

primer on doing business in the philippines



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*T*he Philippines is an ideal place for your investments. This Primer will serve as your guide when going through the required procedures in setting up business in the country.

This guidebook covers laws, rules and regulations, and policies on how to do business in the Philippines.

We have outlined and simplified this material into four different sections : the different forms of organization under which you can undertake business, foreign investments rules and laws, incentives investors can enjoy, and the general business procedures and application requirements.

It is hoped that this Primer will serve the very purpose of its conceptualization - to guide all investors every step of the way in putting up the business of their choice.

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Types of Business Enterprises

There are several types of business enterprises an investor can choose from in establishing operations in the Philippines.

Organized under Philippine Laws

Sole Proprietorship

Sole Proprietorship is a business structure owned by an individual who has full control authority of its own and owns all the assets, personally owes and answers all liabilities or suffers all losses but enjoys all the profits to the exclusion of others.

A Sole Proprietorship must apply for a Business Name and be registered with the Department of Trade and Industry- National Capital Region (DTI-NCR).

In the provinces, application may be filed with the extension offices of the DTI.

Partnership

Under the Civil Code of the Philippines, a partnership is treated as juridical person, having a separate legal personality from that of its members. Partnerships may either be general partnerships, where the partners have unlimited liability for the debts and obligation of the partnership, or limited partnerships, where one or more general partners have unlimited liability and the limited partners have liability only up to the amount of their capital contributions. It consists of two (2) or more partners. A partnership with more than three thousand pesos (P3,000.00) capital must register with Securities and Exchange Commission (SEC).

Corporation

Corporations are juridical persons established under the Corporation Code and regulated by the SEC with a personality separate and distinct from that of its stockholders. The liability of the shareholders of a corporation is limited to the amount of their share capital. It consists of at least five (5) to fifteen (15) incorporators each of whom must hold at least one share and must be registered with the SEC. Minimum paid up capital : five thousand pesos (P5,000.00).

A corporation can either be stock or non-stock company regardless of nationality. Such company, if 60% Filipino-40% foreign-owned, is considered a Filipino corporation; If more than 40% foreign-owned, it is considered a domestic foreign- owned corporation.

• Stock Corporation

This is a corporation with capital stock divided into shares and authorized to distribute to the holders of such shares dividends or allotments of the surplus profits on the basis of the shares held.

• Non-stock Corporation

It is a corporation organized principally for public purposes such as charitable, educational, cultural or similar purposes and does not issue shares of stock to its members.

Organized under Foreign Laws

Branch Office

A Branch Office is a foreign corporation organized and existing under foreign laws that carries out business activities of the head office and derives income from the host country. It is required to put up a minimum paid up capital of US\$200,000.00, which can be reduced to US\$100,000.00 if (a) activity involves advanced technology, or (b) company employs at least 50 direct employees. Registration with the SEC is mandatory.

Representative Office

A Representative Office is foreign corporation organized and existing under foreign laws. It does not derive income from the host country and is fully subsidized by its head office. It deals directly with clients of the parent company as it undertakes such activities as information dissemination, acts as a communication center and promote company products, as well as quality control of products for export. It is required to have a minimum inward remittance in the amount of US\$30,000.00 annually to cover its operating expenses and must be registered with SEC.

Under RA 8756, any multinational company may establish an RHQ or ROHQ as long as they are existing under laws other than the Philippines, with branches, affiliates and subsidiaries in the Asia Pacific Region and other foreign markets.

Regional Headquarters (RHQs)

- An RHQ undertakes activities that shall be limited to acting as supervisory, communication and coordinating center for its subsidiaries, affiliates and branches in the Asia-Pacific region.
- It acts as an administrative branch of a multinational company engaged in international trade.
- It does not derive income from sources within the Philippines and does not participate in any manner in the management of any subsidiary or branch office it might have in the Philippines.
- Required capital: US\$50,000.00 annually to cover operating expenses.

Regional Operating Headquarters (ROHQs)

- An ROHQ performs the following qualifying services to its affiliates, subsidiaries, and branches in the Philippines.
 - General administration and planning
 - Business planning and coordination
 - Sourcing/procurement of raw materials components
 - Corporate finance advisory services
 - Marketing Control and sales promotion
 - Training and personnel management
 - Logistic services
 - Research and development services and product development
 - Technical support and communications
 - Business development
 - Derives income in the Philippines
 - Required capital: US\$200,000.00 one time remittance.

Foreign Investments in the Philippines

Foreign Investments Act of 1991

Republic Act 7042 as amended by RA 8179, also known as the Foreign Investments Act of 1991, is the basic law that governs foreign investments in the Philippines. It is considered a landmark legislation because it liberalized the entry of foreign investments into the country.

KEY FEATURES OF THE FIA

- Concept of a negative list
- Opened domestic market to 100% foreign investment except those in the Foreign Investment Negative List (FINL)
- Redefined "export enterprise" to mean at least 60% for export
- Allowed 100% foreign ownership of business activities outside FINL but WITHOUT incentives

Foreign Investment Negative List

Under this law, foreign investors are allowed to invest 100% equity in companies engaged in almost all types of business activities subject to certain restrictions as prescribed in the Foreign Investments Negative List (FINL).

The FINL is a shortlist of investment areas or activities which may be opened to foreign investors and/or reserved to Filipino nationals. The Foreign Investments Negative Lists (FINL) are classified as follows:

List A - consists of areas of activities reserved to Philippine nationals where foreign equity participation in any domestic or export enterprise engaged in any activity listed therein shall be limited to a maximum of forty percent (40%) as prescribed by the Constitution and other specific laws.

List B - consists of areas of activities where foreign ownership is limited pursuant to law such as defense or law enforcement-related activities, which have negative implications on public health and morals, and small and medium-scale enterprises.

The FIA clearly states that if the activity to be engaged in is not included in the FINL, is more than 40% foreign-owned, and will cater to the domestic market, the capital required is at least two hundred thousand dollars (US\$200,000.00). The capital may be lowered to one hundred thousand dollars (US\$100,000.00), if activity involves advance technology, or the company employs at least 50 direct employees.

If the foreign company will export at least 60% of its output, or a trader that purchases products domestically will export at least 60% of its purchases, the required capital of US\$200,000.00 paid-in is not applicable.

If the company is at least 60 %Filipino-40% foreign-owned and will cater to the domestic market, paid-in capital can be less than US\$200,000.00.

Specific Areas of Equal Investment Rights for Former Filipino Nationals

While most areas of businesses have limits for foreign investors, Section 9 of the amended Foreign Investments Act of 1991 lists the following types of businesses where former natural-born Filipinos can enjoy the same investment rights as a Philippine citizen.

- Cooperatives
- Thrift Banks and Private Development Banks
- Rural Banks
- Financing Companies

Former natural born Filipinos can also engage in activities under List B of the FINL. This means that their investments shall be treated as Filipino or will be considered as forming part of Filipino investments in activities closed or limited to foreign participation.

The equal investment rights of former Filipino nationals do not extend to activities under List A of FINL which are reserved for Filipino citizens under the Constitution.

Former natural born Filipinos have also been given the right to be transferees of private land up to a maximum of 5,000 square meters in the case of urban land or three (3) hectares in the case of rural land to be used for business or other purposes.

(Please refer to Annex A for the complete Foreign Investment Negative List)



Incentives for Investors

The government has come up with a liberal program of fiscal and non-fiscal incentives to attract foreign capital and technology that complements local resources.

Different incentives schemes are available relative to the location and registration of the proposed business activity. Thus, there are several options for an enterprise to choose from :

Projects Registered with the Board of Investments (BOI)

**Board of
Investments
(EO 226)**

The BOI, under the Omnibus Investments Code (or Executive Order 226), encourages investments through tax exemption and other benefits in preferred areas of economic activity specified by the BOI in the Investment Priorities Plan (IPP).

The IPP, formulated annually by the BOI, through an inter-agency committee, and approved by the President, lists the priority activities for investments. It contains a listing of specific activities that can qualify for incentives under Book 1 of this Code.

Qualifications

A Filipino enterprise can register their activity with the BOI if their project is listed as a preferred project in the current IPP. Said enterprise may engage in domestic-oriented activities listed in the IPP whether classified as pioneer or non-pioneer.

However, an activity which is not listed, may also be entitled to incentives if the following conditions are met :

- At least 50% of the production is for export
(for 60% Filipino-40% Foreign-owned enterprises); or
- At least 70% of production is for export
(for more than 40% foreign-owned enterprises)

For foreign-owned firms or those whose foreign participation exceeds 40% of the outstanding capital stock who intend to engage in domestic-oriented activities, they can only be registered with BOI if they propose to engage in an activity listed or classified in the IPP as pioneer. However, if it fails to meet the pioneer classification, it can likewise opt to be an export-oriented firm to qualify for BOI registration. However, this time, the export requirement is at least 70% of actual production.

Fiscal Incentives

A) *Income Tax Holiday (ITH)*

1. BOI-registered enterprise shall be exempt from payment of the income taxes reckoned from the scheduled start of commercial operations, as follows:
 - a. New projects with a pioneer status for six (6) years;
 - b. New projects with a non-pioneer status for four (4) years;
 - c. Expansion projects for three (3) years. As a general rule, exemption is limited to incremental sales revenue/volume;
 - d. New or expansion projects in less developed areas for six (6) years, regardless of status; and
 - e. Modernization projects for three (3) years. As a general rule, exemption is limited to incremental sales revenue/volume.

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2. New registered pioneer and non-pioneer enterprises and those located in the less developed areas (LDAs) may avail of a bonus year in each of the following cases:
 - a. The indigenous raw materials used in the manufacture of the registered product must at least be fifty percent (50%) of the total cost of raw materials for the preceding years prior to the extension unless the Board prescribes a higher percentage; or
 - b. The ratio of total imported and domestic capital equipment to the number of workers for the project does not exceed US\$10,000 to one (1) worker; or
 - c. The net foreign exchange savings or earnings amount to at least US\$500,000 annually during the first three (3) years of operation. In no case shall a registered pioneer firm avail of this incentive for a period exceeding eight (8) years.
- B) Exemption from taxes and duties on imported spare parts**

A registered enterprise with a bonded manufacturing warehouse shall be exempt from customs duties and national internal revenue taxes on its importation of required supplies/spare parts for consigned equipment or those imported with incentives.
- C) Exemption from wharfage dues and export tax, duty, impost and fees**

All enterprises registered under the IPP will be given a ten (10) year period from date of registration to avail of the exemption from wharfage dues and any export tax, impost and fees on its non-traditional export products.
- D) Modified Duty Rate for Capital Equipment by virtue of E.O. no. 313**

Effective June 6, 2004, BOI-registered enterprises of good standing with project registered as new or expanding under Executive Order 226, otherwise known as the Omnibus Investments Code of 1987, may import machinery, equipment, spare parts and accessories subject to zero percent (0%) duty for export-oriented enterprises and one percent (1%) duty for domestic-oriented enterprises, classified under AHTN Chapters 40, 59, 68, 69, 70, 73, 76, 82, 83, 84, 85, 87, 89, 90, 91 and 96 of the Tariff and Customs Code of the Philippines. The capital equipment incentive provided under the E.O. 313 shall be availed of by the registered enterprise for a period of two (2) years from its effectivity or until 06 June 2006.
- E) Tax exemption on breeding stocks and genetic materials**

Agricultural producers will be exempt from the payment of all taxes and duties on their importation of breeding stocks and genetic materials within ten (10) years from the date of registration or commercial operation.
- F) Tax Credits**
 1. Tax credit on tax and duty portion of domestic breeding stocks and genetic materials. A tax credit equivalent to one hundred percent (100%) of the value of national internal revenue taxes and customs duties on local breeding stocks within ten (10) years from date of registration or commercial operation for agricultural producers.
 2. Tax credit on raw materials and supplies. A tax credit equivalent to the national internal revenue taxes and duties paid on raw materials, supplies and semi-manufacture of export products and forming part thereof shall be granted to a registered enterprise.

G) Additional Deductions from Taxable Income

1. Additional deduction for labor expense (ADLE). For the first five (5) years from registration, a registered enterprise shall be allowed an additional deduction from taxable income equivalent to fifty percent (50%) of the wages of additional skilled and unskilled workers in the direct labor force. The incentive shall be granted only if the enterprise meets a prescribed capital to labor ratio and shall not be availed of simultaneously with the ITH. This additional deduction shall be doubled if the activity is located in an LDA.
2. Additional deduction for necessary and major infrastructure works. Registered enterprises locating in LDAs or in areas deficient in infrastructure, public utilities and other facilities may deduct from their taxable income an amount equivalent to the expenses incurred in the development of necessary and major infrastructure works. The privilege, however, is not granted to mining and forestry-related projects, as they would naturally be located in certain areas to be near their sources of raw materials.

Non-fiscal Incentives

A. Employment of Foreign Nationals

A registered enterprise may be allowed to employ foreign nationals in supervisory, technical or advisory positions for five (5) years from date of registration. The positions of President, General Manager and Treasurer of foreign-owned registered enterprises (more than 40%) or their equivalent shall, however, not be subject to the foregoing limitations.

B. Simplification of customs procedures for the importation of equipment, spare parts, raw materials and supplies and exports of processed products.

C. Importation of consigned equipment for a period of 10 years from date of registration, subject to posting of a re-export bond.

D. The privilege to operate a bonded manufacturing / trading warehouse subject to customs rules and regulations

Projects Registered with the Economic Zones & Freeport Authorities

The Philippine Economic Zone Authority (PEZA) was created under Republic Act (RA) 7915 known as "The Special Economic Zone Act of 1995" as amended by RA 8748 to, among others, promote the flow of investors, both foreign and local, into special economic zones which would generate employment opportunities and establish backward and forward linkages among industries in and around the economic zones.

PEZA promotes the establishment of economic zones, IT Parks and IT Buildings to respond to demands for ready-to-occupy locations for foreign and domestic investors who are export manufacturers or exporters of IT-enabled services.

Qualification

Enterprises which shall export at least 70% of their production may register with PEZA.

