



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF CUSTOMS**

June 07, 2018

**CUSTOMS MEMORANDUM CIRCULAR**  
NO. 113 - 2018

To: All Deputy Commissioners  
All Directors and Division Chiefs  
All District/Port Collectors  
And Others Concerned

**Subject: RA No. 11032/PROMOTING EASE OF DOING BUSINESS**

Attached is a copy of the Republic Act No. 11032 entitled: "**AN ACT PROMOTING EASE OF DOING BUSINESS AND EFFICIENT DELIVERY OF GOVERNMENT SERVICES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9485, OTHERWISE KNOWN AS THE ANTI-RED TAPE ACT OF 2007, AND FOR OTHER PURPOSES.**"

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.

*Jps*  
**ISIDRO S LAPEÑA, PhD, CSEE**  
Commissioner



18-09371

JUN 08 2018

Office of the President  
of the Philippines  
Malacañang



*An Usees, Asecs:  
Items of ATTACHED DOCUMENTS*

MALACAÑANG RECORDS OFFICE

Manila, May 31, 2018

**SECRETARY CARLOS G. DOMINGUEZ III**  
Department of Finance  
Manila

Sir:

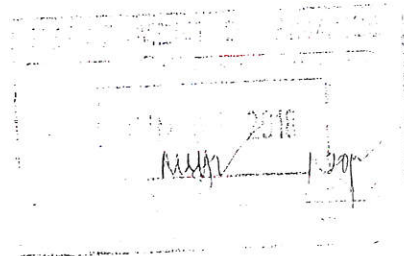
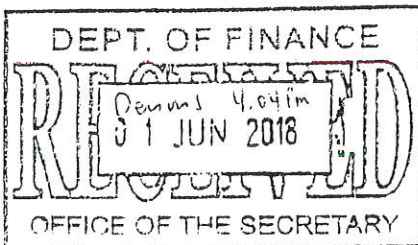
I have the honor to transmit for your information and guidance, a certified copy of Republic Act No. 11032 which was approved on May 28, 2018 entitled "**AN ACT PROMOTING EASE OF DOING BUSINESS AND EFFICIENT DELIVERY OF GOVERNMENT SERVICES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9485, OTHERWISE KNOWN AS THE ANTI-RED TAPE ACT OF 2007, AND FOR OTHER PURPOSES**".

Thank you.

Very truly yours,

**ATTY. CONCEPCION ZENY E. FERROLINO-ENAD**  
Director IV

*5-31-2018*



S. No. 1311  
H. No. 6579

Republic of the Philippines  
Congress of the Philippines

Metro Manila

Seventeenth Congress

Second Regular Session

Begun and held in Metro Manila, on Monday, the twenty-fourth day of July, two thousand seventeen.

[ REPUBLIC ACT NO. 11032 ]

AN ACT PROMOTING EASE OF DOING BUSINESS AND EFFICIENT DELIVERY OF GOVERNMENT SERVICES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9485, OTHERWISE KNOWN AS THE ANTI-RED TAPE ACT OF 2007, AND FOR OTHER PURPOSES

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

SECTION 1. Section 1 of Republic Act No. 9485, otherwise known as the "Anti-Red Tape Act of 2007", is hereby amended to read as follows:

"SECTION 1. *Short Title.* - This Act shall be known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018."

SEC. 2. Section 2 of the same Act is hereby amended to read as follows:

"SEC. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to promote integrity, accountability, proper management of public affairs and public property as well as to establish effective practices, aimed at efficient turnaround of the delivery of government services and the prevention of graft and corruption in government. Towards this end, the State shall maintain honesty and responsibility among its public officials and employees, and shall take appropriate measures to promote transparency in each agency with regard to the manner of transacting with the public, which shall encompass a program for the adoption of simplified requirements and procedures that will reduce red tape and expedite business and nonbusiness related transactions in government."

SEC. 3. Section 3 of the same Act is hereby amended to read as follows:

"SEC. 3. *Coverage.* - This Act shall apply to all government offices and agencies including local government units (LGUs), government-owned or -controlled corporations and other government instrumentalities, whether located in the Philippines or abroad, that provide services covering business and nonbusiness related transactions as defined in this Act."

