

**[ REPUBLIC ACT NO. 10771, April 29, 2016 ]**

**AN ACT PROMOTING THE CREATION OF GREEN JOBS, GRANTING INCENTIVES AND APPROPRIATING FUNDS THEREFOR**

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

SECTION 1. *Short Title.* – This Act shall be known as the “Philippine Green Jobs Act of 2016”.

SEC. 2. *Declaration of Policy.* – It is the declared policy of the State to:

(a) Affirm labor as a primary social economic force in promoting sustainable development;

(b) Afford full protection to labor, local and overseas, organized and unorganized, and promote full and productive employment and equality of employment opportunities for all; and

(c) Promote the rights of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.

The State shall identify needed skills, develop training programs, and train and certify workers for jobs in a range of industries that produce goods and render services for the benefit of the environment, conserve natural resources for the future generation, and ensure the sustainable development of the country and its transition into a green economy. In recognition of the participation of individuals and business enterprises in jobs creation, the State shall provide incentives therefor.

SEC. 3. *Coverage.* – This Act shall apply to all business enterprises unless otherwise provided herein.

SEC. 4. *Definition of Terms.* – As used in this Act:

(a) *Business enterprises* refer to establishments engaged in the production, manufacturing, processing, repacking, assembly, or sale of goods and/or services, including service-oriented enterprises. It shall include self-employed or own-account workers, micro, small, and medium enterprises (MSMEs) and community-based business enterprises;

(b) *Climate change* refers to a change in climate that can be identified by changes in the mean or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity;

(c) *Green jobs* refer to employment that contributes to preserving or restoring the quality of the environment, be it in the agriculture, industry or services sector. Specifically, but not exclusively, this include jobs that help to protect ecosystems and biodiversity, reduce energy, materials and water consumption through high efficiency strategies, decarbonize the economy, and minimize or altogether avoid generation of all forms of waste and pollution. Green jobs are decent jobs that are productive, respect the rights of workers, deliver a fair income, provide security in the workplace and social protection for families, and promote social dialogue.

(d) *Green economy* refers to one which is low-carbon and resource-efficient, and results in the generation of green jobs and in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities;

(e) *Green goods and services* refer to goods and services that benefit the environment or conserve natural resources, and may include research and development, installation and maintenance services;

(f) *Green technologies* refer to the development and application of products, equipment and systems used to conserve the environment and natural resources; and

(g) *Sustainable development* refers to development that meets the needs of the present generation without compromising the ability of the future generations to meet their own needs.

SEC. 5. *Incentives.* – For the purpose of encouraging business enterprises to generate and sustain green jobs as certified by the Climate Change Commission, as provided in Section 6(o) hereof, business enterprises shall enjoy the following incentives:

(a) Special deduction from the taxable income equivalent to fifty percent (50%) of the total expenses for skills training and research development expenses which is over and above the allowable ordinary and necessary business deductions for said expenses under the National Internal Revenue Code of 1997, as amended; and

(b) Tax and duty free importation of capital equipment: *Provided*, That the capital equipment is actually, directly and exclusively used in the promotion of green jobs of the business enterprise.

Incentives that will be granted under this Act shall be in addition to fiscal and non-fiscal incentives already granted or provided under existing laws, orders, issuances and regulations. Nothing in this Act shall be interpreted or construed to diminish or limit, in whatever manner, the incentives granted or provided under existing laws, orders, issuances and regulations which shall include, but not limited to, Republic Act No. 10121 or the "Philippine Disaster Risk Reduction and Management Act of 2010"; Republic Act No. 10068 or the "Organic Agriculture Act of 2010"; Republic Act No. 9513 or the "Renewable Energy Act of 2008"; Republic Act No. 9367 or the "Biofuels Act of 2006"; Republic Act No. 9275 or the "Philippine Clean Water Act of 2004"; Republic Act No. 9003 or the "Ecological Solid Waste Management Act of 2000"; Republic Act No. 8749 or the "Philippine Clean Air Act of 1999"; and Republic Act No. 8550 or the "Philippine Fisheries Code of 1998".