Incentives For Export and IT Enterprises

a. Fiscal Incentives

- Income Tax Holiday (ITH) or Exemption from payment of Corporate Income Tax for four (4) years, extendable to a maximum of eight (8) years; After the ITH period, the option to pay a special 5% Tax on Gross Income, in lieu of all national and local taxes;

- Exemption from duties and taxes on imported capital equipment, spare parts, supplies, raw materials.
- Exemption from wharfage dues and export taxes, imposts and fees

b. Non-Fiscal Incentives

- Permanent resident status for foreign investors and immediate family members with initial investments of US\$ 150,000.00 or more;
- Employment of foreign nationals;
- Simplified import and export procedures;

**Investment Incentives For Ecozone Developers / Operators/IT Parks
(Outside Metro Manila)**

a. Fiscal Incentives

- Income Tax Holiday;
- Incentives under the Build-Operate-Transfer Law, which includes government support for accessing Official Development Assistance and other sources of financing;
- Option to pay a special 5% Gross Income Tax, in lieu of all national and local taxes

b. Non-Fiscal Incentives

- Provision of vital off-site infrastructure facilities
- Permanent resident status for foreign investors and immediate family members;
- Employment of foreign nationals;
- Assistance in the promotion of economic zones to local and foreign locator enterprises

**Clark
Development
Corporation and
Subic Bay
Metropolitan
Authority
(RA 7227)**

Republic Act no. 7227 created the Bases Conversion Development Authority (BCDA) and while carrying out its primary mission, went a step further by accelerating the conversion and development of baselands as well as promoting the social and economic development of Central Luzon via the Clark Development Corporation(CDC) and the Subic Bay Metropolitan Authority (SBMA). These sites were former US military facilities.

One hundred percent (100%) foreign equity is allowed for many types of industries including manufacturing, tourism and service-oriented businesses.

Both CDC and SBMA grant essentially the same sets of incentives to registered Clark Special Economic Zone (CSEZ) and Subic Bay Freeport (SBF) enterprises. They are managed as separate custom territories, ensuring free flow of articles within the zones.

Qualification

Firms located inside the zone are also exempt from all local and national taxes, paying instead a fixed fee of five percent (5%) of Gross Income Earned (provided locators generate seventy percent (70%) of their total revenues from sources outside the Customs Territory otherwise regular corporate income tax will be collected).

Fiscal Incentives

- A final tax of 5% on gross income earned shall be paid in lieu of all local and national taxes.
- Tax and duty free importation of capital equipment, raw materials, supplies, spare parts and all other articles including finished goods.

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- Additional Deduction for labor expenses, training expenses.
- Exemption from franchise, common carrier or value-added taxes and other percentage taxes on public and service utilities.

Non-fiscal Incentives

- Permanent resident status for investors, their spouses, unmarried children under 21 years of age, provided they have continuing investments of not less than US\$250,000.
- Employment of foreign nationals
- Unlimited purchase and consumption of tax and duty-free goods within the Freeport zones.

REGIONAL ENTERPRISES LOCATING IN THE ECONOMIC AND FREEPORT ZONES

Revenue Regulations No. 16-99 issued September 27, 1999 amends Revenue Regulations No. 1-95 and other related rules and regulations relative to the tax incentives granted to enterprises registered in the Subic Special Economic and Freeport Zone. Specifically, any multinational company whose purpose is to engage in regional and/or international trade/services and business activities may establish in the Subic/Clark Special Economic and Freeport Zone its seat of management and the situs of its business transactions, including the recording of its income, from some or all countries in the Asia-Pacific region and or other parts of the world, including the Philippines.

Incentives for Regional Enterprises

- May generate revenues locally up to 50% of its total revenues with only 5% tax based on gross income earned
- Allowable Deductions by Industry
 - For Trading and Infrastructure Development Enterprises
 - For Service Enterprises
 - For Financial Enterprises
- Additional Deductions
 - For trading and Infrastructure Development Enterprises
 - For Service Enterprises
 - Financial Enterprises

**Cagayan
Economic Zone
Authority (CEZA)
(RA 7922)**

The Cagayan Economic Zone Authority (CEZA) was mandated to supervise and manage the development of the Cagayan Special Economic Zone and Freeport (Cagayan Freeport) into a self-sustaining industrial, commercial, financial, and tourism/recreational center and Freeport with suitable retirement/ residential areas. This move was expected to create employment opportunities in and around the Cagayan Freeport, and to effectively encourage and attract legitimate and productive local and foreign investments.

The Cagayan Freeport was established by virtue of Republic Act No. 7922, otherwise known as the Cagayan Economic Zone Act of 1995.

Qualification

The applicant must meet the following conditions for registration:

- (a) The applicant must infuse capital within the CSEZFP, either in the form of a lease agreement, joint venture or Build-Operate-Transfer arrangements, or other methods of investment;
- (b) A CSEZFP enterprise shall be a duly constituted business enterprise organized or domiciled in the Philippines or any foreign country;

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- (c) The enterprise must name a representative or agent who is a legal resident of the Philippines;
- (d) If affiliated with an existing enterprise in the Philippines outside the CSEZFP, the CSEZFP enterprise must establish a separate business organization to conduct business exclusively within the CSEZFP which shall be a separate taxable entity; and
- (e) In meritorious cases, the CEZA may allow the non-establishment of a separate business entity subject to such terms and conditions as may be prescribed by CEZA Section 5.

Incentives

- Four (4) to Six (6) Year Income Tax Holiday (ITH) for qualifying industries
- Tax- and duty-free importation of articles, raw materials, capital goods, equipment and consumer items;
- A special tax rate of 5% of gross income in lieu of all national and local taxes; Tax credits for foreign corporations; Effective zero-rating for articles admitted to the Cagayan Freeport from the Customs Territory under proper permit;
- Permanent resident status for foreign investor and their immediate family;
- Other incentives under the Presidential Decree No. 66 or those provided under Book VI of Executive Order No. 226, otherwise known as the Omnibus Investments Code of 1987.

**Zamboanga City
Special Economic
Zone Authority
(ZEZA)
(RA 7903)**

Zamboanga City Special Economic Zone Authority was created by virtue of Republic Act 7903. It is managed as a separate customs territory.

Qualification

Both foreign and local investors with export and/or domestic market can apply for registration and availment of incentives.

Incentives

- Tax- and duty-free importation of raw materials, equipment and other articles;
- Income Tax Holiday (ITH)-6 years for pioneer projects, 4 years for non-pioneer projects and 3 years expansion projects.
- 5% flat tax rate from gross income earned after the ITH
- Exemption from all local and national taxes
- Permanent resident visas for foreign investors and immediate family members with investment of at least US\$150,000
- Other incentives under the Presidential Decree No. 66 or those provided under Book VI of Executive Order No. 226, otherwise known as the Omnibus Investments Code of 1987.

**PHIVIDEC
Industrial Authority
(PIA)
(PD 538)**

The PHIVIDEC Industrial Authority, both a corporation and an Industrial Authority was established through Presidential Decree no. 538, as amended by PD 1491. It was mandated by its Charter to manage and supervise the 3,000-hectare Phividec Industrial Estate in Misamis Oriental.

Qualification

Both foreign and local investors with export and/or domestic market can apply for registration and availment of incentives.

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Incentives

- Exemption from tariff, customs, duties and internal revenue taxes for raw materials, supplies, articles, equipment, machinery, spare parts and wares brought into the estate and utilized in the production, storing, packing and shipment of goods meant for the foreign market
- Exemption from local taxes and licenses, except Real Property Taxes
- Continued availment of BOI's privileges if Industry is BOI - registered
- Exemption from wharfage dues if pier is constructed by investors
- Employment of foreign nationals on technical and management levels
- Availment of inexpensive electrical power rates
- Availment of the lowest land lease rates in the country (P11.35-17.05 / m2 / year)

Projects Registered as Regional Headquarters and Regional Operating Headquarters (RHQs/ROHQs)

RHQ / ROHQ

Republic Act 8756 provides the terms and conditions and licensing requirements of the RHQ and ROHQ.

Qualification

RHQ

- It does not derive income from sources within the Philippines and does not participate in any manner in the management of any subsidiary or branch office it might have in the Philippines.
- Required capital: US\$50,000.00 annually to cover operating expenses.

ROHQ

- May derive income in the Philippines
- Required capital : US\$200,000.00 one time remittance.

Incentives

There are two sets of incentives given to:

a) Expatriates ; and b) RHQs/ROHQs

i. Incentives to Expatriate (of both RHQs and ROHQs)

- Multiple Entry Visa (Art.60)
 - Expatriates, including spouse and unmarried children below 21 years old are entitled to this type of visa
 - Valid for 3 years extendible for another 3 years
 - Exempt from payment of fees except reasonable administrative costs
 - Non-immigrant visa will be processed within 72 hours from submission of documents to the Bureau of Immigration
 - Exempt from securing Alien Certificate of Registration
- Withholding tax of 15% on compensation income applicable to both foreign and Filipino executives holding managerial and technical positions
- Tax and duty free importation of used household goods and personal effects
- Travel tax exemption for Personnel and dependents of expatriates

ii. RHQs

- Exemption from Corporate Income Tax but shall file an Annual Information Return
- Exemption from Value Added Tax and Sale or lease of goods and property, and rendition of services to RHQ shall also be exempted
- Exemption from all kinds of local taxes, fees or charges
- Tax and duty-free importation of equipment and materials for training and conferences
 - Equipment and training materials not locally available
 - Equipment disposed within 2 years after importation subject to payment of taxes and duties
- Importation of Brand New Motor Vehicles subject to payment of taxes and duties

iii. ROHQs

- Subject to 10% taxable income (Corporate Income Tax)
- Subject to 10% Value Added Tax
- Exemption from all kinds of local taxes, fees or charges
- Tax and duty-free importation of equipment and materials for training and conferences
- Equipment and training materials not locally available
- Equipment disposed within 2 years after importation subject to payment of taxes and duties
- Importation of Brand New Motor Vehicles subject to payment of taxes and duties



General Procedures and Application Requirements

Single Proprietorship/ Business Name Registration

A. *Registration of Business Entities*

Application to be filed at Department of Trade and Industry

a) **Requirements for Filipino Investors**

- Must be a Filipino citizen, at least 18 years old
- Two 2X2 color ID pictures of applicant which were taken within one (1) year immediately preceding the filing of such application. The pictures must be identical, clear and signed at the back by the applicant.
- Filipinos whose name are suggestive of alien nationality must submit proof of citizenship such as birth certificate, PRC ID, voter's ID, passport
 - if the applicant has a foreign sounding name, acquired Filipino citizenship by naturalization, election or by other means provided by law, he must submit proof of his Filipino citizenship such as:
 - Naturalization certificate and Oath of allegiance,
 - Affidavit of election or ID card issued by the Bureau of Immigration and Deportation, or
 - Valid ID card issued by the Integrated Bar of the Philippines (IBP) or Professional Regulatory Commission (PRC)
- Processing Fee of P300.00 and P15 Documentary Stamp

b) **Requirements for Foreign Investor (To submit 5 copies)**

- Interview sheet with interviewer's findings and recommendation
- Duly Accomplished Forms:
 - Form # 16 - Business Name Application
 - Form #17 - Foreign Investor's Application
- ID pictures (Passport Size)
 - a) Foreign Investor - 7 copies
 - b) Filipino resident agent - 7 copies
- ACR/ICR, Special Investors Resident Visa(SIRV) or passport
- Notarized Appointment of Filipino Resident Agent
- For Non-resident Alien : Proof of Inward Remittance of Foreign Currency with Peso Conversion
- For Resident : Bank Certificate of Deposit
- Authority to verify Bank Accounts/Bank Certificate of Deposit
- Certification from Resident Alien not seeking Remittance of Profits and Dividends Abroad
- If investment includes assets other than foreign exchange, copy of valuation report from Central Bank.
- Clearance/Certification from other involved agencies
 - () PNP/DND - if engaged in defense-related activities
 - () DOST - if investment involves advanced technology

- Fees/Charges - In Cash :

For Business Name Registration Certificate

- a. Single Proprietorship - P300.00
- b. Corporation - P500.00

For Certificate of Authority to Engage in Business under RA 7042

Filing Fee - P500.00

Registration Fee - P5,000.00

- Biodata of Foreign Investor
- In case of alien retailer, current year's permit to engage in retail business per R.A. 1180
- If corporation, certified true copy of the following :
 - Securities and Exchange
 - Article of Incorporation and By-laws
 - Application to do Business in the Philippines under RA7042

Additional requirements on case- to- case basis depending on actual examination and processing of the application. (i.e., If business requires practice of profession: submit photocopy of Philippine Regulation Commission (PRC) license or Integrated Bar of the Philippines membership and present original copy for comparison and contract of employment (If applicable).

c) Procedure

- Check online (from a hyperlink at DTI Website : <http://www.dti.gov.ph>) if the business name you like to register is still available.
- Fill-out the application form (copies can be obtained from DTI - Field offices and also available online). Indicate at least three (3) preferred business names.
- Submit application form together with the documentary requirements, and pay corresponding fees to appropriate DTI-field Offices (DTI-NCR for businesses within Metro Manila or DTI-Provincial Offices for businesses outside the Metro Manila). Online lodgment of form is available to some DTI - field offices that have stable internet access.
- After evaluation of the application form and documents, applicant will be advised accordingly (personally for those walk - in clients and an auto e-mail notification for those who lodged online)
- Issuance of Certificate of Registration

d) Validity

The Certificate of Business Name Registration is valid for 5 years and shall be valid only at the business address indicated thereon. In the event the registered owner thereof should opt to open branch offices within the Philippines, he must apply for separate registration for each of the branch office so established.

