

Republic of the Philippines  
**PHILIPPINE ECONOMIC ZONE AUTHORITY**  
Roxas Boulevard corner San Luis Street  
Pasay City

**CERTIFICATE OF BOARD RESOLUTION**

This is to certify that at the Board Meeting of the Philippine Economic Zone Authority (PEZA) held on **14 November 2006**, during which a quorum was present, the following resolution was approved:

**RESOLUTION NO. 06-512**

RESOLVED, That the PEZA Board hereby **APPROVES** the herein proposed Guidelines for the Registration of Medical Tourism Special Economic Zones (Medical Tourism Parks/Centers) and Medical Tourism Locator-Enterprises under Republic Act No. 7916, as amended, as follows:

**I. DEFINITION OF TERMS**

1. **“Medical Tourism”** is the travel to the Philippines for the purpose of availing quality but affordable healthcare services or treatment of illnesses and health problems in order to maintain one’s health and well-being.
2. **“Medical Tourism Special Economic Zone”** shall refer to a selected area which is highly developed or which has the potential to be developed into a Medical Tourism Park/Center whose metes and bounds are fixed or delimited by Presidential Proclamation. Medical Tourism Parks/Centers shall be planned and designed in accordance with the standards of the Department of Health (DOH) and the Department of Tourism (DOT) to have support facilities and services required for health and wellness.
3. **“Medical Tourism Park”** is an area which has been developed into a complex capable of providing medical infrastructures and other support facilities, in compliance with DOH and DOT requirements, such as but not limited to medical accommodations, wellness centers, spa, health farms, sports and recreational facilities, and rehabilitation facilities required by Medical Tourism Enterprises, as well as amenities required by foreign patients including professionals and workers involved in Medical Tourism activities. A Medical Tourism Park shall have a minimum lot area of one (1) hectare.

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4. **“Medical Tourism Center”** is either a medical hospital or a stand-alone building that hosts specialized medical clinics and other specialized medical related activities, in compliance with DOH requirements, the whole or part of which has been developed to provide infrastructures and other support facilities required by Medical Tourism Enterprises, and which may also provide amenities required by foreign patients including professionals and workers involved in Medical Tourism activities. Other than a medical hospital, a stand-alone building shall have a minimum floor area of 5,000 square meters for Metro Manila and Cebu City, and 2,000 square meters minimum floor area for the provinces.
5. **“Medical Tourism Ecozone Developer/Operator”** refers to a business entity duly endorsed by the DOH and registered with PEZA to develop, operate and maintain a Medical Tourism Park / Center and the required infrastructure facilities and utilities such as light and power system, water supply and distribution system, sewerage and drainage system, pollution control devices, communication facilities, and other facilities as may be required for a medical tourism economic zone.
6. **“Medical Tourism Enterprises”** refers to a corporation or other form of business entity which has been endorsed by the DOH and registered with the PEZA to engage in the practice of medical health services with foreign patients as primary clientele.

## II. COVERAGE


These Guidelines shall cover PEZA registration of and the grant of fiscal and non-fiscal incentives to Economic Zone Developers/Operators of Medical Tourism Parks and Centers, and Medical Tourism Economic Zone Enterprises, as provided for under R.A. No. 7916, as amended.

### 1. Location

PEZA-registered Medical Tourism Parks / Centers shall be located in priority areas identified in or consistent with, the DOH's National Policy Framework for Implementing Medical Tourism Program.”

### 2. Landholding Rights

A PEZA-registered Economic Zone Developer/Operator of Medical Tourism Park / Center shall have proof of ownership of, or right/authority to use, the land subject of the Medical Tourism Park / Center and shall be responsible for the management and operation of such Medical Tourism Park / Center. A Medical Tourism Park / Center may serve as location for Filipino, foreign and/or joint venture enterprises engaged in Medical Tourism and related activities, registered or given locational clearance by PEZA.



Location of any enterprise/establishment in a Medical Tourism Park / Center, therefore, shall not automatically entitle the enterprise to avail of incentives provided under R.A. No. 7916, as amended.

