[MEMORANDUM ORDER NO.168, March 31, 2005]

ESTABLISHING THE SURFING TOURISM INTEGRATED PROGRAM UNDER THE SUPERVISION OF THE SECRETARY OF TOURISM

WHEREAS, the Macapagal - Arroyo administration has put forward a series of sweeping reform packages that, taken together, will fundamentally capitalize on the country's strengths and develop areas which need improvement;

WHEREAS, tourism in the Philippines is a sector with strong growth potential;

WHEREAS, to foster further the country's growth, the Macapagal-Arroyo administration will expand infrastructure development and encourage greater investments all over the country such as tourism investments in tourists-attractive areas in Central Philippines;

WHEREAS, Central Philippines consists of the Visayan provinces and Palawan, Bicol, and the northern Mindanao islands of Siargao, Camiguin and Dapitan;

WHEREAS, from an analysis of the estimated spending of tourists, Philippine market share, and its ability to meet market segment needs, the priorities in the Medium-Term Tourism Development Plan are the following:

• Priority 1: The aggressive multi-channel promotion of the short-haul beachgoer and sightseeing/shopper, and domestic market segments, related products, and destinations. These markets shall receive between 60 and 70 percent of the promotional budget.

• Priority 2: The niche based tailored promotion of the short-haul recreation travelers and ecotourist; and the strategic "ambassadors" - backpacker and balikbayan segments, and related products. These shall receive between 20 and 30 percent of the promotional budget based focusing on 'rifle shot' promotions aimed at specific niches such as golf, diving, surfing, and the like.

NOW, THEREFORE, I, GLORIA MACAPAGAL - ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Surfing Tourism Integrated Program. - The Surfing Tourism Integrated Program (STIP) for the development of the transport infrastructure in Siargao Island, Eastern Samar and Bicol is hereby established to ensure the competitiveness and marketability of Siargao, Eastern Samar and Bicol as premier and world class surfing destinations.