Processing Time

One (1) Day

Application filed at National Capital Region (NCR) and some online DTI –Field Offices

Five (5) Working Days

Application filed in other at DTI-Field Offices

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Where to Register

National Capital Region Business Center
G/F Trade and Industry Building
361 Sen. Gil Puyat Ave., Makati City, Philippines 1200
Phone No.: (63-2) 8904854
Fax No.: (63-2) 811-82-71
Email: ncr@dti.dti.gov.ph

For businesses outside of Metro Manila

Proper DTI Provincial Office where business is located

Domestic Corporation

Application to be filed at Securities and Exchange Commission

A. REGISTRATION FOR DOMESTIC STOCK CORPORATION

Stock Corporation

PAID UP - CASH

a. 100% FILIPINO EQUITY

Documentary Requirements

- Name Verification Slip
- Articles of Incorporation and By-laws
- Treasurer's Affidavit/Authority to verify bank account
- Bank Certificates of Deposit notarized in place where bank signatory is assigned
- Written undertaking to change corporate name by any Incorporator/Director
- Registration Data Sheet
- Endorsements/Clearances from other government agencies if to engage in any of the following :
 - Air Transport - CAB
 - Banking, pawnshops and other financial intermediaries with quasi-banking functions - BSP
 - Professional Boxing - GAB
 - Operations of games of chance (e.g. lotto) - PCSO
 - Educational institutions
 - Elementary to high school - DECS
 - College, Tertiary course - CHED
 - Technical Vocational Course - TESDA
 - Electric power plants - DOE
 - Hospitals - DOH
 - Insurance - Insurance Commission
 - Land transport - LTFRB
 - Operation of radio, TV and telephone - NTC
 - Recruitment for overseas employment - POEA
 - Securities Agency - PNP
 - Water Transport, construction and building of vessel - MARINA

Application Procedure

For Online Registration :

- Verify/reserve proposed name via internet using SEC i-register
- If reservation is complete, register the company via the internet using the SEC i-register.
Note 1 : File Directly to SEC if clearance from other government agencies is required. Refer to letter g (clearances)
Note 2 : File Directly to SEC if secondary license is required
- If online registration is complete, downloads/prints the Articles of Incorporation and By-Laws
- Pays the required filing fee (online or through the SEC cashier)
- Presents the signed and notarized documents to CRMD
- Claims Certificate of Registration from Releasing Unit of Records Division

Filed Directly With SEC :

- Verify/reserve proposed name via internet using SEC i-register
- Prepares Articles of Incorporation and other required documents
- Presents accomplished forms/docs for pre-processing at CRMD
- Presents endorsement to the agency concerned, if endorsement is given by the concerned agency includes the endorsement in the registration documents.
- Pay filing fees to cashier
- Claims Certification of Incorporation from the Releasing Unit, HRAD

Processing Time

Within 24 hours

b. 60% FILIPINO - 40% FOREIGN EQUITY

Documentary Requirements

(Pls. Submit 6 sets)

- Name Verification Slip
- Articles of Incorporation and By-laws
- Treasurer's Affidavit/Authority to verify bank account
- Bank Certificate of Deposit notarized in place where bank signatory is assigned
- Written undertaking to change corporate name by any incorporator / Director
- Registration Data Sheet
- Proof of Inward Remittance by non-resident aliens, and foreign corporations

Note : All documents executed abroad must be authenticated by the Philippine Embassy

Application Procedure

Same as in Paid-up : Cash - 100% Filipino equity

Processing Time

Within 24 hours from filing

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c. MORE THAN 40% FOREIGN EQUITY

New Corporations

Documentary Requirements (Pls. Submit 6 sets)

- Form F-100
- Name Verification Slip
- Articles of Incorporation and By - laws
- Treasurer's Affidavit/Authority to verify bank account
- Bank Certificates of Deposit notarized in place where bank signatory is assigned
- Written undertaking to change corp. name by any incorporator / Director
- Registration Data Sheet
- Proof of Inward Remittance by non-resident aliens & foreign corporation

Application Procedure

- Verify/reserve proposed name
- Prepare AAI and BL and other required documents
- Get F-100 form from CRMD
- Present accomplished forms/docs for pre-processing at CRMD
- Pay filing fees to the cashier
- Claim Certificate of Incorporation from the Releasing Unit, Records Division

Processing Time

Within two (2) days from filing

d. Export-Oriented corporations under PEZA & similar zones exempted from application under the Foreign Investment Act (FIA)

Documentary Requirements

- PEZA/SBMA/CDA certificate indicating location
- Same as for new corporations

Application Procedure

Submit required documents

Processing Time

Within 24 hours from filing

PAID UP : CASH AND PROPERTIES

a. REAL ESTATE

Documentary Requirements

In addition to requirements given in Paid-Up: Cash : (Pls. Submit 6 sets)

- Deed of Assignment duly presented to the Register of Deeds for primary entry where the properties are located.
- Written consent of the mortgage/creditor on the assignment of the property, together with a certification on the outstanding loan balance.

- Certified true copy(ies) of transfer certificate of title (OCT/TCT)
- Photocopy of tax declaration sheet and official receipt of real estate tax payment/s for the current year to be checked against original copy(ies) thereof.
- Appraisal report not exceeding six (6) months prior to filing of the application, to be rendered by an independent real estate appraiser if the transfer value of the property is based on current fair market value (not more than 6 mos.old).
- BIR Certificate of Zonal Value (if the transfer value is based on zonal value)
- Statement of assets and liabilities under oath by Treasurer-in-Trust (TIT)

Application Procedure

- Verify / reserve proposed name
- Prepare AAI and BL and other required documents
- Present accomplished forms/docs for pre-processing at CRMD
- Pay filing fees to the cashier
- Claim Certificate of Incorporation from the Releasing Unit, Records Division

Processing time

Within 24 hours from filing

b. *MOTOR VEHICLES, MACHINERY and EQUIPMENT*

Documentary Requirements

- Detailed inventory of the properties certified by company accountant.
- Deed of Assignment executed by the owner in favor of the corporation.
- Appraisal Report to be rendered by an independent and licensed mechanical engineer if the transfer value of property is based on current fair market value.
- Copy of the corresponding bill of lading, BSP release certificates, and customs declaration, if the machinery's and equipment are purchased abroad.
- Bangko Sentral ng Pilipinas (BSP) valuation/appraisal report for imported properties.
- Photocopies of motor vehicle certificate of registration & official receipt of annual registration fee for current year.

Application Procedure

Same as in Paid-Up : Cash and Properties (Real Estate)

Processing Time

Within 24 hours from filing

c. *SHARES OF STOCK*

Documentary Requirement (Pls. Submit 6 sets)

- Detailed physical inventory of the properties certified by the corporate secretary
- Deed of Assignment
- Photocopies of certificate of stock endorsed in favor of applicant company
- Audited Financial Statements of last Fiscal/calendar year of investee company
- Certification from corporate secretary of the investee company that shares of stock are still outstanding in the name of transferor
- Statement of assets and liabilities by Treasurer-in-Trust (TIT)

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Application Procedure

Same as in Paid-Up : Cash and Properties (Real Estate)

Processing time

Within 24 hours from filing

d. INVENTORIES and FURNITURE**Documentary Requirements**

- Detailed physical inventory of properties certified by the treasurer
- Deed of Assignment
- Special Audit report by an independent CPA on the verification made on the properties
- AFS of the assignor (if corporation)
- Statement of assets and liabilities under oath by TIT

Application Procedure

Same as in Paid-Up: Cash and Properties (Real Estate)

Processing time

Within 24 hours from filing

SPECIFIC BUSINESSES**a. CUSTOMS BROKERAGE****Documentary Requirements**

In addition to documents in Paid-up : Cash (100% Filipino equity)
(Pls. Submit 6 sets)

- Customs broker licenses and Professional Tax Receipts of at least two (2) incorporators

Application Procedure

Same as in Paid-up : Cash (100% Filipino equity)

Processing Time

Within 24 hours from filing

B. REGISTRATION FOR DOMESTIC NON-STOCK CORPORATIONS**a. FOUNDATIONS, ASSOCIATIONS and other NON-STOCK ORGANIZATIONS****Documentary Requirements**

- Name Verification Slip
- Articles of Incorporation and By - Laws
- Written Undertaking to change corporate name.
- Resolution of the Board of Directors that the Corporation will comply with SEC
- List of members certified by the Secretary and undertaking to submit list of additional members to the Securities and Exchange Commission (SEC) from time to time.
- List of contributors and amount contributed certified by the Treasurer

- For Foundations: notarized Certificate of Bank Deposit of the capital contribution of not less than P1,000,000.00 and modus operandi or mode of operation source of its funds, the proposed application of said funds, the prospective beneficiaries of grants and endowments.
- Registration Data Sheet.

Application Procedure

For Online Registration:

- Verify/reserve proposed name via internet using SEC i-register
- If reservation is complete, register the company via the internet using the SEC i-register. clearance from other government agencies is required.
- If online registration is complete, downloads/prints the Articles of Incorporation and By-Laws
- Pays the required filing fee (online or through the SEC cashier)
- Presents the signed and notarized documents to CRMD
- Claims Certificate of Registration from Releasing Unit of Records Division

Filed Directly With SEC :

- Verify / reserve proposed name via internet using SEC i-register
- Buy forms for articles & by-laws from Express Lane (for livelihood, driver, operators, neighborhood, education, religious organizations are available including blank forms for non-stock organizations)
- Presents accomplished forms / docs for pre-processing at CRMD
- Pay filing fees to cashier
- Claims Certification of Incorporation from the releasing Unit, Records Division

Processing Time

Within 24 hours from filing

b. RELIGIOUS CORPORATIONS

Documentary Requirements

- Name Verification Slip
- Articles of Incorporation and By-laws
- Written Undertaking to change corporate name.
- Resolution of the Board of Directors that the Corporation will comply with SEC requirement for non-stock corporation
- List of members certified by the Secretary and undertaking to submit list of additional members to the Securities and Exchange Commission (SEC) from time to time.
- List of contributors and amount of contributions certified by the Treasurer
- For religious corporations, refer to Sections 109 - 116 of the Corporation Code and add affidavit or affirmation or verification by the chief priest, minister, rabbi or presiding elder.
- Registration Data Sheet

Procedure

Same as in Foundation, Association and other Non-Stock organizations

Processing Time

Within 24 hours from filing

Domestic Partnership

Application to be filed at Securities and Exchange Commission

a. **GENERAL PARTNERSHIP**

Documentary Requirements

- Name verification slip
- Articles of Partnership
- Written undertaking to change name
- Registration Data Sheet
- Clearance/endorsement from other government agencies, if applicable

Application Procedure

For Online Registration

- Verify/reserve proposed name via internet using SEC i-register
- If reservation is complete, register the company via the internet using the SEC i-register.
Note 1: File directly to SEC if clearance from other government agencies is required.
- If online registration is completed, system prompts the applicant to pay the filing fees (online or through the SEC cashier)
- Download/Print the Articles of Partnership
- Pays the required fee
- Claims Certificate of Recording from Releasing Unit of HRAD

Filed Directly With SEC

- Verify/reserve proposed name
- Buy articles of partnership forms from Express Lane
- Get endorsement from other government agencies if needed
- Presents accomplished forms/docs for pre-processing at CRMD
- Pay filing fees to cashier
- Claims Cert. Of Incorporation from the Releasing Unit, Records Division

Processing Time

Within 24 hours from filing

b. **LIMITED PARTNERSHIP**

Documentary Requirements

- Name verification slip
- Articles of Partnership
- Written Undertaking to change name

- Registration Data Sheet
- Clearance / endorsement from other government agencies if needed
- If it is a limited partnership, the word "limited" or "Ltd" should be added to the name. Articles of partnership of limited partnership should be under oath only (Jurat) and not acknowledged before a notary public

Application Procedure

Same as in General Partnership

Processing time

Within 24 hours from filing

c. CUSTOM BROKERAGE-PARTNERSHIP

Documentary Requirements

- Name verification slip
- Articles of Partnership
- Written Undertaking change name
- Registration Data Sheet
- Clearance / endorsement from other government agencies if needed
- Customs broker's licenses of partners (at least two (2) partners must be custom brokers)

Application Procedure

Same as in General Partnership

Processing time

Within 24 hours from filing

Application to be filed at the Securities and Exchange Commission

a. BRANCH OFFICE

Documentary Requirements

- Form F103
- Name Verification Slip
- Authenticated copy of Board Resolution authorizing establishment of office in the Philippines designating resident agent and stipulating that in absence of such agent or upon cessation of business in the Philippines any summons may be served to SEC as if the same is made upon the corporation at its home office.
- Financial Statements as of a date not exceeding one year immediately prior to the application certified by independent CPA of home country and authenticated before the Philippine Consulate / Embassy.
- Authenticated copies / Certified copies of the Articles of Incorporation/Partnership
- Proof of inward remittance (US\$200,000) minimum
- Registration Data Sheet.
- Resident Agent's acceptance of appointment (if not signatory in application form)

Foreign Entities Licensed to do Business in the Philippines

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Application Procedure

- Verify / reserve proposed name
- Get F-103 form from CRMD
- Present accomplished forms / docs for pre-processing at CRMD
- Pay filing fees to cashier
- Claim license from Records Division

Processing time

Within 3 - 5 days from filing

b. REPRESENTATIVE OFFICE

Documentary Requirements

- Form F-104
- Name Verification Slip
- Authenticated copy of Board Resolution authorizing establishment of office in the Philippines; designating resident agent & stipulating that in absence of such agent or upon cessation of business in the Philippines, any summons may be served to SEC as if the same is made upon the corporation at its home office.
- Financial Statements as of a date not exceeding one year immediately prior to the application, certified by independent CPA of home country and authenticated before the Philippine Consulate / Embassy.
- Affidavit executed by the resident agent stating that mother office is solvent and in sound financial condition
- Authenticated copies of Articles of Incorporation with an English translation if in foreign language other than English.
- Proof of inward remittance (US\$30,000) minimum such as bank certificate.
- Registration Data Sheet.
- Resident Agent's acceptance of appointment (if not signatory in application form)

Application Procedure

- Verify / reserve proposed name
- Get F - 104 form from CRMD
- Present accomplished forms / docs for pre-processing at CRMD
- Pay filing fees to cashier
- Claim license from Records Division

Processing time

Within 2 days from filing

c. REGIONAL HEADQUARTERS / REGIONAL OPERATING HEADQUARTERS

Documentary Requirements

- Application Form for RHQ/ ROHQ
- Name Verification Slip

- Authenticated certification that foreign firm is engaged in international trade with affiliates, subsidiaries, or branch offices in the Asia Pacific region & other foreign markets.
- Authenticated certification from principal officer of foreign entity that it was authorized by its Board of Directors or governing body to establish RHQ in the Philippines
- BOI endorsement indicating its approval of RHQ/ROHQ

Application Procedure

- Verify / reserve proposed name
- Get application form from CRMD
- Get BOI endorsement
- Present accomplished forms/docs for pre-processing at CRMD
- Pay filing fees to cashier
- Claim license from Records Division

Processing time

Within 1 day from filing

d. FOREIGN PARTNERSHIP

Documentary Requirements

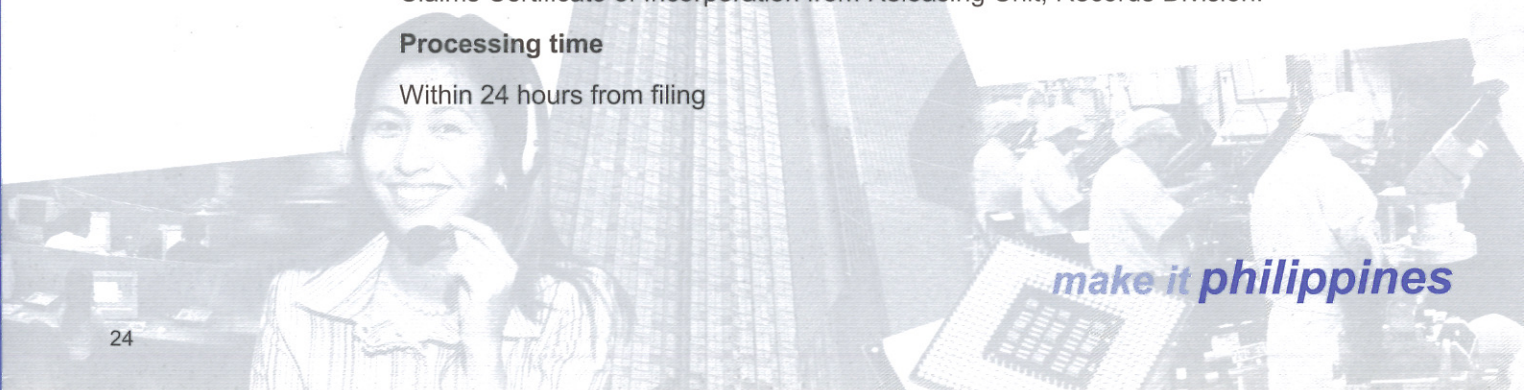
- Name of verification slip
- Get F - 105 Form from CRMD
- Articles of Partnership
- Written undertaking to change name
- Registration Data Sheet
- Clearance/endorsement from other govt. agencies, if applicable.
- Proof of remittance of foreign partners
(only for those partners who want to register their investments with BSP)

Application Procedure

- Verify / secure proposed name
- Buy articles of Partnership forms from the Express Lane
- Get FIA Form 105 from CRMD
- Get endorsement of other government agencies, if needed
- Presents accomplished forms / docs for pre-processing at CRMD
- Pay filing fees to cashier
- Claims Certificate of Incorporation from Releasing Unit, Records Division.