SEC. 4. Section 4 of the same Act is hereby amended to read as follows:

"SEC. 4. *Definition of Terms.* - As used in this Act, the following terms are defined as follows:

"(a) *Action* refers to the written approval or disapproval made by a government office or agency on the application or request submitted by an applicant or requesting party for processing;

"(b) *Business One Stop Shop (BOSS)* - a single common site or location, or a single online website

or portal designated for the Business Permit and Licensing System (BPLS) of an LGU to receive and process applications, receive payments, and issue approved licenses, clearances, permits, or authorizations;

"(c) *Business-related transactions* - a set of regulatory requirements that a business entity must comply with to engage, operate or continue to operate a business, such as, but not limited to, collection or preparation of a number of documents, submission to national and local government authorities, approval of application submitted, and receipt of a formal certificate or certificates, permits, licenses which include primary and secondary, clearances and such similar authorization or documents which confer eligibility to operate or continue to operate as a legitimate business;

"(d) *Complex transactions* - applications or requests submitted by applicants or requesting parties of a government office which necessitate evaluation in the resolution of complicated issues by an officer or employee of said government office, such transactions to be determined by the office concerned;

"(e) *Fixer* - any individual whether or not officially involved in the operation of a government office or agency who has access to people working therein, and whether or not in collusion with them, facilitates speedy completion of transactions for pecuniary gain or any other advantage or consideration;

"(f) *Government service* - the process or transaction between applicants or requesting parties and government offices or agencies involving applications for any privilege, right, reward, license, clearance, permit or authorization, concession, or for any modification, renewal or extension of the enumerated applications or requests which are acted

upon in the ordinary course of business of the agency or office concerned;

"(g) *Highly technical application* - an application which requires the use of technical knowledge, specialized skills and/or training in the processing and/or evaluation thereof;

"(h) *Nonbusiness transactions* - all other government transactions not falling under Section 4 (c) of this Act;

"(i) *Officer or employee* - a person employed in a government office or agency required to perform specific duties and responsibilities related to the application or request submitted by an applicant or requesting party for processing;

"(j) *Processing time* - the time consumed by an LGU or national government agency (NGA) from the receipt of an application or request with complete requirements, accompanying documents and payment of fees to the issuance of certification or such similar documents approving or disapproving an application or request;

"(k) *Red tape* - any regulation, rule, or administrative procedure or system that is ineffective or detrimental in achieving its intended objectives and, as a result, produces slow, suboptimal, and undesirable social outcomes;

"(l) *Regulation* - any legal instrument that gives effect to a government policy intervention and includes licensing, imposing information obligation, compliance to standards or payment of any form of fee, levy, charge or any other statutory and regulatory requirements necessary to carry out activity; and

"(m) *Simple transactions* - applications or requests submitted by applicants or requesting parties of a government office or agency which only require ministerial actions on the part of the public officer or employee, or that which present only inconsequential issues for the resolution by an officer or employee of said government office."

SEC. 5. Section 5 of the same Act is hereby amended to read as follows:

"SEC. 5. *Reengineering of Systems and Procedures*. - All offices and agencies which provide government services are hereby mandated to regularly undertake cost compliance analysis, time and motion studies, undergo evaluation and improvement of their transaction systems and procedures and reengineer the same if deemed necessary to reduce bureaucratic red tape and processing time.

"The Anti-Red Tape Authority, created in this Act, shall coordinate with all government offices covered under Section 3 of this Act in the review of existing laws, executive issuances and local ordinances, and recommend the repeal of the same if deemed outdated, redundant, and adds undue regulatory burden to the transacting public.

"All proposed regulations of government agencies under Section 3 of this Act shall undergo regulatory impact assessment to establish if the proposed regulation does not add undue regulatory burden and cost to these agencies and the applicants or requesting parties: *Provided*, That when necessary, any proposed regulation may undergo pilot implementation to assess regulatory impact.

"Upon effectivity of this Act, all LGUs and NGAs are directed to initiate review of existing policies and operations and commence with the

reengineering of their systems and procedures in compliance with the provisions of this Act, pending the approval of the implementing rules and regulations (IRR) thereof.

SEC. 6. Section 6 of the same Act is hereby amended to read as follows:

"SEC. 6. *Citizen's Charter*. -- All government agencies including departments, bureaus, offices, instrumentalities, or government-owned and/or -controlled corporations, or LGUs shall set up their respective most current and updated service standards to be known as the Citizen's Charter in the form of information billboards which shall be posted at the main entrance of offices or at the most conspicuous place, in their respective websites and in the form of published materials written either in English, Filipino, or in the local dialect, that detail:

- "(a) A comprehensive and uniform checklist of requirements for each type of application or request;
- "(b) The procedure to obtain a particular service;
- "(c) The person/s responsible for each step;
- "(d) The maximum time to conclude the process;
- "(e) The document/s to be presented by the applicant or requesting party, if necessary;
- "(f) The amount of fees, if necessary; and
- "(g) The procedure for filing complaints."

