

MEMORANDUM CIRCULAR NO. 20 - 24

Series of 2020

SUBJECT : GUIDELINES ON THE EXTENSION OF THE FILING, AND VALIDITY, AND THE SUSPENSION OF PENALTIES AND FEES, OF BARANGAY MICRO BUSINESS ENTERPRISE CERTIFICATES OF AUTHORITY EXPIRING DURING THE COMMUNITY QUARANTINE

DATE : 18 May 2020

WHEREAS, the President issued Proclamation No. 922 (s. 2020) declaring a State of Public Health Emergency throughout the Philippines due to the COVID-19 situation, and has called all government agencies to undertake appropriate measures, which include among others, the implementation of community quarantine;

WHEREAS, the President declared a State of Calamity throughout the Philippines for a period of six (6) months through Proclamation No. 929, Series of 2020 and imposed an Enhanced Community Quarantine (ECQ) throughout Luzon due to COVID-19 starting 17 March 2020 until 30 April 2020;

WHEREAS, as adopted and approved by the President, the Inter-Agency Task Force for the Management of Infectious Diseases (IATF) Resolution No. 28 dated 23 April 2020 placed selected areas in Luzon, Visayas, and Mindanao under ECQ until 15 May 2020, while others are placed under General Community Quarantine (GCQ) until 15 May 2020, subject to modification, extension, or lifting thereof, as may be determined by the IATF;

WHEREAS, Republic Act No. 11469 or the "Bayanihan to Heal as One Act" allows the movement of statutory deadlines and timelines for the filing and submission of any document, to ease the burden on individuals after the ECQ;

WHEREAS, the President issued Administrative Order No. 30 directing all government offices to formulate and issue guidelines on, among others, the suspension of deadlines for the payment of monetary obligations and/or the submission of documents, for the duration of the quarantine, and the movement of timelines for the grant of any benefit, to allow the release thereof to individuals during the community quarantine; ;

WHEREAS, Republic Act No. 9178 otherwise known as the "the BMBE Act of 2002, as amended by Republic Act No. 10644 or the "Go Negosyo Act", provides for incentives to BMBEs such as income tax exemption, exemption from the coverage of the minimum

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wage law, and priority to a special credit window, subject to registration as a BMBE and DTI's issuance of Certificate of Authority (CA) which is renewable every two (2) years;

WHEREAS, Section 5(4)(b) of the Go Negosyo Act provides that the DTI, through the Negosyo Center in the city or municipal level, shall have the sole power to issue the Certificate of Authority to BMBEs to avail of the benefits provided by the BMBE Act of 2020;

WHEREAS, Section 9 of Republic Act No. 9485 as amended by Republic Act No. 11032, otherwise known as the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018" provides that "in cases where the cause of delay is due to *force majeure*, the prescribed processing times shall be suspended and appropriate adjustments shall be made;

WHEREAS, the DTI recognizes that there is a need to extend the validity of BMBE Certificate of Authority, since mobility has been heavily restricted throughout the country due to the implementation of the community quarantine, thus preventing the registered BMBEs to commence the filing of the pertinent documents for the renewal of their CAs;

WHEREFORE, foregoing considered this Memorandum Circular (MC) is hereby issued for the information and guidance of those concerned.

Section 1. Objective – This Memorandum Circular extends the validity of BMBE Certificate of Authority (CA) expiring during the period of ECQ/GCQ and waives the imposition of penalties that may be incurred due to late renewal of CA.

Section 2. Scope – The provisions hereof shall be granted to all enterprises duly certified as Barangay Micro Business Enterprises (BMBEs) whose CA is due for renewal during ECQ/GCQ the quarantine period.

Section 3. Extension of Validity of Certificates and Suspension of Penalties and Fees – BMBE Certificates expiring during the period of community quarantine are hereby extended for sixty (60) working days from the lifting of community quarantine. No penalties and fees will be imposed for the late renewal of the subject BMBE Certificates.

Section 4. Eligibility to Incentives – The subject BMBE shall continue to be eligible to the incentives provided under RA 9178, subject to applicable requirements, if any.

Section 5. Repealing Clause – All orders, issuances, rules and regulations pertaining to the registration of BMBE renewal that are inconsistent herewith are hereby modified accordingly.

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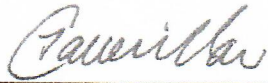
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Section 6. Separability – If any provision of this Memorandum Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Section 7. Effectivity – This Memorandum Circular shall take effect immediately.

Issued this day of May 2020 in Makati City, Philippines

Recommended by:

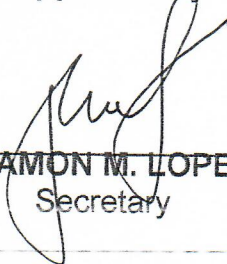


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