Processing time

Within 24 hours from filing



B. Registration For Incentive Availment

BOI

Board of Investments

Requirements

- SEC Certificate (Articles of Incorporation / Partnership and By-Laws); DTI Registration (Sole Proprietorship)
- Audited Financial Statement and Income Tax Return (past three years)
- Board Resolution to authorized company representative
- Accomplished Application Form 501 and Project Report

Registration Procedure

- File BOI Form 501 with supporting documents and filing fee
- Evaluation of Application and Preparation of Evaluation Report (incl. Publication of Notice of Filing of Application, plant visit)
- Presentation to the BOI Management Committee;
- BOI Governing Board Confirmation
- Letter of Advice to Applicant of Board Action
- If Approved, send Letter of Approval including pre-registration requirements
- Applicant complies with the pre-registration requirements;
- Preparation and issuance of Certificate of Registration upon payment by applicant of Registration Fee;
- Release of Certificate of Registration.

Processing Time

Ten (10) to twenty (20) working days

Where to Register

Project Evaluation and Registration Department
Board of Investments
385 Sen. Gil Puyat Ave., Makati City
Tel. (+632) 890-9326/890-1332
<http://www.boi.gov.ph/>

PEZA

Philippine Economic Zone Authority

Registration For Export Enterprises / IT Enterprises

Requirements

- Duly Accomplished & Notarized Application Form
- SEC (Articles of Incorporation and By-Laws) / DTI Registration (for Sole Proprietorship)
- Board Resolution/Special Power of Attorney for Representative
- Document/Clearance to use the land subject of this application or Reservation

Procedure

- Submit Application Form
- Evaluation and Recommendation for approval to the PEZA Board
- PEZA Board Approval
- Submission of Pre-Registration Requirements
- Signing of Registration Agreement
- Submission of Post - Registration Requirements
- Start of Commercial Operation

Registration For Ecozone Developers

Requirements

- Duly accomplished and notarized application form
- SEC Registration and Articles of Incorporation;
- Audited Financial Statements (for the last three years of operation, where applicable);
- Board Resolution/Special Power of Attorney designating the company's authorized representative to PEZA;
- Project Study
- Vicinity map reflecting the various land uses and important verifiable landmarks within one (1) kilometer radius of the project site;
- Proof of land ownership or any perfected contract/document confirming the applicant's authority / clearance to use the land for economic zone development and related purposes; If the applicant is not the registered owner, a perfected contract / document confirming the applicant's authority / clearance to apply for and use the land for ecozone and related purposes is required.
- Endorsement from the Sangguniang Bayan/Panlungsod for the development of the proposed economic zone (i.e. all local government units of all municipalities and cities with areas included in the proposed economic zone);
- Certification from the Department of Agriculture that the area for the proposed economic zone is not or has ceased to be economically feasible and sound for agricultural purposes (i.e. the area is marginal for agricultural use);
- DAR Conversion Clearance or Exemption Certificate (or HLURB Zoning Certification, whichever is applicable) and if the proposed area is zoned as agricultural on or before 15 June 1988, a DAR Conversion Clearance / Order is required. However, if the zoning of the area is non-agricultural on or before said date, a DAR Exemption Certificate or HLURB Zoning Certification shall be required.
- Other documents as may be required

Procedure

- Submit Application with Attachments
- Evaluation
- Submission to PEZA Board
- Board Approval
- Submission of Presidential Proclamation Requirement

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- Endorsement for Malacañang
- Issuance of Presidential Proclamation
- Submit Pre-Registration Requirements
- Registration Agreement Signing

Processing Time

One (1) Day if application is received a day before a scheduled Board Meeting. Board Meetings are held every 2nd and 4th Thursdays of the month (Export / IT enterprises and Ecozone Developer)

Ten (10) to Twenty (20) Working Days to secure the Presidential Proclamation after all documents are submitted to Malacañang (Ecozone Developer)

Where to Register

Enterprise Regulation Department (for Export Enterprise / IT)
Ecozone Development Department (for Ecozone Developer)
Philippine Economic Zone Authority
Almeda Bldg.
President Roxas Blvd.
Cor. San Luis St., Pasay City
Metro Manila
Tel. (+632) 551-3436 / 57
<http://www.peza.gov.ph/>

CDC

Clark Development Corporation

Requirements

- Letter of Intent with attached CDC Project Evaluation Form (containing Company Profile and Preliminary Project Data)
- SEC Registration or DTI Registration
- Board Resolution / Secretary's Certificate

Other Documents Required (If Applicable)

- Bank Certification of Approved Loan
- Production Process Flow for industrial firms
- Proposed Site Development Plan
- Construction Timetable
- Company Brochures

Registration Procedure

- Investor submits Letter of Intent and required documents
- CDC identifies site(s) and provides investor Terms of Contract
- If proposal is approved, Lease Agreement is signed and Certificate of Registration is issued.

Processing Time

Two (2) to Three (3) Weeks

Where to Register

One Stop Action Center / Marketing Department
Clark Development Corporation
Bldg. 2127, C. P. Garcia St. corner E. Quirino St.,
Clark Special Economic Zone, Pampanga
Tel. (+63-45) - 5992043, 5993035, 599 - 9000 local 652 or 673
Website : <http://www.clark.com.ph/>

SBMA

Subic Bay Metropolitan Authority

Requirements

- Duly Accomplished SBF Application Form
- Letter of Intent / Business Proposal
- Business Proposal
- Audited Financial Statement
- Company Information/Brochures
- Client / Supplier List
- Financial Projections
- SEC Certificate (Articles of Incorporation and By-Laws)
DTI Registration (Sole Proprietorship)
- Certification of deposits and credit standing
- Draft Sublease Agreement (for Subleasee)
- List of Assets for SBF Operations

Procedure

- Submission of Letter of Intent and Application for Registration
- Evaluation
- Presentation to SBMA Chairman and Board
- Board Approval
- Registration Requirements Completion
- Issuance of Certificate of Registration

Processing Time

Three (3) weeks to one (1) month

Where to Register

Locator Registration and Licensing Department
Bldg. 225, Investment Center, Dewey Avenue
Subic Bay Freeport Zone
Tel. (+6347) 252-7262 (252-SBMA) (+6347) 252-4004
Website : <http://www.sbma.com/>

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Requirements

- Completed Application Form (CSEZFP Form 99-1)
- Fee for processing amounting to US\$200 or its equivalent in Philippine Pesos.
- Project Feasibility Study
- Copies of relevant documentation of legal status of business enterprise (articles of incorporation and by-laws/partnership agreement/SEC license to do business)
- Name and address of legal agent if not a corporation or the business organization established in the Philippines.
- If there is foreign ownership, proof of inward remittance and / or investment or other proof of financial capacity acceptable to CEZA.
- Evidence of intended physical location of enterprise within the Cagayan Special Economic Zone and Freeport (CSEZFP) (i.e., Certificate of Title, etc)
- If part of a larger business enterprise doing business outside the CSEZFP, evidence or restructuring which excludes from the operations of the CSEZFP enterprise all business operations taking outside the CSEZFP.
- List of assets and other properties comprising the investment to be made.
- Application Forms for Work Permits for any expatriate personnel.
- List of references that may be contacted to verify the information included in the application, including a commercial bank and/ or financial institutions and independent auditor
- Certificate under oath that the CSEZFP Enterprise applicant will comply with the Masterplan as maybe adopted and amended from time to time
- Undertaking that applicant shall not at all times conduct any unlawful activities.

Procedure

- Submission of completed application form to OSAC
- Payment of US\$200 processing fee
- OSAC checks completeness of documents
- Upon completion of submitted documents, OSAC issues receipt of complete documents
- Validation of submitted documents
- OSAC Review and Recommendation to Administrator and Chief Executive Officer
- Administrator and CEO' approval or denial of application.
- If approved, OSAC issues Provisional Certificate of Registration valid for 30 - 90 days.
- Upon completion of other documents that may be required, CEZA issues the CSEZFP Enterprise Certificate of Registration

Processing Time

Thirty (30) working days

Where to Register

Business Development and Marketing Office
7th Floor Westar Building
611 Shaw Blvd. Pasig City
Tel. (+632) 636-5780 / 82
Website : <http://www.cagayanfreeport.org/>
Email Address : cagayanecozone@vasia.com
or
One Stop Action Center (OSAC)
CEZA Administration Building
Centro, Sta. Ana, Cagayan
Tel. (+63-78)-858-1023

ZEZA

Zamboanga Economic Zone Authority

Single Business Proprietorship

Requirements

- Evidence of intended physical location of the enterprise within the Zamboanga Freeport (e.g. Commitment letter or other similar documents) and the manner by which the location was secured (whether it was secured directly from the AUTHORITY or from a licensed facilities operator)
- Detailed list of assets comprising the investment to be made
- Company Profile
 - a) Track Record
 - b) Business Plan

** for Foreign Investors : Proof of inward foreign remittance and investment*

Partnership / Corporation

Requirements

- Articles of Incorporation
- Partnership Agreement
- SEC Registration
- Evidence of restructuring if previously part of a larger business elsewhere in the Philippines
- Proof of inward foreign remittance and investment
- Evidence of intended physical location of the enterprise within the Zamboanga Freeport
- Detailed list of assets comprising the investment to be made
- Company Profile
 - a) Track Record
 - b) Business Plan

Procedure

- Submission of Application to Marketing and Enterprise Development Department (MEDD)
- Evaluation of proposal
- Submission of Evaluation Report to the Board for deliberation
- Board Deliberation

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- Issuance of Certificate of Registration and Tax Exemption upon Board Approval of said proposal
- Signing of lease agreement (End of Registration Procedure)
- Application and Issuance of Building Permit
- Issuance of Certificate of Occupancy and Permit to Operate (Start of Commercial Operation)

Processing Time

One (1) Month

Where to Register

Zamboanga Freeport Authority
 San Ramon, Zamboanga City 7000 Philippines
 Phone No.: (63) (62) 9922012 / 9920409 / 9922435 / 9923284
 Fax No.: (63) (62) 9930209 / 9923224
 E-mail : ecozone@zambofreeport.com
 Website : <http://www.zambofreeport.com>
<http://www.jetlink.com.ph/~ecozone>

PIA

PHIVIDEC Industrial Authority

Requirements for Manufacturing Firms

- Letter of Intent containing the following:
 - Company Name
 - Name of the Project
 - Description of the Project
 - Project Cost
 - Area Required (Minimum and Maximum)
 - Power Requirement
 - Water Requirement
 - Employment
 - Time Table
- Application Form
- Feasibility or Project Study / Business Proposal
- Company Profile / Brochure
- Process Description and Process Flow
- Certificate of Registration of Business Name
- SEC Registration & Articles of Incorporation
- Income Tax Returns for the last 3 yrs (if applicable)
- Audited Financial Statement for the last 3 yrs (if applicable)
- List of Directors & Principal Stockholders with Biodata
- Deed of Undertaking (PIA to provide Pro Forma Forms)
- Anti-Graft Certificate (PIA to provide Pro Forma Forms)
- Development Plan and Proposed Activities for 2 years period
- Secretary's Certificate / Board Resolution authorizing the filing of application and designation of representative(s)

- Pro Forma Lease Contract for Manufacturing Firm
- Pro Forma Registration Agreement for Manufacturing Firm
- Fees and Charges
- Other Permits/Clearances required from other government agencies

Requirements for Service Enterprise

- Letter of Intent containing the following:
 - Company Name
 - Name of the Project
 - Description of the Project
 - Capitalization
 - Employment/Manpower
 - Time Table
- Application Form
- Feasibility or Project Study / Business Proposal
- Service Description and Process Flow
- Certificate of Registration of Business Name
- SEC Registration & Articles of Incorporation (If Applicable)
- Certificate of SSS Remittance (When applicable)
- Income Tax Returns for the last 3 yrs (if applicable)
- Audited Financial Statement for the last 3 yrs (if applicable)
- List of Directors & Principal Stockholders with Biodata
- Deed of Undertaking (PIA to provide Pro Forma Forms)
- Anti-Graft Certificate (PIA to provide Pro Forma Forms)
- Secretary's Certificate / Board Resolution authorizing the filing of application and designation of representatives(s)
- Pro Forma Permit Agreement for Service Firm
- Fees and Charges
- Other Permits / Clearances required from other government agencies

Procedure

- Discussion of plans with PIA Authorities (Business Development Division, or Policy Planning and Business Development Division, and / or Corporate Planning and Business Development Department)
- Submission of Letter of Intent with Project Brief
- Submission of Application Form together with the requested documents
- PIA Evaluation
- Submission of Application for PIA Board Approval
- Issuance of Board Resolution
- Signing of Registration Agreement and Lease Contract

- Issuance of Certificates
- Completion of Other Requirements
- Start of Commercial Operation

Processing Time

Ten (10) working days

Where to Register

PHIVIDECA Industrial Authority
 PHIVIDECA INDUSTRIAL ESTATE - MISAMIS ORIENTAL
 Sta. Cruz, Tagoloan, 9001 Misamis Oriental
 Mindanao, Philippines
 Phone No. (+63-88) 5670351 / 890-1108, 8901110 or (08822) 740245 / 740369;
 Fax No. (+63-88) 5670194 or (08822) 740177
 Email : pia_mo@phividecaauthority.com.ph
 Website : <http://www.phividecaauthority.com.ph/>

PIA Makati Business and Liaison Office
 4/F, DAO1 Bldg, 189 Salcedo St.
 Legaspi Village, Makati City, Philippines
 Phone Nos. (+63) (2) 8926361 / 8925448 / 8175330
 Fax. No. (+63) (2) 8181338
 Email : piamblo@pworld.net.ph

C. **Registration of Foreign Investments with Bangko Sentral ng Pilipinas (BSP)¹** *(For Repatriation of Investments)*

Requirements

Foreign Direct Investments

- i. Type of Investment
 - **In Cash** - Duly accomplished original bank Certificate of Inward Remittance (CIR) of foreign exchange (FX) converted and sold for pesos (Strictly in prescribed format)
 - **In Kind** - Proof of transfer of asset to the Philippines (shipping documents such as commercial invoices, bills of lading or airway bills and packing lists) and Import Entry and Internal Revenue Declaration issued by the Bureau of Customs and PEZA permit, as applicable.
 - **Capitalized Oil / Geothermal Exploration Expenditures** - Government - approved service contract and copy of the Department of Energy (DOE) letter-validation of expenditures among others, the distribution of validated expenditures among the partners under the service contract.
- ii. Sworn certification² from investee firm's authorized officer attesting to the following, among others :
 - to the total number of shares issued to the foreign investor, as applicable, the total amount received and date of receipt of the investment;
 - that the total number of shares issued is within the total SEC - approved authorized capitalization of the investee firm; and
 - that the investment is within the authorized percentage limit for foreign investments under the Constitution and existing laws

¹ Not mandatory but required if the foreign exchange (FX) for the repatriation of capital or the remittance of cash dividends/profits/earnings are intended to be serviced through the banking system.

