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02 May 2022

CUSTOMS MEMORANDUM CIRCULAR
NO. 58-2022

SUBJECT: PHILIPPINE ECONOMIC ZONE AUTHORITY (PEZA)
POLICIES

Attached is the letter dated 11 April 2022 of B/Gen. Charito B. Plaza MNSA PhD, Director General of the Philippine Economic Zone Authority endorsing a copy of the Board Resolution No. 22-052 containing various policies of the Authority.

For your information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.


REY LEONARDO B. GUERRERO

Commissioner



BOC-09-29899

onc No. 58-2022

MASTER COPY
BUREAU OF CUSTOMS
OFFICE OF THE COMMISSIONER
RECEIVED
APR 18 2022
BY: _____ TIME: _____

Internal Admin Group
Received by: VICKY REYES
Date: 04/12/2022
Time: 2:00



Republic of the Philippines
Philippine Economic Zone Authority

11 April 2022

COMMISSIONER REY LEONARDO GUERRERO
Bureau of Customs
G/F OCOM Building, 16th Street,
South Harbor, Port Area Manila

BUREAU OF CUSTOMS
MESSAGE CENTER
RECEIVED
APR 19 2022
BY: HERRY ROSE L. MALATE TIME: 0914



BOC-09-29899

Dear **Commissioner Guerrero**:

We are writing to furnish your kind Office a copy of the PEZA Board Resolution regarding the return to the Work-from-Home (WFH) policy adopted by PEZA prior to the Covid-19 Pandemic with amendments due to the enactment of RA No. 11534, or the CREATE Act, effective 01 April 2022.

As a brief background on this approval, PEZA's WFH scheme for IT/BPO RBEs has been conceptualized and approved by the Board, through BR No. 17-402 dated 11 July 2017, before the enactment of RA No. 11165, or the Telecommuting Act, on 20 December 2018. This 2017 Board approval has set the policy basis for PEZA in approving subsequent similar applications of PEZA IT/BPO RBEs to engage in WFH arrangement.

In relation to the CREATE Act, a sunset provision was provided for the enjoyment of the granted incentives to existing RBEs. Pursuant to the said sunset provision, a registered enterprise shall continue to be entitled to its granted fiscal and non-fiscal incentives prior to the effectivity of the said law. Further, in accord with the intent of the said sunset provision, the terms and conditions for the availment of the incentives shall continue to be covered by the Registration Agreement of the registered enterprise for the said project. Furthermore, the corresponding PEZA policies for the availment of the incentives must be the ones in force during the execution of the Registration Agreement for the said project in order to effectively carry-out the intent of the law in providing for the sunset provision for existing RBEs.

In line with this, may we request once again your unwavering support and assistance in disseminating this issuance to the concerned BOC units/offices.

Thank you very much.

Very truly yours,

BGEN CHARITO B. PLAZA MNSA PhD
Director General

APR 22 2022

Disseminate to all personnel

NOTED
APR 22 2022

PEZA - ITS

1112-2022-00151



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Republic of the Philippines
Philippine Economic Zone Authority

CERTIFICATE OF BOARD RESOLUTION

This is to certify that at the Board Meeting of the Philippine Economic Zone Authority (PEZA) held on **06 April 2022**, during which a quorum was present, the following resolution was approved:

RESOLUTION NO. 22 - 052

WHEREAS, Management presented to the Board the requests for confirmation by the Board of the following:

1. Past Board Work-from-Home (WFH) approvals as a PEZA policy on Registered Business Enterprises (RBEs) during the State of National Emergency due to the Covid-19 Pandemic; and
2. Adoption of the previously approved policy and guidelines on granting WFH arrangement for RBEs not only during the Covid-19 Pandemic period, but already as a regular policy after the lifting of the State of National Calamity in 12 September 2022 for existing RBEs registered prior to the enactment of RA No. 11534, or the CREATE Act, pursuant to the sunset provision in the said law.

WHEREAS, Management informed the Board that the requests involve returning to the WFH policy adopted by PEZA prior to the Covid-19 Pandemic with amendments due to the enactment of the CREATE Act. Further, Management mentioned that PEZA's WFH scheme for IT/BPO RBEs has been conceptualized and approved by the Board, through BR No. 17-402 dated 11 July 2017, before the enactment of RA No. 11165, or the Telecommuting Act, on 20 December 2018.

WHEREAS, The 2017 Board approval has set the policy basis for Management in recommending to the Board and for the Board itself in approving subsequent similar applications of PEZA IT/BPO RBEs to engage in WFH arrangement.

WHEREAS, Management discussed that pursuant to the sunset provision of the CREATE Act, a registered enterprise shall continue to be entitled to its granted fiscal and non-fiscal incentives prior to the effectivity of the said law. Further, Management also mentioned that, pursuant to the intent of the said sunset provision, the terms and conditions for the availment of the incentives shall continue to be covered by the Registration Agreement of the registered enterprise for the said project. Furthermore, Management stated that the corresponding PEZA policies for the availment of the incentives must be the ones in force during the execution of the Registration Agreement for the said project in order to effectively carry-out the intent of the law in providing for the sunset provision for existing RBEs.



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WHEREAS, Management presented the following additional compelling circumstances to show the importance of the WFH set-up as a work arrangement model:

1. The WFH arrangement protected the employees from the Covid-19 Pandemic and effectively helped in reducing the transmission and spread of the Covid-19 virus in the community.
2. Halting abruptly the WFH arrangement would put to waste substantial investments and time poured by the RBEs when they implemented the WFH arrangement at the height of the Covid-19 Pandemic.
3. WFH is consistent with the government's thrust to promote telecommuting as an alternative work arrangement in the private sector.
4. Local and global data show higher productivity and engagement of employees under a WFH set-up resulting to increased performance of the IT/BPO Sector.
5. IT/BPO companies, clients and their employees place high importance on a hybrid/WFH work model.
6. WFH is a response to some current problems that ail the economy such as traffic congestion.