SEC. 7. A new Section 7 is hereby inserted after Section 6 of the same Act to read as follows:

SEC. 7. *Zero-Contact Policy*. -- Except during the preliminary assessment of the request and evaluation of sufficiency of submitted requirements, no government officer or employee shall have any contact, in any manner, unless strictly necessary with any applicant or requesting party concerning an application or request. Once the Department of Information and Communications Technology (DICT) has completed a web-based software enabled business registration system that is acceptable to the public as mandated under Section 26 of this Act, all transactions shall be coursed through such system. All government agencies including LGUs shall adopt a zero-contact policy."

SEC. 8. Section 7 of the same Act is hereby renumbered as Section 8 to read as follows:

"SEC. 8. *Accountability of Heads of Offices and Agencies*. -- The head of the office or agency shall be primarily responsible for the implementation of this Act and shall be held accountable to the public in rendering fast, efficient, convenient and reliable service. All transactions and processes are deemed to have been made with the permission or clearance from the highest authority having jurisdiction over the government office or agency concerned."

SEC. 9. Section 8 of the same Act is hereby amended and renumbered as Section 9 to read as follows:

"SEC. 9. *Accessing Government Services*. -- The following shall be adopted by all government offices and agencies:

"(a) Acceptance of Applications or Requests. --

"(1) All officers or employees shall accept written applications, requests, and/or documents being submitted by applicants or requesting parties of the offices or agencies.

"(2) The receiving officer or employee shall perform a preliminary assessment of the application or request submitted with its supporting documents to ensure a more expeditious action on the application or request. The receiving officer or employee shall immediately inform the applicant or requesting party of any deficiency in the accompanying requirements, which shall be limited to those enumerated in the Citizen's Charter.

"(3) The receiving officer or employee shall assign a unique identification number to an application or request, which shall be the identifying number for all subsequent transactions between the government and the applicant or requesting party regarding such specific application or request.

"(4) The receiving officer or employee shall issue an acknowledgement receipt containing the seal of the agency, the name of the responsible officer or employee, his/her unit and designation, and the date and time of receipt of such application or request.

"(b) Action of Offices. -

"(1) All applications or requests submitted shall be acted upon by the assigned officer or employee within the prescribed processing time stated in the Citizen's Charter which shall not be longer than three (3) working days in the case of simple transactions and seven (7) working days in the case of complex transactions from the date the request and/or complete application or request was received.

"For applications or requests involving activities which pose danger to public health, public safety, public morals, public policy, and highly technical application, the prescribed processing time shall in no case be longer than twenty (20) working days or as determined by the government agency or instrumentality concerned, whichever is shorter.

"The maximum time prescribed above may be extended only once for the same number of days, which shall be indicated in the Citizen's Charter. Prior to the lapse of the processing time, the office or agency concerned shall notify the applicant or requesting party in writing of the reason for the extension and final date of release of the government service/s requested. Such written notification shall be signed by the applicant or requesting party to serve as proof of notice.

"If the application or request for license, clearance, permit, certification or authorization shall require the approval of the local *Sangguniang Bayan*, *Sangguniang Panlungsod*, or the *Sangguniang Patalawigan* as the case may be, the *Sanggunian* concerned shall be given a period of forty-five (45) working days to act on the application or request, which can be extended for another twenty (20) working days. If the local *Sanggunian* concerned has denied the application or request, the reason for the denial, as well as the remedial measures that may be taken by the applicant shall be cited by the concerned *Sanggunian*.

"In cases where the cause of delay is due to *force majeure* or natural or man-made disasters, which result to damage or destruction of documents, and/or system failure of the computerized or automatic processing, the prescribed processing times mandated in this Act shall be suspended and appropriate adjustments shall be made.

"(2) No application or request shall be returned to the applicant or requesting party without appropriate action. In case an application or request is disapproved, the officer or employee who rendered the decision shall send a formal notice to the applicant or requesting party within the prescribed processing time, stating therein the reason for the disapproval. A finding by a competent authority of

10  
a violation of any or other laws by the applicant or requesting party shall constitute a valid ground for the disapproval of the application or request, without prejudice to other grounds provided in this Act or other pertinent laws.