² For capitalized expenditure the sworn certification is not required.

- iii. SEC certification of registration including articles of incorporation or articles of partnership of the investee firm upon incorporation and any amendments thereto, as applicable.
- iv. Clearance from Bangko Sentral - Supervision and Examination Sector (BSP-SES), for investments in financial institution which are under the supervision and regulation of the BSP.

Portfolio Investments

Duly accomplished original bank Certificate of Inward Remittance (CIR) of foreign exchange (FX) converted and sold for pesos (strictly in prescribed format) and the following documents depending on the type of investment instrument :

- Investment in shares listed in the Philippine Stock Exchange (PSE)
 - PSE Broker's Purchase Invoice (original or certified true copy)
- Investment in Government Securities issued in the Philippines
 - Confirmation of sale of the Treasury Bills (Tbills), Fixed Rate Treasury Notes (FXTNs) or Floating Rate Treasury Notes (FRTNs) acquired.
- Investment in money market instruments issued by private domestic firms
 - Certified true copy of certificate of investments.
- Investment in Peso Time Deposits
 - Certified true copy of certificate of time deposit.

Procedure

Registration application filed directly with the BSP-International Operations Department

- Submission of letter - request and required documents to the International Operations Department (BSP-IOD);
- BSP processes/evaluates the application and supporting documents; and
- Release of the Bangko Sentral Registration Document (BSRD) after payment of the fee to cover the administrative cost or abeyance letter issued if documents/information are incomplete.

Registration application filed with Custodian-Registering Bank (for PSE-listed shares only)

- Submission of required documents to the designated custodian banks; and
- Custodian bank processes the documents and issues the BSRD (reports / submits duplicate copy of BSRD, together with the required documents within two (2) banking days from the registration date to BSP-IOD for validation)

Processing Time

i. For foreign direct investments

- within five (5) to ten (10) banking days from receipt of the complete documentary requirements to the BSP-IOD

ii. For foreign portfolio investments applied for direct registration with the BSP-IOD

- within two (2) to five (5) banking days from receipt of complete documentary requirements

For foreign portfolio investments registered through custodian banks

- submission within two (2) banking days from registration / transaction date, of reports of registered investment together with complete documentary requirements to the BSP-IOD, for verification / validation

Repatriation of capital/remittance of dividends/profits/earnings on BSP-registered inward foreign direct investments/portfolio investments

Requirements

1. For BSP - registered Foreign Direct Investments

1.1 Repatriation of Capital / Divestment Proceeds

- Original BSRD
- Proof of Sale
- Audited Financial Statements
- Computation of capital to be repatriated (including taxes and bank charges) in the prescribed format
- Certificate of filing of the Amended Articles of incorporation for the shortening of the term of existences of dissolving entities (for foreign direct investee firms in dissolution)

1.2 Remittance of Dividends / Profits

- Original BSRD
- Board resolution declaring the dividends
- Audited Financial Statements; and Computation of Dividends/profits to be remitted (including taxes and bank charges) in the prescribed format.

2. For BSP- registered Foreign Portfolio Investments

2.1 Repatriation of portfolio investments registered directly with the BSP- IOD :

- Shares listed in the PSE
 - Original BSRD
 - Sales invoice
- Government securities issued in the Philippines/Money market instruments
 - Original BSRD
 - Confirmation of purchase for fixed income (for government securities); Matured/Pre-terminated Certificate of investments in money market instruments
 - Applicable BSRD/s Letter Advice/s (BSRDLA/s)
- Peso Proceeds of matured 90-day peso time deposits
 - Original BSRD
 - Cancelled Certificate of Peso Time Deposit/s
 - Applicable BSRDLA/s

2.2 Repatriation of portfolio investments registered by Custodian Bank :

- Sales Proceeds
 - Applicable BSRDLA/s of the shares sold
 - Sales invoice/s for listed shares
- Interim peso deposits
 - Debit memo of the amount to be repatriated or duly signed IPD ledger
 - Applicable BSRDLA/s
- Cash Dividends
 - PSE Notice (Circular for Brokers) or announcement of dividend declaration from the issuing company
- Cash Dividend voucher or duly signed copies of the PCD print out for cash dividend entitlement and breakdown/ledger of the cash dividend

2.3 Sales Proceeds of investments made prior to March 15, 1973

- Sworn Certification of the stock transfer agent that the investments were made prior to March 15, 1973
- Sales invoice/s of listed shares.

Procedure

Repatriation of Capital/Sales proceed or remittance of Dividends/profits/Earnings of BSP-registered foreign investments

- Present the required documents to the servicing commercial banks and fill-up application form for purchase of FX requirements
- Fill up the computation sheet form for the amount of FX requirements to be purchased;
- Commercial banks evaluate/process application; and
- FX purchased shall be immediately remitted abroad or deposited in the Foreign Currency Deposit Unit (FCDU) Account of the foreign investor (in the Philippines)

D. *Application for Permits, Licenses, Clearances, Etc.*

A typical Local Government Unit (LGU) like Makati City Hall would need the following :

Requirements

- Locational Clearance (New Applicants & Change of Business Address ONLY)
- Lease Contract between the Lessor and the Lessee. If Leased, attach Mayor's Permit registration of the building owner/landlord as a Real Estate Lessor. If not, Lease Contract between the Lessee and the Sub-Lessee with conformity of the Owner of the Building Administration. If owned, transfer Certificate of Title (TCT) or Tax Declaration (xerox copy).
- Business Name Registration with the Department of Trade and Industry (for sole proprietorship/new applicants)
- Article of Incorporations/ Partnership (approved by S.E.C.) (New Applicants ONLY)
- Barangay Clearance
- Public Liability Insurance
- Financial Statement of Assets and Liabilities/BIR Income Tax Return (For Renewal ONLY)
- Resident Certificate A and B for Single Proprietorship, C and C1 for Corporation

Other Requirements depending on the type of business

- Contractor's License issued by the Philippine Contractors Accreditation Board (PCAB) in case of General / Specialty and Engineering Contractor.
- National Grains Authority (NGA) License in case of Dealer of Rice / Corn and Wheat.
- Bureau of Food and Drug Administration in case of Drugstores / Bakery.

- Accreditation Certificate issued by the Department of Trade in case of Auto Repair Shop, Electronics, Radio and other Electrical Equipments.
- Customer Broker's issued by the Custom Broker's Commission in case of Custom Brokerage Business.
- Real Estate Broker's License issued by the Department of Trade and Industry (DTI) in case of Real Estate Broker.
- Department of Labor and Employment (DOLE) in case of Recruitment Agency.
- Philippine Overseas and Employment (POEA) in case of Manning and Crewing Services.
- Central Bank Authority in case of Banking Institution.
- Pest Control License issued by Fertilizers and Insecticide in case of Pest Control Services.
- Videogram Permit issued by the Videogram Regulatory Board in case of Video Rental Services.
- Occupancy Permit and Ownership in case of Real Estate Lessor.
- Future Commodity Merchant/Broker's License issued by the Securities & Exchange Commission. For those engaged in the sale of commodities for future transactions as merchant / broker.
- PCSUCIA (National License) for those operating Security Agencies.
- Department of Environmental and natural Resources (DENR) clearance in case of Mining.
- LTO Franchising and Regulatory Board in case of Rent-A-Car and Transport Services.
- License to Operate - Firearms & Explosive Units (Camp Crame).
- Department of Transportation & Communication (DOTC) in case of Messengerial and Courier Services.
- Energy Regulatory Board (ERB) in case of dealer of LPG.
- National Telecommunication Commission (NTC) in case of Telecommunications

Procedure for Registration

- Secure Locational Clearance (For New Applicants / Change of Business Address) from Urban Development Department
- Submission of accomplished application forms and the required documents to the Business Permit Office (BPO)
- Evaluation of annual inspection fees for building / electrical / plumbing / mechanical, etc. (Engineering Department)
- Evaluation and assessment of taxes, fees and charges and recommend approval (BPO)
- Proceed to Administrator's Office for approval
 - a) Releasing assessed permit / license application approved with index card.
 - b) Receive payments and issue Official Receipts (License and Treasury)
- Issuance of Health / Sanitation Certificate (Health Department)
- Issuance of Mayor's Permit and approved permits / licenses (BPO)

Processing Time

One (1) to Two (2) Hours

Where to Apply

For Makati City - New Building Makati City Hall
or
City Halls / Municipalities where business is located

Environmental Compliance Certificate

Projects that pose potential significant impact to the environment shall be required to secure Environmental Compliance Certificates (ECCs) from the Department of Environment and Natural Resources (DENR).

An ECC is a document issued by DENR / EMB after a positive review of the ECC application, certifying that based on the representations of the proponent, the proposed project or undertaking will not cause significant negative environmental impact.

The ECC contains specific measures and conditions that the project proponent has to undertake before and during the operation of the project, and in some cases, during the project's abandonment phase to mitigate identified environmental impacts.

The ECC also certifies that the proponent has complied with all the requirements of the Environmental Impact Statement (EIS) System and has committed to implement its approved Environmental Management Plan.

Screening for Coverage of the Philippine Environmental Impact Statement (EIS) System

Proponent may submit a letter of request to the Environmental Management Bureau (EMB) or its regional offices in order to determine if the proposed project is covered by the EIS System. Attached to the letter is the Project Description, which includes raw materials, process or manufacturing technology, project capacity, type and volume of products and discharges, capitalization, project area, manpower requirements and location map.

Projects that have no significant environment impact shall not be required to secure ECC.

In cases a Certificate of Non-Coverage (CNC) is to be secured for the perusal of other government agencies and / or organizations, the above-mentioned requirements may be submitted to the EMB or its Regional Offices.

The CNC is issued by the EMB certifying that, based on the submitted project description, the project is not covered by the EIS system and is not required to secure an ECC.



Requirements for Securing Environmental Compliance Certificate (ECC) and Certificate of Non-Coverage

PROJECT CATEGORY	PROJECT SUB - CATEGORY	MAY APPLY AS	DOCUMENTS REQUIRED FOR ECC / CNC APPLICATION	PROCESSING RESPONSIBILITY/ Endorsing Official	DECIDING AUTHORITY	MAXIMUM TIME TO GRANT OR DENY ECC APPLICATIONS (working days)
A. Environmentally Critical Projects <i>(Projects that will most likely have high risk or negative environmental impact)</i>	A-1 New	Co-located project <i>(Projects, or series of similar projects or a project subdivided to several phases and /or stages by the same proponent, located in contiguous areas.)</i>	Programmatic EIS based on an eco-profile and focused on the most critical environmental parameters <i>(Programmatic EIS is a documentation of comprehensive studies on environmental baseline conditions of a contiguous area. It also includes as assessment of the carrying capacity of the area to absorb impacts from co-located projects such as those in industrial estates or economic zones.)</i>	EMB Central Office (CO) Director	DENR Secretary	180 days
		Single Project <i>(any activity, regardless of scale or multitude which may have significant impact on the environment)</i>	Project Environment Impact Statement (EIS) <i>(EIS is a document, prepared and submitted by the project proponent and/or EIA consultant that serves as an application for an ECC. It is a comprehensive study of the significant impacts of a project on the environment. It includes an Environmental Management Plan/ Program that the proponent will fund and implement to protect the environment .)</i>	EMB CO Director EMB CO/EIA Division Chief	DENR Secretary EMB Central Office Director	120 days 120 days

PROJECT CATEGORY	PROJECT SUB-CATEGORY	MAY APPLY AS	DOCUMENTS REQUIRED FOR ECC/CNC APPLICATION	PROCESSING RESPONSIBILITY/ Endorsing Official	DECIDING AUTHORITY	MAXIMUM TIME TO GRANT OR DENY ECC APPLICATIONS (working days)
	A-2: Existing and to be expanded (including undertakings that have stopped operations for more than 5 years and plan to re-start, with or without expansion)	Co-located projects	Programmatic Environmental Performance Report and Management Plan (PEPRMP) <i>PEPRMP is a documentation of actual cumulative environmental impacts of co-located projects with proposals for expansion. It should also describe the effectiveness of current environmental mitigation measures and plans for performance improvement.</i>	EMB Central Office (CO) Director	DENR Secretary	120 days
	A-3: Operating without ECC	Single Project	Environmental Performance Report and Management Plan (EPRMP) <i>EPRMP is a documentation of the actual cumulative environmental impacts and effectiveness of current mitigating measures for single projects that are already operating but without ECCs.</i>	EMB CO / EIA Division Chief	EMB Central Office Director	90 days
	B-1: New	Single Project	Project Initial Environmental Examination (IEE) or IEE Checklist if available (IEE may be followed up by full EIA if required by EMB after its review of the IEE) <i>IEE Checklist Report is a simplified checklist version of an IEE report, prescribed by the DENR, to be filled up by a proponent to identify and assess a project's environmental impacts and the mitigation / enhancement measures to address such impacts.</i>	EMB CO / EIA Division Chief	EMB Central Office Director	60 days
B: Non-Environmentally Critical Project but located in an ECA <i>(Projects that are not categorized as ECPs, but which may cause negative environmental impacts because they are located in Environmentally Critical Areas (ECAs). ECAs are areas which are ecologically, socially or geologically sensitive.)</i>				EMB Region / EIA Division Chief	EMB Regional Director	60 days

PROJECT CATEGORY	PROJECT SUB-CATEGORY	MAY APPLY AS	DOCUMENTS REQUIRED FOR ECC/CNC APPLICATION	PROCESSING RESPONSIBILITY/ Endorsing Official	DECIDING AUTHORITY	MAXIMUM TIME TO GRANT OR DENY ECC APPLICATIONS (working days)
Environmentally Critical Areas (ECAs) (ECAs are areas which are ecologically, socially or geologically sensitive.)	B-2: Existing and to be expanded (including undertakings that have stopped operations for more than 5 years and plan to re-start, with or without expansion)	Single Project	Environmental Performance Report and Management Plan (based on a checklist if available)	EMB Region / EIA Division Chief	EMB Regional Director	30 days
	B-3: Operating without ECC	Co-located Project	PEPRMP	EMB CO / EIA Division Chief	EMB Central Office Director	60 days
C: Environmental Enhancement or Direct Mitigation (Projects intended to directly enhance environmental quality or address existing environmental problems not falling under Category A or B.)	D	Co-located or Single Projects	Project Description and Environmental Performance Report and Management Plan <i>Project Description is a document, which may also be a chapter in an EIS, that describes the nature, configuration, use of raw materials and natural resources, production system, waste or pollution generation and control and activities of the proposed project. It includes a description of the use of human resources as well as activity timelines, during the pre-construction, construction, operation</i>	EMB RO / EIA Division Chief	EMB Regional Office Director	15 days
D: Not Covered (Projects unlikely to cause adverse environmental impacts)			Project Description or Proof of Project Implementation Start prior to 1982 (if applying for a CNC)	EMB CO or RO / EIA Division Chief	EMB CO or RO Director	15 days

* Checklist may be secured from the EMB office or downloaded via the EMB website: <http://www.emb.gov.ph/>

Note

If no decision is made within the specified timeframe, the ECC/CNC application is deemed automatically approved and the approving authority shall issue the ECC or CNC within five (5) working days after the prescribed processing timeframe has lapsed. However, the EMB may deny issuance of ECC if the proponent fails to submit required additional information critical to deciding on the ECC/CNC application, despite written request from EMB and despite an adequate period for the proponent to comply with the said requirement.