### **3. Registrable Activities/Enterprises and Incentives**

The following enterprises and activities, established with foreign patients as primary clientele, as may be determined through compliance with appropriate DOH standards, may, upon endorsement of the DOH, be considered for PEZA-registration to avail of fiscal and non-fiscal incentives provided for under R.A. No. 7916, as amended. An endorsement from the DOH means that the medical enterprise has earned an accreditation from the Philippine Council for Accreditation of Healthcare Organizations (PCAHO) and/or Joint Commission International (JCI), which sets local and international accreditation standards for medical facilities, respectively.

- a. PEZA-registered Medical Tourism Economic Zone Enterprises shall be engaged in any of the following types of activities:

#### **1. Medical Services:**

- Allergology
- Clinical Immunology
- Rheumatology
- Cardiology
- Clinical Genetics
- Clinical Nutrition
- Emergency Care
- Endocrinology and Metabolism
- Gastroenterology
- Infectious and Tropical Diseases
- Nephrology
- Neurology
- Psychiatry
- Radiology , Radiotherapy, and Interventional Radiology
- Hematology
- Oncology or Cancer Medicine
- Pulmonology
- Critical Care
- Geriatric Care
- Lifestyle Health Service
- Dermatology
- Pain management
- Complementary and Integrative Medicine

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**2. Surgical Services**

- Neurosurgery
- Cardiothoracic surgery
- Gastroenterology surgery
- ENT
- Ophthalmology
- Urology
- Transplant surgery
- Orthopedics
- Cosmetic, Plastic, and Reconstructive Surgery

**3. Obstetric and Gynecologic Services**

**4. Pediatric, Perinatology and Neonatology Services**

**5. Dental and Orthodontic Services**

**6. Optometry and Orthoptic Services**

**7. Spa and Health Farms**

**8. Drug Addiction Treatment and Rehabilitation Services**

- b. The DOH may determine and recommend additional medical tourism registrable activities/enterprises, if necessary, to PEZA.

**Fiscal Incentives**

1. Four (4) years Income Tax Holiday (ITH) on income solely derived from servicing foreign patients;
2. Upon the expiry of the ITH period, payment of 5% Gross Income Tax on income solely derived from servicing foreign patients, in lieu of all national and local taxes, provided however, that the enterprise shall have the option to forego its ITH incentive entitlement and immediately avail of the 5% GIT incentive upon start of its commercial operation; and
3. Tax and duty-free importation of medical equipment, including spare parts and equipment supplies, required for the technical viability and operation of the registered activity/ies of the enterprise.

**Non-fiscal incentives**

1. Employment of foreign nationals, as provided under R.A. No. 7916 and other existing laws; and
2. Special Investor's Resident Visa (47A-2), as provided under Executive Order No. 63.

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#### 4. Registration of Medical Tourism Parks / Centers, and Incentive

PEZA shall register Medical Tourism Parks / Centers located or to be located in priority areas identified in or consistent with the DOH's National Policy Framework for Implementing Medical Tourism Program. to serve as locations for PEZA-registered Medical Tourism Enterprises, subject to the following conditions:

- a. A Medical Tourism Park may be an existing, new or proposed complex, having a minimum lot area of one (1) hectare.
- b. A Medical Tourism Center may be an existing, new or proposed medical hospital or stand-alone building that is host to specialized medical clinics and other specialized medical related activities A stand-alone building, other than a medical hospital, shall have a minimum floor area of 5,000 square meters for Metro Manila and Cebu City, and 2,000 square meters minimum floor area for the provinces.
- c. All Medical Tourism Parks / Centers shall be covered by a Presidential Proclamation as required under Republic Act No. 7916, as amended.
- d. Medical Tourism Parks, medical hospitals, and stand-alone buildings hosting specialized medical clinics, prior to their endorsement to PEZA for approval as a Medical Tourism Special Economic Zone must qualify with all the selectivity criteria set by the DOH, as follows:
  - Must be a consortium of health facilities or a single entity health facility;
  - Must provide departmentalized specialty and sub-specialty services (i.e. Centers of Excellence);
  - May or may not be an end referral health facility;
  - Must have the appropriate license/accreditation of all the health facilities and services regulated by the DOH;
  - Must provide appropriate and required ancillary and support services;
  - Must have state of the art equipment for diagnosis and treatment;
  - Must have clean, uninterruptible power supply;
  - Must have adequate telecommunication facilities; and
  - Must have security and building monitoring and maintenance system
- e. Fiscal Incentive  
Economic Zone Developer/Operator of proposed and partially developed Medical Tourism Parks / Centers located outside of Metro Manila and Cebu City shall be entitled to pay a special 5% tax on gross income, in lieu of all national and local taxes, except real property tax on land.