"(c) Denial of Application or Request for Access to Government Service. - Any denial of application or request for access to government service shall be fully explained in writing, stating the name of the person making the denial and the grounds upon which such denial is based. Any denial of application or request is deemed to have been made with the permission or clearance from the highest authority having jurisdiction over the government office or agency concerned.

"(d) Limitation of Signatories. - The number of signatories in any document shall be limited to a maximum of three (3) signatories which shall represent officers directly supervising the office or agency concerned: *Provided*, That in case the authorized signatory is on official business or official leave, an alternate shall be designated as signatory. Electronic signatures or pre-signed license, clearance, permit, certification or authorization with adequate security and control mechanism may be used.

"(e) Electronic Versions of Licenses, Clearances, Permits, Certifications or Authorizations. - All government agencies covered under Section 3 of this Act shall, when applicable, develop electronic versions of licenses, clearances, permits, certifications or authorizations with the same level of authority as that of the signed hard copy, which may be printed by the applicants or requesting parties in the convenience of their offices.

"(f) Adoption of Working Schedules to Serve Applicants or Requesting Parties. - Heads of offices and agencies which render government services shall

11  
adopt appropriate working schedules to ensure that all applicants or requesting parties who are within their premises prior to the end of official working hours are attended to and served even during lunch break and after regular working hours.

"(g) Identification Card. - All employees transacting with the public shall be provided with an official identification card which shall be visibly worn during office hours.

"(h) Establishment of Public Assistance/ Complaints Desk. - Each office or agency shall establish a public assistance/complaints desk in all their offices."

SEC. 10. Section 9 of the same Act is hereby amended and renumbered as Section 10 to read as follows:

"SEC. 10. *Automatic Approval or Automatic Extension of License, Clearance, Permit, Certification or Authorization.* - If a government office or agency fails to approve or disapprove an original application or request for issuance of license, clearance, permit, certification or authorization within the prescribed processing time, said application or request shall be deemed approved: *Provided*, That all required documents have been submitted and all required fees and charges have been paid. The acknowledgement receipt together with the official receipt for payment of all required fees issued to the applicant or requesting party shall be enough proof or has the same force and effect of a license, clearance, permit, certification or authorization under this automatic approval mechanism.

"If a government office or agency fails to act on an application or request for renewal of a license, clearance, permit, certification or authorization subject for renewal within the prescribed processing time, said license, clearance, permit, certification or



authorization shall automatically be extended: *Provided*, That the Authority, in coordination with the Civil Service Commission (CSC), Department of Trade and Industry (DTI), Securities and Exchange Commission (SEC), Department of the Interior and Local Government (DILG) and other agencies which shall formulate the IRR of this Act, shall provide a listing of simple, complex, highly technical applications, and activities which pose danger to public health, public safety, public morals or to public policy."

SEC. 11. New sections to be numbered as Sections 11, 12, 13, 14, 15, 16, 17, 18 and 19 are hereby inserted after Section 9 of the same Act, to read as follows:

"SEC. 11. *Streamlined Procedures for the Issuance of Local Business Licenses, Clearances, Permits, Certifications or Authorizations.* - The LGUs are mandated to implement the following revised guidelines in the issuance of business licenses, clearances, permits, certifications or authorizations:

"(a) A single or unified business application form shall be used in processing new applications for business permits and business renewals which consolidates all the information of the applicant or requesting party by various local government departments, such as, but not limited to, the local taxes and clearances, building clearance, sanitary permit, zoning clearance, and other specific LGU requirements, as the case may be, including the fire clearance from the Bureau of Fire Protection (BFP). The unified form shall be made available online using technology-neutral platforms such as, but not limited to, the central business portal or the city/municipality's website and various channels for dissemination. Hard copies of the unified forms shall likewise be made available at all times in designated areas of the concerned office and/or agency.

"(b) A one-stop business facilitation service, hereinafter referred to as the business one stop shop, (BOSS) for the city/municipality's business permitting and licensing system to receive and process manual and/or electronic submission of application for license, clearance, permit, certification or authorization shall be established within the cities/municipalities' *Negosyo Center* as provided for under Republic Act No. 10644, otherwise known as the "Go Negosyo Act". There shall be a queuing mechanism in the BOSS to better manage the flow of applications among the LGUs' departments receiving and processing applications. LGUs shall implement colocation of the offices of the treasury, business permits and licensing office, zoning office, including the BFP, and other relevant city/municipality offices/ departments, among others, engaged in starting a business, dealing with construction permits.