Where to Inquire / Apply

Environmental Impact Assessment Division
Environmental Management Bureau
Department of Environmental and Natural Resources
Visayas Ave., Diliman, Quezon City
Tel. (+632) 925-4793 to 97 / 920-22-40 to 41
Email : eia@emb.gov.ph
Website : <http://www.emb.gov.ph/>

Alien Employment Permit

A document issued by the Department of Labor and Employment (DOLE) authorizing a foreign national to work in the Philippines.

Foreign nationals required to apply for an Alien Employment Permit (AEP)

- Foreign nationals seeking employment in the Philippines whether they are non-residents or refugees;
- Foreign professionals who are allowed to practice their profession in the Philippines under reciprocity and other international agreements and in consultancy services pursuant to Section 7(j) of the PRC Modernization Act of 2000.
- Holders of Special Investors Resident Visa (SIRV), Special Retirees Resident Visa (SRRV), Treaty Traders Visa (9d) or Special Non-Immigrant Visa (47(a)2) for as long as they occupy any executive, advisory, supervisory, or technical position in any establishment.

Exempted from securing an AEP

- Resident Foreign Nationals employed or seeking employment in the Philippines (DO 41-03)
- Members of the diplomatic services and foreign government officials accredited by the Philippine government;
- Officers and staff of international organizations of which the Philippine government is a cooperating member, and their legitimate spouses desiring to work in the Philippines;
- Foreign nationals elected as members of the Governing Board who do not occupy any other position, but have only voting rights in the corporation;
- All foreign nationals granted exemption by special laws and all other laws that may be promulgated by the Congress;
- Foreign nationals who come to the Philippines to teach, present and/or conduct research studies in universities and colleges as visiting, exchange or adjunct professors under formal agreements between universities or colleges in the Philippines and foreign universities or colleges; or between the Philippine government and foreign government; provided that the exemption is on a reciprocal basis (DO 41-03)
- Owners and representatives of foreign principals, whose companies are accredited by the Philippine Overseas Administration (POEA), who come to the Philippines for a limited period solely for the purpose of interviewing Filipino applicants for employment abroad.

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Requirements

- ***For non-resident Foreign Nationals***

New application

For elective position:

- Letter Request
- Application Form duly accomplished and notarized
- Curriculum Vitae signed by foreign national
- Board Secretary's Certificate on Election of Foreign national
- SEC Registration / Articles of Incorporation / By-Laws
- Photocopy of Passport with Visa

For non-elective positions:

- Letter Request
- Application Form duly accomplished
- Curriculum Vitae signed by foreign national
- Duly authenticated Contract of Employment/Letter of Appointment
- SEC Registration/Articles of Incorporation/By-Laws (for corporation)
- BDT Certificate of Registration and Original Application (for single proprietorship)
- Joint Venture Agreement (if applicable)
- Photocopy of passport with Visa
- Publication of name and the position of the foreign applicant

- ***For holders of SIRV, SRRV, 9(d) and 47(a)2 Visa:***

For elective position:

- Letter Request
- Application Form duly accomplished
- Curriculum Vitae Signed by the Foreign National
- Board Secretary's Certificate on Election of Foreign national
- Photocopy of passport with Visa
- Tax Identification Number (TIN) of Foreign National
- Pictures 2 pcs 1x1
 2 pcs 2x2
- SEC Registration/Articles of Incorporation/By Laws(for Corporation), Articles of Partnership (for Partnership)
- DTI Certificate of Registration & Original Application (for Sole Proprietorship)

For non-elective position:

- Letter Request
- Application Form duly accomplished
- Contract of Employment/Letter of Appointment
- SEC Registration/ Articles of Incorporation/By-Laws (Corporation)
Articles of Partnership (for Partnership)
DTI Certificate of Registration (for Sole Proprietorship)
- Tax Identification Number (TIN) of Foreign National
- Pictures 2 pcs 1x1
 2 pcs 2x2

How and Where to Apply for an AEP

- Submit duly filled-out AEP application form together with all required documents to the DOLE Office that has jurisdiction over the intended place of work of the foreign national. In case of foreign nationals to be assigned in subsidiaries, branch offices and joint ventures, and those assigned in the headquarters with oversight functions in any of the branch offices, operations or projects in the country, they may file their application in any of the DOLE Regional Offices nearest their place of work.
- Pay the corresponding fees.
- Claim the AEP card at the DOLE Office within 10 working days or lodge an appeal addressed to the Secretary of Labor and Employment if application was denied.

Processing Time

Five (5) to Ten (10) working days (those with publication)

Where to Apply

Department of Labor and Employment
National Capital Region (or Regional Offices)
1650 Dy International Bldg.
General Malvar cor. San Marcelino Sts.
Malate, Manila
Tel. (+632) 525-9487 local 18
Website : <http://www.dole.gov.ph>

VISAS

Foreign nationals seeking to work, do business and/or invest in the Philippines may apply for work authorization and or the appropriate visa provided for under the Philippine Immigration Act, as amended (Commonwealth Act No. 603) or some other special law.

A. APPLICABLE VISAS PROVIDED UNDER THE PHILIPPINE IMMIGRATION ACT (PIA)

i. Temporary Visitor or Tourist Visas

Generally, a foreign tourist may enter the Philippines without need of securing a visa from the foreign embassy or consulate (called the no-visa entry privilege under Executive Order No. 408) provided he presents an onward ticket. Said tourist is normally allowed an initial stay of 21 days (although holders of Hong Kong-SAR passports may stay only an initial 7 days).

If the tourist is a holder a (Hong Kong) Certificate of Identity (C.I.), he is required to secure a tourist visa before entering the Philippines.

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If the tourist secures a temporary visitor's visa from a Philippine embassy or consulate abroad, he is generally given an initial stay of 59 days, although People's Republic of China (PROC) and Hong Kong-SAR passport holders may be given shorter periods.

An alien who wishes to extend his or her stay must obtain the approval of the BI.

ii. Working / Employment Visa

The PIA provides for there are three types of work authorization visas:

(1) Pre-Arranged Employment Visa

An alien who will be occupying an executive, technical, managerial or highly confidential position in a company for at least one year, but not to exceed five years, may apply for a pre-arranged employment visa under Sec. 9(g) of the Philippine Immigration Act.

Requirements

- Letter request from the petitioner - organization
- General Application Form duly accomplished and notarized (BI Form RBR 98-01)
- 2x2 picture to be attached to the application form
- Articles of Incorporation, Bylaws, SEC Certificate of Registration of petitioner, if a corporation; or DTI Certificate of Registration of Business Name and application form for Certificate of Registration of Business Name duly accomplished and received by the DTI, in case of single proprietorship:
- Alien Employment Permit (AEP) from the Department of Labor and Employment
- Income Tax Return and proof of payment of taxes by the petitioner
- Contract or agreement entered into for applicant's service stating term of service and exact compensation and other benefits to be received
- Bio-data of applicant
- Affidavit of support and guarantee executed by the petitioner in favor of the applicant
- Certificate by Human Resource Director / Personnel Officer as to the number of foreign nationals employed by the petitioner
- True copy of the applicant's passport showing admission status and updated stay
- Other supporting documents which will aid in the evaluation of the application
- If the applicant will be accompanied by his/her spouse and minor unmarried children under twenty-one years of age:
- Marriage Contract and / or Birth Certificates of dependent spouse and children;
- True copies of passport of the spouse and minor, unmarried children

Procedure

- The petitioning company must sufficiently establish, by obtaining an AEP from the DOLE, that no person can be found in the Philippines willing and competent to perform the labor and service for which the alien is hired and that the admission of the alien will be beneficial to the public interest. The BI will not approve an application for a 9(g) visa until such permit has been secured.
- Pending the approval of the application for a 9(g) visa, even if alien has already secured an AEP, the employee may apply for a Provisional Permit to Work (PPW) which is normally valid for a period of three months from the date of issuance.

- The entire process of obtaining a 9(g) visa takes about two to eight weeks. Applications of proposed employees of BOI- and PEZA-registered companies as well as those working the Top 1,000 corporations are given priority.
- 9(g) visas are valid for the duration of the AEP or the employment contract, whichever is shorter.
- 9(g) visas issued to dependents are co-terminus with the duration of the visa of the principal.

(2) Treaty Trader Visa

An alien investor is entitled to enter the Philippines as a treaty trader or treaty investor only if he is a national of a country with which the Philippines has concluded a reciprocal agreement for the admission of treaty traders or investors. Thus, at present, only nationals of the United States, Japan and Germany are entitled to the visa.

The term "treaty trader" includes an alien employed by a treaty investor in a supervisory or executive capacity. The alien employee must be of the same nationality as the majority shareholder of the sponsoring firm.

The alien must prove that:

He or his employer intends to carry on "substantial trade" between the Philippines and the country in which the alien is a national; or

The alien intends to develop and direct the operations of an enterprise in which he or his employer has invested, or is in the process of investing, a substantial amount of capital.

Under the regulations, "substantial trade" refers to a non-nationalized business in which an investment of at least US\$120,000.00 has been made. Note, however, that the size of the investment is merely one of the factors to consider in determining what is deemed "substantial trade". An equally important factor is the volume of business conducted.

Requirements and Procedure

Similar as those for applications for pre-arranged employment visa, except that in addition, the applicant for treaty traders visa shall submit:

- Secretary's Certificate that the investor has maintained his/her investment in the business entity of petitioner (partnership or corporation) per Stock and Transfer Book, or Owner's Affidavit (in case of single proprietorship) that he/she has maintained his/her capital in the single proprietorship, in case petition is based on investment or
- President's, CEO's, Treasurer's, or Secretary's Certificate that trader - petitioner is in continuous engagement in the trade, submitting proof of trading such as Letters of Credit, Buyer invoices, Vouchers, etc.
- Treasurer's or Secretary's Certificate that investor - petitioner's majority share holding is owned by an alien of the same nationality as the applicant.

iii. Other types of work authorization

As an adjunct to a regular employment or business visa, a temporary visitor or tourist may secure a Special Work Permit (SWP) or Provisional Permit to Work (PPW).

(1) Special Work Permit

An alien who enters the Philippines on a tourist visa and intends to engage in a professional or commercial undertaking not considered purely local employment, may apply for a special work permit (SWP). Among those qualified to apply for SWPs are:

- professional athletes competing only for a limited period;

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- aliens of distinguished merit and ability entering to perform exceptional temporary services, but having no contract of pre-arranged employment;
- artists and other performers who wish to perform in the country when the audience pays for the performance;
 1. aliens coming primarily to perform a non-competitive temporary service or to take non-competitive training who would be classifiable as temporary workers or industrial trainees;
 2. aliens authorized to search for hidden treasure;
 3. movie and television crews filming in the country; and
 4. foreign journalists pursuing their profession in the country.

Requirements

- Letter request from the Petitioner Company
- Photocopy of passport with valid visa
- Bio-data
- Photocopy of SEC registration, Articles of Incorporation, and By-Laws of the Company
- Affidavit of Support of the petitioner company
- Income Tax Return of the Company
- Certified true copy of contract specifying exact compensation to be earned.

(2) Provisional Permit to Work

Aliens who have contracts of employment with local entities and in whose favor petitions for regular work visas (e.g. treaty trader or pre-arranged employment visas under Secs. 9(d) and 9(g) of the Philippine Immigration Act) have been filed by their employer, may be issued PPWs pending the issuance to them of their regular work visas.

Requirements

- Letter request from Petitioner Company
- Photocopy of passport with valid visa
- Bio-data of alien
- Stamped "received" copy of the application for a regular work visa (ie. treaty trader or pre-arranged employment)
- Photocopy of SEC Registration, Articles of Incorporation, and By-Laws of the Company
- Affidavit of Support of the petitioner company
- ITR of the Company
- Contract of Employment /Certificate of Employment
Alien Employment Permit (AEP) issued by the Department of Labor and Employment, if available

(3) Special non-immigrant visa under Sec. 47(a)(2) of the Philippine Immigration Act

This visa is issued upon approval of the Secretary of Justice (formerly the President) on public interest or public policy considerations.

Examples of industries invested with public interest are companies engaged in oil exploration, power generation, and infrastructure, and those registered with the PEZA and BOI.

Requirements of BOI

- BOI Application Form
- Duly Signed undertaking
- Understudy Information Sheet, Designation of Understudy and Understudy Training Program
- Passport (photocopies)
- Secretary's Certificate (for elective officers)
- Affidavit of Support (if dependent(s) is / are joining
- Organizational Chart
- Bio-data of the expatriate

Requirements of the PEZA

- Company's Letter of Request to PEZA
- Photocopy of Passport of Applicant
- Secretary's Certificate / Certificate of Employment or Employment Service Contract
- Bio-data of the Applicant

Requirements of DOJ

- DOJ application form
- BOI / PEZA Certificate of Registration its terms & conditions
- Passport (photocopies)
- Secretary's Certificate (for elective officers) or Contract of Employment (for non-elective)
- Original affidavit of Support (if dependent(s) is / are joining
- Marriage Contract if (husband / wife) is joining
- Birth Certificate of children if joining

Procedure

- The proposed employer applies with the appropriate government agency (e.g. BOI, PEZA, Department of Agriculture) for authority to employ the alien;
- The appropriate government agency endorses the application to the Department of Justice (DOJ);
- The DOJ approves the application and endorses the same to the BI for implementation.

