines;

WHEREAS, said consortium of investors entered in March 1997 into a Memorandum of Understanding with the Province of Zambales, which agreement the Sangguniang Panlalawigan of Zambales unanimously approved in Resolution No. 97-315 dated 14 July 1997;

WHEREAS, on 14 January 1998, Regional Flagship Team III, Regional Development Council of the National Economic Development Authority, Team issued Resolution No. 03-01-98 to favorably endorse the Masinloc Project as a flagship project;

WHEREAS, on 31 August 1998, the foregoing consortium of investors requested the President of the Republic of the Philippines to endorse the Masinloc project;

WHEREAS, the Masinloc Project will require coordination with, and/or approval of, various government agencies including, but not limited to, the Department of Public Works and Highways, National Economic and Development Authority, Department of transportation and Communications, and Department of Trade and Industry.



NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby declare:

SECTION 1. The Masinloc Project is hereby granted flagship status with its following eight (8) major components, to wit:

- a. **The Masinloc Economic Industrial Park.** At least 1,500 hectares of land will be developed into an industrial area for light and medium-scale industries. This will also include:

Socialized and Industrial Housing Communities. 1,000 hectares of land will be developed into sustainable communities for relocatees, migrant workers and others.

- b. **The Masinloc International Transshipment Port.** The Masinloc harbor will be developed into an international transshipment port with modern port facilities capable of accommodating container vessels and bulk carriers.

- c. **The Iba-Tarlac Tollway.** A tollway will be constructed to connect the provinces of Zambales and Tarlac, passing through the Zambales mountain range thus, providing much needed and more direct access to the land-locked provinces of Central Luzon.

Clark Field Spur Road. A possible tollway connecting to Clark Field, Angeles City will create a direct link to an International Airport and will serve Clark Field's seaport requirements.

Rail Line System. A possible cargo and passenger railway will be constructed alongside the tollway with corresponding depot and multi-modal terminal stations at strategic locations.

- d. **The Central Luzon Food Terminal Complex.** The existing fishing wharf of Masinloc will be converted into a modern food handling, storage and transportation facility including building and operating the:

The Masinloc International Fishing Port

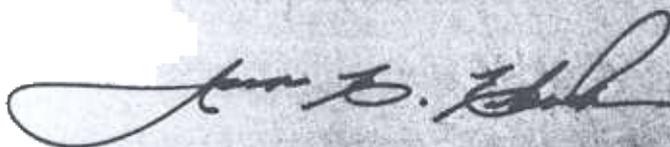


- e. **Ship Building Complex.** This is a non-polluting “catalytic” heavy industry that will generate substantial economic development in the area. This will include a Ship-Building Facility capable of developing world-class sea vessels and a Ship Dry Docking Facility which can handle dry-docking of international tankers/bulk carriers.
- f. **Resort Development.** Development of: a. the three islands within Masinloc Bay into the “Masinloc Three Islands Resort”, b. other coastline resorts, and c. a mountain resort at Mt. Tapulao, the highest peak in Central Luzon.
- g. **Telecommunication Tower.** This will involve developing the peak of Mt. Tapulao as a site for a telecommunication tower to improve Central Luzon’s telecommunication infrastructure.
- h. **100 MW Power Plant.** An estimated 100MW additional power plant will be required for all the development included in the Masinloc Project as well as for nearby industrial areas.

SEC. 2. The Presidential Committee on Flagship Programs and Projects (“PCFPP”) is hereby ordered to ensure the efficient and timely implementation of the Masinloc Project as an unsolicited proposal of the consortium of private investors led by Smith Group Gexis, under R.A. No. 6957, as amended by R.A. No. 7718, and the participation and cooperation of all government agencies and instrumentalities for the purpose.

SEC. 3. This Executive Order shall take effect immediately.

DONE in the City of Manila this *28th* day of *SEPTEMBER* in the year of Our Lord, Nineteen Hundred and Ninety-Eight.



By the President:



RONALDO B. ZAMORA
Executive Secretary

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