"(c) Cities/Municipalities are mandated to automate their business permitting and licensing system or set up an electronic BOSS within a period of three (3) years upon the effectivity of this Act for a more efficient business registration processes. Cities/Municipalities with electronic BOSS shall develop electronic versions of licenses, clearances, permits, certifications or authorizations with the same level of authority, which may be printed by businesses in the convenience of their offices. The DICT shall make available to LGUs the software for the computerization of the business permit and licensing system. The DICT, DTI, and DILG, shall provide technical assistance in the planning and implementation of a computerized or software-enabled business permitting and licensing system.

"(d) To lessen the transaction requirements, other local clearances such as, but not limited to, sanitary permits, environmental and agricultural clearances shall be issued together with the business permit.

"(e) Business permits shall be valid for a period of one (1) year. The city/municipality may have the option to renew business permits within the first month of the year or on the anniversary date of the issuance of the business permit.

"(f) Barangay clearances and permits related to doing business shall be applied, issued, and collected at the city/municipality in accordance with the prescribed processing time of this Act. *Provided*, That the share in the collections shall be remitted to the respective barangays.

"The pertinent provisions of Republic Act No. 7160, otherwise known as "The Local Government Code of 1991", specifically Article IV, Section 152(c) is hereby amended accordingly."

"SEC. 12. *Streamlined Procedures for Securing Fire Safety Evaluation Clearance (FSEC), Fire Safety Inspection Certificate (FSIC), and Certification of Fire Incidents for Fire Insurance.* - For the issuance of FSEC, FSIC, and certification of fire incidents, the following shall be adopted to make business permitting more efficient:

"(a) Issuance of FSEC and FSIC shall in no case be longer than seven (7) working days;

"(b) For new business permit application, the FSIC already issued during the occupancy permit stage shall be sufficient as basis for the issuance of the FSIC for a business entity as a requirement for the business permit;

"(c) For renewal of business permit, the BFP shall, within three (3) working days from application, present the FSIC to the city/municipality, either thru the copy of the FSIC or the negative/positive list. *Provided*, That the business entity shall inform the BFP and submit the necessary documentary

requirements if renovations, modifications or any form of alterations are made to the original building structure thirty (30) working days before the expiration of the business permit:

"(d) If the BFP fails to furnish the city/municipality with an FSIC or to inform the same through the negative/positive list within three (3) working days from the application of business renewal, the business entity shall be deemed to have a temporary valid FSIC and, therefore, shall serve as the basis for the automatic renewal of the business permit;

"(e) Issuance of the certification of fire incident for fire insurance purposes shall in no case be longer than twenty (20) working days, and may be extended only once for another twenty (20) working days;

"(f) The BFP or any of its officials or employees shall not sell, offer to sell, or recommend specific brands of fire extinguishers and other fire safety equipment to any applicant or requesting party or business entity. Any violation thereof shall be punishable by imprisonment of one (1) year to six (6) years and a penalty of not less than Five hundred thousand pesos (P500,000.00), but not more than Two million pesos (P2,000,000.00);

"(g) The BFP shall collocate with the BOSS or in an appropriate area designated by the city/municipality within its premises to assess and collect the fire safety inspection fees;

"(h) The BFP may enter into agreements with cities/municipalities, allowing the latter to be deputized as assessors and/or collecting agents for the fire safety inspection fees; and

"(i) The BFP shall develop and adopt an online or electronic mechanism in assessing fees, collecting/

accepting payments and sharing/exchange of other relevant data on business permit processing.

"The pertinent provisions of Republic Act No. 9514, otherwise known as the "Revised Fire Code of the Philippines of 2008", are hereby amended accordingly."

"SEC. 13. *Central Business Portal (CBP)*. - To eliminate bureaucratic red tape, avert graft and corrupt practices and to promote transparency and sustain ease of doing business, the DICT shall be primarily responsible in establishing, operating and maintaining a CBP or other similar technology, as the DICT may prescribe.

"The CBP shall serve as a central system to receive applications and capture application data involving business-related transactions, including primary and secondary licenses, and business clearances, permits, certifications or authorizations issued by the LGUs: *Provided*, That the CBP may also provide links to the online registration or application systems established by NGAs.