This visa is generally valid for an initial period of one year and is renewable from year to year.

B. APPLICABLE VISAS UNDER SPECIAL LAWS

(a) Special multiple entry visas are issued to:

- foreign personnel of offshore banking units of foreign banks duly licensed by the Central Bank of the Philippines to operate as such pursuant to Presidential Decree No. 1034 and
- foreign personnel of regional or regional operating headquarters of multinational companies which are officially recognized by the Philippine Government pursuant to Republic Act. No. 8756.

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These executives, with their dependent spouses and minor unmarried children under 21 years of age, if accompanying or joining them after their admission into the country as non-immigrants, are issued multiple entry visas valid for one to three year, extendible for similar periods, and are exempt for alien registration.

Requirements

For the extension of Multiple Entry Special Visa for Foreign Personnel of Offshore Banking Units of Foreign Banks

- Letter Request of the foreign bank or OBU
- General application form duly accomplished and notarized
- 2x2 picture to be attached to the application form
- Copy of the passport of subject expatriate with the BI stamp of admission, if expatriate is already in the country
- SEC Certificate of Registration
- Certified True copy of Certificate of Authority issued to the foreign bank by the Central Bank to operate OBUs
- Certified true copy of the contract of employment stating exact salary and duration of employment of assignment
- Certificate under oath by a responsible officer of the foreign bank that :
 - Expatriate is an employee of the bank and will work exclusively for the OBU in the Philippines
 - Expatriate will be paid by the foreign bank in the Philippines and the compensation is in foreign currency

For the Change of Status to Foreign Personnel of Regional or Regional Operating Headquarters of Multinational Companies

- Original letter-application of petitioner-company
- General application form duly accomplished and notarized
- 2 x 2 picture to be attached to the application form
- Copy of the passport of subject expatriate with the BI stamp of admission and valid stay.
- Certified true copy of the contract of employment stating exact salary and duration of employment and assignment
- Income Tax Return of applicant and proof of payment
- SEC Certification of inward remittance of at least US\$50,000 or its equivalent during the past year
- Sworn certification that :
 - the license to operate remains valid and subsisting
 - the employee has been paid from date of original admission the amount of at least US\$12,000.00 or its equivalent.

Processing time for securing visas under these two categories is three (3) days.

Where to Apply

Bureau of Immigration
Intramuros, Manila
Tel. (+632) 527-3248
Website : <http://www.immigration.gov.ph/>
Bureau of Immigration Extension Offices

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Board of Investments (BOI)
G/F Industry and Investments Bldg.
385 Sen Gil Puyat Ave., Makati City
Tel. (+632) 897-5335

Philippine Economic Zone Authority
Sn. Luis St. cor. Roxas Blvd.
Pasay City
Tel. (+632) 510-29-48

(b) Special Subic Working Visa

Foreign nationals employed by the Subic Bay Freeport Locators. This visa is co-terminus with the employment contract.

Where to Apply :

LOCATOR REGISTRATION & LICENSING DEPARTMENT
Subic Bay Metropolitan Authority
Bldg. 225, Dewey Avenue, Subic Bay Freeport Zone
Tel. No. (6347) 252-4331 / 4669
Fax No. (6347) 252-4399

(c) Special Clark Working Visa

Foreign nationals employed by the Clark Special Economic Zone Locators. This visa is valid for two (2) years and renewable thereafter.

Where to Apply

Marketing Department
Clark Development Corporation
Bldg 2127, CP Garcia St. cor. E.Quirino St.,
Clarkfield, Pampanga
Tel No. (6345) 599-4652
Fax No. (6345) 599-2642

C. INVESTOR'S VISAS

1. Special Investor's Resident Visa

The Special Investor's Resident Visa (SIRV) entitles the holder to multiple-entry privileges with the right to indefinite stay in the Philippines as long as investments subsist. The SIRV is issued by the Bureau of Immigration in collaboration with the Board of Investments.

SIRV program requires investors to remit at least US\$75,000 into the country and invest subject capital in viable economic activities.

The SIRV holder can bring with him, without any additional deposit, his spouse and unmarried children and below 21 years old. If dependents are joining the applicant, original copies of Birth Certificates of dependents born in the Philippines or Birth Certificate or Household Register duly authenticated by the Philippine Embassy/Consulate nearest the applicant's residence abroad.

Allowable Forms Of Investment

For purposes of securing SIRV, only ownership of shares of stocks in the following shall be accepted as eligible forms of investment :

- Publicly-listed corporations
- Companies engaged in areas listed in the Investment Priorities Plan (IPP)
- Companies engaged in the manufacturing and service sectors

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Requirements

- Application form duly filled up and notarized, with recent photographs;
- Clearance from the central government agency of the applicant's country or place of residence, competent to give information about any criminal record that applicant may have, duly authenticated by the Philippine Embassy, or the Interpol Division of the National Bureau of Investigation (NBI) indicating that the applicant has not been convicted by final judgment of a crime involving moral turpitude;
- The National Intelligence Coordination Agency (NICA) shall issue an initial clearance within five (5) working days from the receipt of the BOI endorsement and a more thorough verification to cover the Armed Forces of the Philippines and the Philippine National Police should be within three (3) months after the grant of the probationary visa. Any derogatory record may be the basis for revocation of the SIRV holder's visa;

The expiration date of the said clearances should not be before six (6) months from the date of filing of application;

- Medical Certificate issued by the Department of Health (DOH), any government hospital or health facility, or any licensed and accredited hospital, medical center, or laboratory or the equivalent thereof in the applicant's home country, certifying that the applicant is physically and mentally fit;
- The expiration date of the said certification should not be before six (6) months from date of filing of application.
- Certification under oath from duly authorized officer(s) of any accredited depository bank in the Philippines as to the amount of foreign exchange inwardly remitted by the applicant and its conversion to pesos through the said bank, in the prescribed form. Should the inward remittance be sent through non-accredited correspondent banks, the total amount of remitted money should be immediately transferred to the accredited banks;
- For purposes of Book V and these rules and regulations, only banks accredited by the BOI shall serve as the depository banks (Land Bank of the Philippines and Development Bank of the Philippines);
- In all cases, inward remittances shall not be made earlier than one (1) year prior to the filing of application.
- Certified true copy of the certificate of peso time deposit with a maturity period at least 30 days;
- The original copy of certificate of time deposit shall remain with the depository bank for safekeeping.
- Birth certificate / family registry / household registry duly authenticated by the Philippine Consulate / Embassy located in the applicant's home country or the applicant's embassy in the Philippines
- If applicable, marriage contract duly authenticated by the Philippine Consulate/Embassy located in the applicant's home country or the applicant's embassy in the Philippines.

Procedure for Application Filed with Philippine Embassy/Consulate

- Applicant submits application form and other documents to Philippine Embassy/Consulate.
- Embassy/Consulate endorses application/documents to the Board of Investments (BOI) for evaluation

- BOI reviews documents. If complete, re-endorsed to the Philippine Embassy/ Consulate concerned through the DFA consular office for issuance of a probationary multiple entry visa, valid for six(6) months.

Procedure For Application Filed With The Board of Investments

- Applicant submits application form and other documents including the original passport to the Board of Investments.
- BOI evaluates submitted documents
- If complete, BOI endorses application/documents to the Bureau of Immigration for the grant of a provisional multiple entry visa valid for six(6) months
- Amendment of visa with indefinite stay shall be made upon submission of proofs of investments

Processing Time

Ten (10) Working days

Where to Apply

Special Investor's Resident Visa (SIRV) Center
Board of Investments
2/F Industry and Investments Bldg.
385 Sen Gil Puyat Ave., Makati City
Tel. 632-8909336 local 234
Website : <http://www.boi.gov.ph/>

2. Special Investor's Resident Visa for investors in tourist - related projects and tourist establishments

A variation of the SIRV discussed above is the visa issued to investors in tourist- related projects and tourist establishments.

A foreigner who invests the amount of at least US\$50,000.00 in a qualified tourist related project or tourism establishment as determined by the Department of Tourism (DOT), shall be entitled to an SIRV.

Where to Apply

Office of Tourism Standards
Department of Tourism
T.M. Kalaw, Manila
Tel. (+632) 525-7980 / 536-1128

3. Special Subic Investor's Visa

Any investor who has made, and continues to maintain an investment of not less than US\$250, 000.00 within the Subic Bay Freeport(SBF) may apply for permanent residency visa within the SBF. Such visa shall be valid for as long as the visa holder maintains the investment.

Where to Apply

LOCATOR REGISTRATION & LICENSING DEPARTMENT
Subic Bay Metropolitan Authority
Bldg. 225, Dewey Avenue, Subic Bay Freeport Zone
Tel. No. (6347) 252-4331 / 4669
Fax No. (6347) 252-4399

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4. **Special Clark Investor's Visa**

Any investor who has made, and continues to maintain an investment of not less than US\$250,000.00 within the Clark Special Economic Zone may apply for the said visa. Such visa is indefinite and shall be valid for as long as the visa holder maintains the investment.

Where to Apply

Marketing Department
Clark Development Corporation
Bldg 2127, CP Garcia St. cor. E. Quirino St.,
Clarkfield, Pampanga
Tel No. (6345) 599 - 4652
Fax No. (6345) 599 - 2642

5. **Special Resident Retiree's Visa**

The SRRV is a non-immigrant multiple entry visa issued by the Bureau of Immigration of the Republic of the Philippines through the retirement program of the Philippine Leisure and Retirement Authority's (PLRA) to the foreigners and former Filipinos. It entitles the holder to multiple-entry privileges with the right to reside permanently in the Philippines.

The SRRV is likewise issued by the Department of Foreign Affairs through the Philippine Embassy/Consulate but the same is only for single entry. The holder must enter the Philippines within one (1) year from the date of the issuance of visa and go to the PLRA office to comply with other requirements and pay the required fees. Upon the submission of the documentary requirements, the Authority will recommend to the Bureau of Immigration the conversion of single entry SRRV to multiple indefinite-entry visa.

All foreign nationals below 50 and at least 35 years of age are required to deposit the amount of US\$75,000.00 with any PLRA shortlisted bank. Those aged 50 and above are required to deposit US\$50,000.00. Former Filipinos are required to deposit US\$1,500.00 (to include spouse and children below 21 years of age regardless of number). The deposit amount of US\$50,000.00 shall be required from an applicant who is at least 35 years of age and belongs to any of the following :

- Retired military personnel of governments recognized by the Philippines; or
- Former members of foreign diplomatic corps who have served for at least three (3) years in their respective posts; or
- Retired officers and employees of international organizations such as the United Nations and its affiliate agencies, the World Health Organization, World Bank, International Labor Organization and other similar organizations.

A resident retiree can bring with him, without any additional deposit, his spouse and a child who is unmarried and below 21 years old or, if the spouse is not joining, two (2) children, provided they are unmarried and under 21 years of age). Additional children with the same qualifications may also be allowed to join the principal retiree under the program provided there is an additional deposit of US\$15,000.00 per child. The US\$15,000.00 deposit is, however, subject to the same terms and conditions with that of the principal deposit. This does not apply to former Filipinos.

Requirements

- PLRA application form
- Valid passport, including photocopy showing passport details and current visa
- Department of Foreign Affairs (DFA) Medical Examination Form #11 accomplished by a licensed physician abroad duly authenticated by the Philippine Embassy / Consulate or PLRA Medical Certificate (RRSC FormA#002) accomplished by a licensed physician in the Philippines. This applies to all members of the family if joining the Program.

- Certification by PLRA accredited bank of the required deposit amount.
- Police Clearance issued abroad translated in English and duly authenticated by the Philippine Embassy / Consulate or National Bureau of Investigation (NBI) Clearance issued in the Philippines. This also applies to the spouse and dependents 18 years of age and above (Age requirement of 18 is for purposes of NBI Clearance only).
- If the spouse is joining the applicant, Marriage Certificate or Marriage Contract translated in English (if necessary) and duly authenticated by the Philippine Embassy / Consulate nearest the applicant's residence if the marriage was contracted abroad. If the marriage was solemnized in the Philippines, original Marriage Certificate.
- If dependent/s is / are joining the applicant, original copy of Birth Certificate/s of dependents born in the Philippines or Birth Certificate/s or Household Register duly authenticated by the Philippine Embassy / Consulate nearest the applicant's residence abroad.

Procedure

The SRRV can be secured in the following manner :

- Through the Bureau of Immigration (BI) via the change of admission status in which case the applicant must come to Manila for the processing of visa. Upon arrival in Manila and assuming he has submitted/complied with all the documentary requirements and paid the fees, the Authority shall have the SRRV stamped in his passport within five (5) working days.
- Through the Philippine Embassies/Consular Offices. All documentary requirements shall be submitted to the Philippine Embassy/Consulate. The documents will be transmitted to the Department of Foreign Affairs (DFA) in the Philippines which will in turn transmit the same to the PLRA. PLRA shall evaluate these documents and submit evaluation to DFA, Manila. If everything is in order, the Philippine Embassy/Consulate issues a single entry SRRV. The applicant must enter the Philippines within one (1) year from date of issuance of visa. Upon arrival in Manila, PLRA shall recommend to BI the conversion of SRRV (single entry to multiple indefinite - entry visa).