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## **5. Development Guidelines and Operating Standards**

All PEZA-registered Zone Developers/Operators of Medical Tourism Parks / Centers, and Medical Tourism Locator Enterprises shall conform to the development guidelines and operating standards of the Department of Health (DOH), the Department of Tourism (DOT), the Department of Environment and Natural Resources (DENR), Land Use and Zoning regulations, as well as the policies and guidelines of other concerned government agencies.

### **III. DOCUMENTARY REQUIREMENTS FOR PEZA-REGISTRATION OF PROPOSED MEDICAL TOURISM SPECIAL ECONOMIC ZONES AND LOCATOR ENTERPRISES**

A. Applications for PEZA-registration of proposed Medical Tourism Special Economic Zones (Medical Tourism Park / Center) shall be submitted with the following documentary requirements:

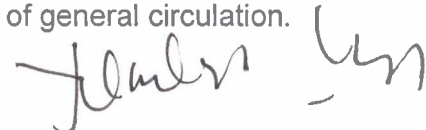
1. Endorsement from the Department of Health (DOH), and the Department of Tourism (DOT) for Medical Tourism Park;
2. Duly accomplished and notarized PEZA Application Form;
3. Board Resolution authorizing the filing of the application with PEZA and designating representative(s) authorized to transact registration with PEZA
4. Securities and Exchange Commission (SEC) Registration including Articles of Incorporation and By-Laws;
5. Proof of ownership of or right to use the land subject of the proposed Medical Tourism Economic Zone;
6. Land Use Conversion clearance Certificate or its equivalent from the Department of Agrarian Reform (DAR);
7. Certification from the Department of Agriculture (DA) that the proposed area is not covered by Administrative Order No. 20 and that such land has ceased to be economically feasible for agricultural purposes;
8. Certification from the Housing and Land Use Regulatory Board (HLURB) specifying that the proposed land use is in accordance with the land use plan duly approved by the legislative council (Sanggunian) of the host municipality/city;
9. Environmental Compliance Certificate (ECC) issued by the Environmental Management Bureau/Department of Environment and Natural Resources (EMB-DENR);
10. National Water Resource Board (NWRB) Certification that the identified source of water shall not cause water supply problem for the adjacent communities;
11. Endorsement by the concerned Local Government Units (LGUs);
12. Site Development Plan;
13. Technical Description of the area(s) sought to be proclaimed as an Medical Tourism Economic Zone including survey returns duly approved and verified by the Land Management System of the DENR;

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B. Applications for PEZA-registration of proposed Medical Tourism Economic Zone Locator Enterprises shall be submitted with the following documentary requirements:

1. Endorsement from the Department of Health (DOH);
2. Duly accomplished and notarized PEZA Application Form;
3. Board Resolution authorizing the filing of the application with PEZA and designating representative(s) authorized to transact registration with PEZA;
4. Securities and Exchange Commission (SEC) Registration including Articles of Incorporation and By-Laws;
5. Corporate Profile (including that of the parent company, if applicable)
  - Brief history of the company
  - Principal Officers and Bio-Data
  - List of affiliated companies in the Philippines
  - Audited Financial Statements (for the latest three years for existing companies)
  - Existing business activities and projects
6. Environmental Compliance Certificate (ECC) issued by the Environmental Management Bureau/Department of Environment and Natural Resources (EMB-DENR).

RESOLVED FURTHER, That these Guidelines shall take effect fifteen (15) days following its publication once in a newspaper of general circulation.



**JENNY JUNE G. ROMERO**  
Acting Corporate Secretary