"The DICT, upon consultation with the National Privacy Commission (NPC), NGAs and LGUs shall issue rules and guidelines on the following: (a) the establishment, operation and maintenance of the CBP; and (b) the use of electronic signatures.

"The DICT is hereby mandated to implement an Interconnectivity Infrastructure Development Program for interconnectivity between and among NGAs and LGUs.

"The DICT, in coordination with other concerned NGAs and LGUs, shall also conduct information dissemination campaigns aimed towards raising public awareness on the existence of the CBP

and the improved access to and effective utilization of the program."

"SEC. 14. *Philippine Business Databank (PBD)*. - Within a period of one (1) year from the effectivity of this Act, the DICT, in coordination with the concerned agencies, shall establish, manage and maintain a PBD which shall provide the concerned NGAs and LGUs access to data and information of registered business entities for purposes of verifying the validity, existence of and other relevant information pertaining to business entities. All concerned NGAs and LGUs shall either link their own database with the system or periodically submit to the system updates relevant to the information registered with them.

"The DICT, in consultation with the DTI, SEC, Cooperative Development Authority (CDA), NPC, DILG, LGUs, and other concerned agencies, shall issue the IRR on the development, management, operation and maintenance of the PBD within three (3) months from the effectivity of this Act.

"Documents already submitted by an applicant or requesting party to an agency which has access to the PBD shall no longer be required by other NGAs and LGUs having the same access. Documents or information shall be crosschecked and retrieved in the PBD.

"At the local government level, the city or municipal business process and licensing office shall not require the same documents already provided by an applicant or requesting party to the local government departments in connection with other business-related licenses, clearances, permits, certifications or authorizations such as, but not limited to, tax clearance, occupancy permit and barangay clearance."

18

"SEC. 15. *Interconnectivity Infrastructure Development.* - In order to expedite the processing of licenses, clearances, permits, certifications or authorizations, the Authority, together with the DICT, shall develop a fast and reliable interconnectivity infrastructure. In relation to this, the processing and approval of licenses, clearances, permits, certifications or authorizations for the installation and operation of telecommunication, broadcast towers, facilities, equipment and service shall be:

"(a) a total of seven (7) working days for those issued by the barangay;

"(b) a total of seven (7) working days for those issued by LGUs; and

"(c) seven (7) working days for those issued by NGAs.

"If the granting authority fails to approve or disapprove an application for a license, clearance, permit, certification or authorization within the prescribed processing time, said application shall be deemed approved: *Provided*, That when the approval of the appropriate local legislative body is necessary, a nonextendible period of twenty (20) working days is hereby prescribed.

"For homeowners and other community clearances, the officers of the homeowners association shall be given ten (10) working days to refer the application to the members of the association pursuant to Section 10(k) of Republic Act No. 9904, otherwise known as the "Magna Carta for Homeowners and Homeowners Associations": *Provided*, That a nonextendible period of thirty (30) working days is granted the homeowners association to give its consent or disapproval: *Provided, further*,

19

That in case of disapproval, the granting authority shall notify the applicant or requesting party within the prescribed period of the reason/s for disapproval as well as remedial measures that may be taken by the applicant or requesting party.

"Within three (3) months upon the approval of the IRR of this Act, the Authority, in coordination with the DICT, shall review and recommend the repeal of outdated, redundant and unnecessary licenses, clearances, permits, certifications or authorizations being required by NGAs, LGUs, and private entities."

"SEC. 16. *Anti-Red Tape Unit in the Civil Service Commission (CSC).* - The CSC shall maintain an anti-red tape unit in its central and all its regional offices, utilize Report Card Survey findings for purposive and integrated government-wide human resource systems and programs toward efficient delivery of government service as contemplated in this Act, and receive, review, hear, and decide on complaints on erring government employees and officials and noncompliance with the provisions of this Act."

"SEC. 17. *Anti-Red Tape Authority.* - To ensure the attainment of the objectives of this Act, there is hereby created the Anti-Red Tape Authority, herein referred to as the Authority, which shall be organized within six (6) months after the effectivity of this Act. The Authority shall be attached to the Office of the President.