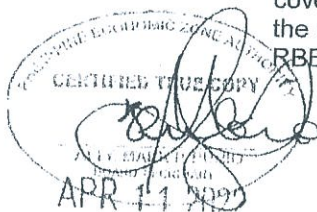
WHEREAS, the country is still under a State of National Emergency due to the Covid-19 Pandemic until 12 September 2022 pursuant to Presidential Proclamation No. 1218 dated 10 September 2021.

WHEREAS, Management deems it proper to adopt as a PEZA policy the WFH arrangement as a form of business continuity plan (BCP) of an RBE due to the existence of a global pandemic.

WHEREAS, after the deliberation on the requests, the Board and Management agreed to adopt the following guidelines on the matter:

1. From 01 April 2022 to 12 September 2022, the WFH arrangement may be granted to all kinds of RBEs, whether registered before or after the effectivity of the CREATE Act, as a BCP measure due to the Covid-19 Pandemic.

From 13 September 2022 and onwards, the WFH arrangement shall then be granted to all kinds of RBEs registered prior to the effectivity of the CREATE Act only, in recognition of the sunset provision of the said law. On the other hand, RBEs registered after the affectivity of the CREATE Act shall be fully covered by the terms and conditions for the availment of the incentives under the said law. Nevertheless, the same WFH policy may be extended to the RBEs registered under the CREATE Act subject to the confirmation by the



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Board of Investments (BOI) through inclusion in the Strategic Investment Priority Plan (SIPP) or any enabling laws and regulations.

2. Pursuant to the sunset provision of the CREATE Act, an RBE shall continue to be entitled to its granted fiscal and non-fiscal incentives prior to the effectivity of the said law. Further, the terms and conditions for the availment of the incentives shall continue to be covered by the Registration Agreement of the RBE with PEZA for the said project. Furthermore, the corresponding PEZA policies for the availment of the incentives shall be the ones in force during the execution of the Registration Agreement for the said project.
3. Management shall issue a WFH Letter of Authority (LOA) on a case-to-case basis.
4. The percentage threshold of the workforce to undergo WFH arrangement should not exceed 30% of the total workforce of an RBE on all its registered sites.
5. If an RBE exceeds the 30% WFH workforce threshold, its entitlement to incentives may be revoked pursuant to the applicable provisions of the CREATE Act.

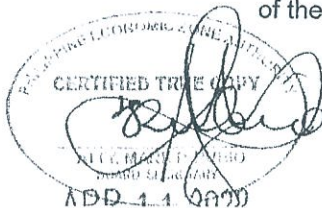
WHEREFORE, AFTER DUE DELIBERATION ON THE ABOVE-CITED PREMISES, the Board hereby resolves to **APPROVE** the requests of Management as follows:

1. The Board hereby **CONFIRMS** the past Board WFH approvals as a PEZA policy on RBEs during the State of National Emergency due to the Covid-19 Pandemic as a BCP measure; and
2. Further confirmed is the adoption of the previously approved policy and guidelines on granting WFH arrangement for RBEs not only during the pandemic, but already as a regular policy after the lifting of the National State of Calamity in 12 September 2022 for existing RBEs registered prior to the enactment of the CREATE Act pursuant to the sunset provision in the said law.

Furthermore, the same WFH policy may be extended to the RBEs registered under the CREATE Act subject to the confirmation by the BOI through inclusion in the SIPP or any enabling laws and regulations.

RESOLVED FURTHER, That in the implementation of this approval, the following guidelines shall be observed:

1. From 01 April 2022 to 12 September 2022, the WFH arrangement may be granted to all kinds of RBEs, whether registered before or after the effectivity of the CREATE Act, as a BCP measure due to the Covid-19 Pandemic.



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From 13 September 2022 and onwards, the WFH arrangement shall then be granted to all kinds of RBEs registered prior to the effectivity of the CREATE Act only, in recognition of the sunset provision of the said law. On the other hand, RBEs registered after the effectivity of the CREATE Act shall be fully covered by the terms and conditions for the availment of the incentives under the said law. Nevertheless, the same WFH policy may be extended to the RBEs registered under the CREATE Act subject to the confirmation by the BOI through inclusion in the SIPP or any enabling laws and regulations.

2. Pursuant to the sunset provision of the CREATE Act, an RBE shall continue to be entitled to its granted fiscal and non-fiscal incentives prior to the effectivity of the said law. Further, the terms and conditions for the availment of the incentives shall continue to be covered by the Registration Agreement of the RBE with PEZA for the said project. Furthermore, the corresponding PEZA policies for the availment of the incentives shall be the ones in force during the execution of the Registration Agreement for the said project.
3. Management shall issue a WFH Letter of Authority (LOA) on a case-to-case basis.
4. The percentage threshold of the workforce to undergo WFH arrangement should not exceed 30% of the total workforce of an RBE on all its registered sites.
5. If an RBE exceeds the 30% WFH workforce threshold, its entitlement to incentives may be revoked pursuant to the applicable provisions of the CREATE Act.

RESOLVED FURTHERMORE, That Management is hereby directed, as it may deem proper, to issue the necessary circular to ensure the proper implementation of this approval.


 ATTY. MARK P. RUBIO
 Board Secretary


 PHILIPPINE ECONOMIC ZONE AUTHORITY
 CERTIFIED TRUE COPY
 ATTY. MARK P. RUBIO
 BOARD SECRETARY
 APR 11 2022