Processing Time

Five (5) to Seven (7) Working Days

Where to Apply

Philippine Leisure and Retirement Authority
29/F Citibank Tower, 8741 Paseo de Roxas
Makati City, 1200 Philippines
Tel. (+632) 848-1412 to 20/ Fax No. (+632) 848-1411
Website : <http://www.pra-visa.com/>

Application to be filed at the Bureau of Internal Revenue (BIR)

Requirements

a. Individual-Employee

- BIR Form 1902 (Application Form)
- Birth certificate, Marriage Contract or any document showing name, address and birth date of the applicant
- Valid company ID or Certificate of Employment

**Tax
Identification
Number**

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b. Individual-Single Proprietor/Professional

- BIR Form 1901 (Application Form)
- BIR Form 0605 (Payment of Registration Fee)
- DTI (Trade Name) / PRC, PTR
- Mayor's Permit
- Birth Certificate, Marriage Contract
- Sketch of Business Address
- Lease Contract, If Applicable

c. Corporation / Gen. Partnership

- BIR Form 1903 (Application Form)
- BIR Form 0605 (Payment for Registration Fee)
- BIR Form 2000 (Payment of Documentary Stamps)
- Photocopy of SEC Registration
- DTI (Trade Name, if any)
- Mayor's Permit
- Sketch of Business Address
- Lease Contract, If Applicable

Procedure

a. Individual-Employee

- Accomplish Application and attach all the requirements
- Application must be certified by the employer and file with the nearest Revenue District Office where the principal place of business is located.
- Claim Tax Identification Number (TIN) within three (3) to five (5) minutes after filing with the Revenue District Office.

b. Individual-Single Proprietor/Professional

Corporation / Gen. Partnership

- Accomplish Application and attach all the requirements
- File with the Revenue District Office where the principal place of business is located.
- Claim TIN within three (3) to five (5) minutes and pay registration fee of P500.00 with the Authorized Agent Bank (AAB)
- Submit photocopy of BIR Form 0605 and claim your Certificate of Registration (COR-BIR Form 2303)

Processing Time

Three (3) to five (5) minutes for Individual / Corporation

Where to Apply

Bureau of Internal Revenue
Revenue District Offices
Makati-

5/F, Atrium Building, Makati Ave., Makati City

Tel. 812-4292 / 811-4010 / 811-4133 / 811-4207 / 811- 4024 / 752-2176

Website : <http://www.bir.gov.ph/>

MALACAÑANG
Manila

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 139

PROMULGATING THE FIFTH REGULAR FOREIGN INVESTMENT NEGATIVE LIST

WHEREAS, Republic Act (RA) No. 7042, also known as the Foreign Investments Act of 1991, as amended by RA 8179, provides for the formulation of a Regular Foreign Investment Negative List covering investment areas/ activities which may be opened to foreign investors and/or reserved to Filipino nationals;

WHEREAS, the Regular Foreign Investment Negative List consisting of Lists A and B, is effective for two years pursuant to Section B of RA 7042 as amended and its Implementing Rules and Regulations;

WHEREAS, there is a need to formulate a Fifth Regular Foreign Investment Negative List to reflect changes to List A and B provided in new laws and recommended by concerned government agencies;

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. Only the investment areas and/or activities listed in Annex A hereof shall be reserved to Philippine nationals, and hereafter shall be referred to as the Fifth Regular Foreign Investment Negative List. The extent of foreign equity participation in these areas shall be limited to the percentages indicated in the List.

SECTION 2. Any amendment to List A may be made at any time to reflect changes instituted in specific laws while amendments to List B shall not be made more often than once every two years, pursuant to Section 8 RA 7042 as amended, and its Implementing Rules and Regulations.

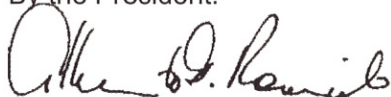
SECTION 3. All orders, issuances, rules and regulations or parts thereof, which are inconsistent with this Order are hereby revoked or modified accordingly.

SECTION 4. This order shall take effect fifteen (15) days after publication.

DONE in the City of Manila, this 22nd day of October, in the year of our Lord, Two Thousand and Two.


PRESIDENT GLORIA MACAPAGAL
ARROYO

By the President:



ALBERTO G. ROMULO
Executive Secretary

Annex A

LIST A:

FOREIGN OWNERSHIP IS LIMITED BY MANDATE OF THE CONSTITUTION AND SPECIFIC LAWS

No Foreign Equity

1. Mass Media except recording
(Art. XVI, Sec. 11 of the Constitution; Presidential Memorandum dated 04 May 1994)
2. Practice of professions ¹
 - a. Engineering
 - Aeronautical
 - Agricultural
 - Chemical
 - Civil
 - Electrical
 - Electronics and Communication
 - Geodetic
 - Mechanical
 - Metallurgical
 - Mining
 - Naval Architecture and Marine
 - Sanitary
 - b. Medicine and Allied Professions
 - Medicine
 - Medical Technology
 - Dentistry
 - Midwifery
 - Nursing
 - Nutrition and Dietetics
 - Optometry
 - Pharmacy
 - Physical and Occupational Therapy
 - Radiologic and X-ray Technology
 - Veterinary Medicine
 - c. Accountancy
 - d. Architecture
 - e. Criminology
 - f. Chemistry
 - g. Customs Brokerage
 - h. Environmental Planning
 - i. Forestry
 - j. Geology
 - k. Interior Design
 - l. Landscape Architecture
 - m. Law
 - n. Librarianship
 - o. Marine Deck Officers

1. This is limited to Filipino citizens save in cases prescribed by law

- p. Marine Engine Officers
- q. Master Plumbing
- r. Sugar Technology
- s. Social Work
- t. Teaching
- u. Agriculture
- v. Fisheries

(Art. XII, Sec. 14 of the Constitution; Sec. 1 of RA 5181)

- 3. Retail trade enterprises with paid-up capital of less than US\$ 2,500,000 (Sec. 5 of RA 8762) ²
- 4. Cooperatives (Ch. III, Art. 26 of RA 6938)
- 5. Private Security Agencies (Sec. 4 of RA 5487)
- 6. Small-scale Mining (Sec. 3 of RA 7076)
- 7. Utilization of Marine Resources in archipelagic waters, territorial sea, and exclusive economic zone (Art. XII, Sec. 2 of the Constitution)
- 8. Ownership, operation and management of cockpits (Sec. 5 of PD 449)
- 9. Manufacture, repair, stockpiling and / or distribution of nuclear weapons (Art. II Sec. 8 of the Constitution) ³
- 10. Manufacture, repair, stockpiling and/or distribution of biological, chemical and radiological weapons and anti-personal mines (Various treaties to which the Philippines is a signatory and conventions supported by the Philippines) ³
- 11. Manufacture of firecrackers and other pyrotechnic devices (Sec. 5 of RA 7183)

Up to Twenty Percent (20%) Foreign Equity

- 12. Private radio communication network (RA 3846)

Up to Twenty-Five Percent (25%) Foreign Equity

- 13. Private recruitment, whether for local or overseas employment (Art. 27 of PD 442)
- 14. Contracts for the construction and repair of locally-funded public works (Sec. 1 of CA 541, LOI 630) except :
 - a. infrastructure/development projects covered in RA 7718; and
 - b. projects which are foreign funded or assisted and required to undergo international competitive bidding (Sec. 2(a) of RA 7718)

- 15. Contracts for construction of defense-related structure (Sec. 1 of CA 541)

Up to Thirty Percent (30%) Foreign Equity

- 16. Advertising (Art. XVI, Sec. 11 of the Constitution)

Up to Forty Percent (40%) Foreign Equity

- 17. Exploration, development and utilization of natural resources (Art. XII, Sec. 2 of the Constitution)⁴
- 18. Ownership of Private Lands (Art. XII, Sec. 7 of the Constitution; Ch. 5, Sec. 22 of CA 141)
- 19. Operation and management of public utilities (Art. XII, Sec. 11 of the Constitution; Sec.16 of CA 146)
- 20. Ownership/establishment and administration of educational institutions (Art. XIV, Sec. 4 of the Constitution)
- 21. Culture, production, milling, processing, trading **excepting** retailing, of rice and corn and acquiring, by barter, purchase or otherwise, rice and corn and the by-products thereof (Sec. 5 of PD 194; Sec. 15 of RA 5762) ⁵

2. Full foreign participation is allowed for retail trade enterprises; (a) with paid-up capital of US\$ 2,500,000 or more provided that investments for establishing a store is not less than US\$ 830,000; or (b) specializing in high end or luxury products, provided that the paid-up capital per store is not less than US\$250,000 (Sec. 5 of RA 8762)

3. Domestic investments are also possible (Art. II, Sec. 8 of the Constitution; Conventions/Treaties in which the Philippines is a signatory)

4. Full foreign participation is allowed through financial or technical assistance agreement with the President (Art. XII, Sec. 2 of the Constitution)

5. Full foreign participation is allowed provided that within the 30-year period from start of operation, the foreign investor shall divest a minimum 60 percent of their equity to Filipino citizens (Sec. 5 of PD 194; NFA Council Resolution No. 193 s.1988)

22. Contracts for the supply of materials, goods and commodities to government-owned or controlled corporation, company, agency or municipal corporation (Sec. 1 of RA 5183)
23. Project Proponent and facility Operator of a BOT project requiring a public utilities franchise (Art. XII, Sec. 11 of the Constitution; Sec. 2a of RA 7718)
24. Operation of deep sea commercial fishing vessels (Sec. 27 of RA 8550)
25. Adjustment Companies (Sec. 323 of PD 612 as amended by PD 1814)
26. Ownership of condominium units where the common areas in the condominium projects are co-owned by the owners of the separate units or owned by a corporation (Sec. 5 of RA 4726)

Up to Sixty Percent (60%) Foreign Equity

27. Financing companies regulated by the Securities and Exchange Commission (Sec. 6 of RA 5980 as amended by RA 8556) ⁶
28. Investment houses regulated by the SEC (Sec. 5 of PD 129 as amended by RA 8366) ⁶

LIST B:

FOREIGN OWNERSHIP IS LIMITED FOR REASONS OF SECURITY, DEFENSE, RISK TO HEALTH AND MORALS AND PROTECTION OF SMALL- AND MEDIUM-SCALE ENTERPRISES

Up to Forty Percent (40%) Foreign Equity

1. Manufacture, repair, storage, and/or distribution of products and/or ingredients requiring Philippine National Police (PNP) clearance:
 - a. Firearms (handguns to handguns), parts of firearms and ammunition therefore, instruments or implements used or intended to be used in the manufacture of firearms
 - b. Gunpowder
 - c. Dynamite
 - d. Blasting supplies
 - e. Ingredients used in making explosives :
 - Chlorates of potassium and sodium
 - Nitrates of ammonium, potassium, sodium, barium, copper (11), lead (11), calcium and cuprite
 - Nitric acid
 - Nitrocellulose
 - Perchlorates of ammonium, potassium and sodium
 - Dinitrocellulose
 - Glycerol
 - Amorphous Phosphorus
 - Hydrogen Peroxide
 - Strontium nitrate powder
 - Toluene
 - f. Telescopic sights, sniper scope and other similar devices

5. Full foreign participation is allowed provided that within the 30-year period from start of operation, the foreign investor shall divest a minimum 60 percent of their equity to Filipino citizens (Sec. 5 of PD 194; NFA Council Resolution No. 193 s.1988)

6. No foreign national may be allowed to own stock in financing companies or investment houses unless the country of which he is a national accords the same reciprocal rights to Filipinos (Sec. 6 of RA 5980 as amended by RA 8556; PD 129 as amended by RA 8366)

However, the manufacture or repair of these items may be authorized by the Chief of the PNP to non-Philippine nationals; Provided that a substantial percentage of output, as determined by the said agency, is exported. Provided further that the extent of foreign equity ownership allowed shall be specified in the said authority/clearance (RA 7042 as amended by RA 8179).

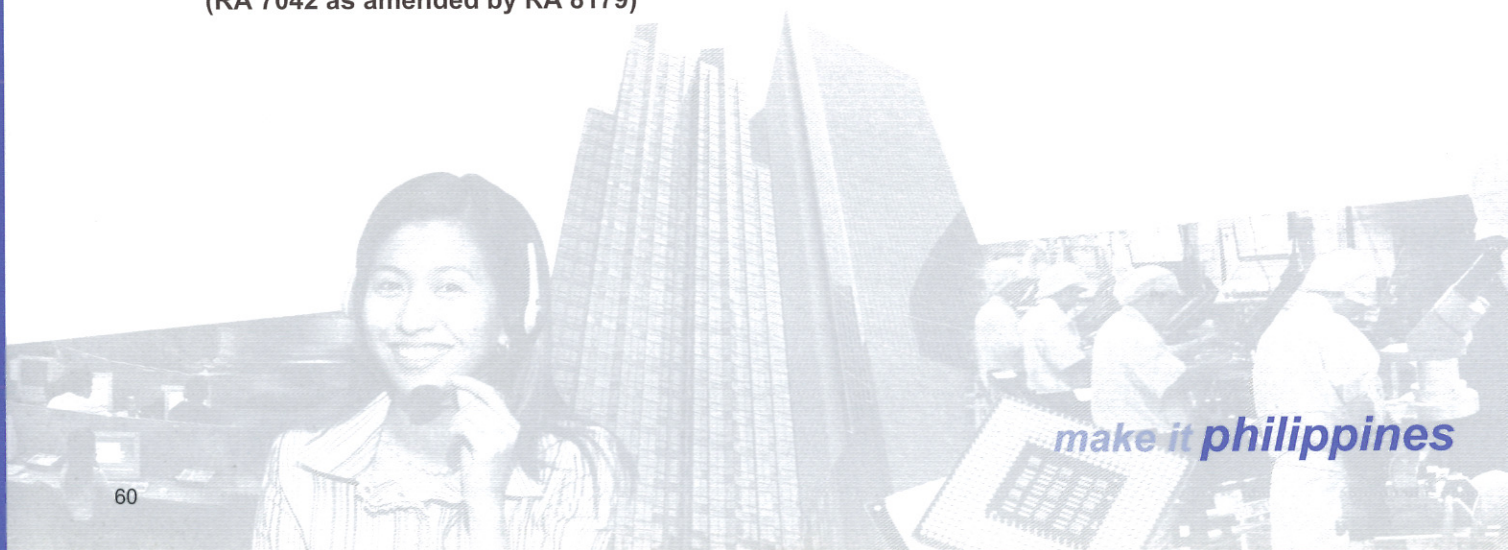
2. Manufacture, repair, storage and/or distribution of products requiring Department of National Defense (DND) clearance:

- Guns and ammunition for warfare
- Military ordinance and parts thereof
(e.g., torpedoes, depth charges, bombs, grenades, missiles)
- Gunnery, bombing and fire control systems and components
- Guided missiles/missile systems and components
- Tactical aircraft (fixed and rotary-winged), parts and components thereof
- Space vehicles and components systems
- Combat vessels (air, land and naval) and auxiliaries
- Weapons repair and maintenance equipment
- Military communications equipment
- Night vision equipment
- Stimulated coherent radiation devices, components and accessories
- Armament training devices
- Others as may be determined by the Secretary of the DND

However, the manufacture or repair of these items may be authorized by the Secretary of the DND to non-Philippine nationals; Provided that a substantial percentage of output, as determined by the said agency is exported. Provided further that the extent of foreign equity ownership allowed shall be specified in the said authority/clearance (RA 7042 as amended by RA 8179)

3. Manufacture and distribution of dangerous drugs
4. Sauna and steam bathhouses, massage clinics and other like activities regulated by law because of risks posed to public health and morals
5. All forms of gambling, e.g. race track operation
6. Domestic market enterprises with paid-in equity capital of less than the equivalent of US\$200,000
7. Domestic market enterprises which involve advanced technology or employ at least fifty (50) direct employees with paid-in-equity capital of less than the equivalent of US\$100,000

(RA 7042 as amended by RA 8179)





BOARD OF INVESTMENTS

Industry & Investments Building

385 Sen. Gil J. Puyat Ave., Makati City, Philippines 1200

Trunklines: (632) 890-9306 • 890-9336

890-1332 • 890-9325

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DEPARTMENT OF
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