"The Authority shall have the following powers and functions:

"(a) Implement and oversee a national policy on anti-red tape and ease of doing business;

"(b) Implement various ease of doing business and anti-red tape reform initiatives aimed at improving the ranking of the Philippines;

"(c) Monitor and evaluate the compliance of agencies covered under Section 3 of this Act, and issue notice of warning to erring and/or noncomplying government employees or officials;

"(d) Initiate investigation, *motu proprio* or upon receipt of a complaint, refer the same to the appropriate agency, or file cases for violations of this Act;

"(e) Assist complainants in filing necessary cases with the CSC, the Ombudsman and other appropriate courts, as the case may be;

"(f) Recommend policies, processes and systems to improve regulatory management to increase the productivity, efficiency, and effectiveness of business permitting and licensing agencies;

"(g) Review proposed major regulations of government agencies, using submitted regulatory impact assessments, subject to proportionality rules to be determined by the Authority;

"(h) Conduct regulatory management training programs to capacitate NGAs and LGUs to comply with sound regulatory management practices;

"(i) Prepare, in consultation with the appropriate agencies, regulatory management manuals for all government agencies and/or instrumentalities and LGUs;

"(j) Provide technical assistance and advisory opinions in the review of proposed national or local legislation, regulations or procedures;

"(k) Ensure the dissemination of and public access to information on regulatory management system and changes in laws and regulations relevant to the public by establishing the Philippine Business Regulations Information System;

"(l) Enlist the assistance of the CSC, DTF and other government agencies in the implementation of its powers and functions provided for in this Act; and

"(m) Perform such acts as may be necessary to attain the objectives of this Act."

"SEC. 18. *Composition of the Authority.* - The Authority shall be headed by a Director General to be appointed by the President of the Philippines upon effectivity of this Act, and such appointment shall be coterminous with the tenure of the President of the Philippines. The Director General shall enjoy the benefits, privileges, and emoluments equivalent to the rank of Secretary.

"The Director General shall oversee the day-to-day operations of the Authority. He/She shall be assisted by three (3) Deputy Directors (general each for legal, operations, and administration and finance. *Provided*, That they are career officials as defined in existing laws, rules and regulations. The Deputy Directors General shall enjoy the benefits, privileges, and emoluments equivalent to the rank of Undersecretary and shall likewise be appointed by the President of the Philippines.

"The Director General of the Authority, in consultation with the CSC, DTF and the Department of Budget and Management (DBM), shall determine the organizational structures including regional or field offices, qualification standards, staffing pattern and compensation of the newly created Authority in accordance with existing laws, rules and regulations:

Provided, That in the absence of regional or field offices, the Authority may deputize the regional personnel of the DTI to perform its powers and functions."

"SEC. 19. *Ease of Doing Business and Anti-Red Tape Advisory Council.* - There is hereby created an Ease of Doing Business and Anti-Red Tape Advisory Council, herein referred to as the Council. It shall be composed of the Secretary of the DTI as Chairperson, the Director General of the Authority as Vice-Chairperson, the Secretaries of the DICT, DILG and Department of Finance (DOF), and two (2) representatives from the private sector as members. The department secretaries may designate their representatives, who shall sit in a permanent capacity, with no less than Undersecretary in rank, and their acts shall be considered the acts of their principals. The private sector representatives shall be appointed by the President of the Philippines for a term of three (3) years, and may be reappointed only once, from the nominees submitted by reputable business groups or associations.

"The Council shall be the policy and advisory body to the Authority. The Council shall formulate policies and programs that will continuously enhance and improve the country's competitiveness and ease of doing business. Towards this end, the Council shall have the following powers and functions:

"(a) Plan, draft and propose a national policy on ease of doing business and anti-red tape;

"(b) Recommend policies, processes and systems to improve regulatory management to increase the productivity, efficiency, and effectiveness of permitting and licensing agencies;

"(c) Design and identify systems that will continuously enhance and improve the delivery of

services in government and ease of doing business in the country;

"(d) Authorize the creation or appointment of specific working groups or task forces in aid of the implementation of this Act;

"(e) Propose legislation, amendments or modifications to Philippine laws related to anti-red tape and ease of doing business;

"(f) Periodically review and assess the country's competitiveness performance, challenges, and issues;

"(g) Provide technical assistance and advisory opinions in the review of proposed national or local legislation, regulations, or procedures;

"(h) Recommend to the Authority the issuance of the appropriate measures to promote transparency and efficiency in business practices and delivery of services in government; and

"(i) Perform such other functions as may be necessary or as may be directed by the President of the Philippines for the successful implementation to attain the objectives of this Act.

"The Authority shall serve as Secretariat to the Council to be headed by its Deputy Director General for operations.

"The National Competitiveness Council (NCC), created under Executive Order No. 41, Series of 2011, shall be renamed and reorganized as the Council. The pertinent provisions under the following presidential orders: Executive Order No. 571, Executive Order No. 44, and Administrative Order No. 38 are hereby repealed accordingly."

SEC. 12. Section 10 of the same Act is hereby amended and renumbered as Section 20 to read as follows:

"SEC. 20. *Report Card Survey.* - All offices and agencies providing government services shall be subjected to a Report Card Survey to be initiated by the Authority, in coordination with the CSC, and the Philippine Statistics Authority (PSA), which shall be used to obtain feedback on how provisions in the Citizen's Charter and the provisions of this Act are being followed and how the agency is performing.

"The Report Card Survey shall also be used to obtain information and/or estimates of hidden costs incurred by applicants or requesting parties to access government services which may include, but is not limited to, bribes and payment to fixers. The result of the survey shall also become basis for the grant of awards, recognition and/or incentives for excellent delivery of services in all government agencies.

"A feedback mechanism shall be established in all agencies covered by this Act and the results thereof shall be incorporated in their annual report."

SEC. 13. Sections 11 and 12 of the same Act are hereby deleted, and replaced with new sections to be numbered as Sections 21 and 22, to read as follows:

"SEC. 21. *Violations and Persons Liable.* - Any person who performs or cause the performance of the following acts shall be liable:

"(a) Refusal to accept application or request with complete requirements being submitted by an applicant or requesting party without due cause;

"(b) Imposition of additional requirements other than those listed in the Citizen's Charter;

"(c) Imposition of additional costs not reflected in the Citizen's Charter;

"(d) Failure to give the applicant or requesting party a written notice on the disapproval of an application or request;

"(e) Failure to render government services within the prescribed processing time on any application or request without due cause;

"(f) Failure to attend to applicants or requesting parties who are within the premises of the office or agency concerned prior to the end of official working hours and during lunch break;

"(g) Failure or refusal to issue official receipts; and

"(h) Fixing and/or collusion with fixers in consideration of economic and/or other gain or advantage."

"SEC. 22. *Penalties and Liabilities.* - Any violations of the preceding actions will warrant the following penalties and liabilities.

"(a) First Offense: Administrative liability with six (6) months suspension: *Provided, however,* That in the case of fixing and/or collusion with fixers under Section 21(h), the penalty and liability under Section 22(b) of this Act shall apply.

"(b) Second Offense: Administrative liability and criminal liability of dismissal from the service, perpetual disqualification from holding public office and forfeiture of retirement benefits and imprisonment of one (1) year to six (6) years with a fine of not less than Five hundred thousand pesos (P500,000.00), but not more than Two million pesos (P2,000,000.00).

"Criminal liability shall also be incurred through the commission of bribery, extortion, or when the violation was done deliberately and maliciously to solicit favor in cash or in kind. In such cases, the pertinent provisions of the Revised Penal Code and other special laws shall apply."

SEC. 14. Section 13 of the same Act is hereby renumbered as Section 23 to read as follows:

"SEC. 23. *Civil and Criminal Liability, Not Barred.* - The finding of administrative liability under this Act shall not be a bar to the filing of criminal, civil or other related charges under existing laws arising from the same act or omission as herein enumerated."

SEC. 15. Section 14 of the same Act is hereby amended and renumbered as Section 24 to read as follows:

"SEC. 24. *Administrative Jurisdiction.* - The administrative jurisdiction on any violation of the provisions of this Act shall be vested in either the CSC, or the Office of the Ombudsman as determined by appropriate laws and issuances."

SEC. 16. Section 15 of the same Act is hereby renumbered as Section 25, and all succeeding sections of the same Act are hereby deleted.

"SEC. 25. *Immunity; Discharge of Co-Respondent/ Accused to be a Witness.* - Any public official or employee or any person having been charged with another offense under this Act and who voluntarily gives information pertaining to an investigation or who willingly testifies therefore, shall be exempt from prosecution in the case/s where his/her information and testimony are given. The discharge may be granted and directed by the investigating body or court upon the application or petition of any of the

respondent/accused-informant and before the termination of the investigation: *Provided, That:*

"(a) There is absolute necessity for the testimony of the respondent/accused-informant whose discharge is requested;

"(b) There is no other direct evidence available for the proper prosecution of the offense committed, except the testimony of said respondent/accused-informant;

"(c) The testimony of said respondent/accused-informant can be substantially corroborated in its material points;

"(d) The respondent/accused-informant has not been previously convicted of a crime involving moral turpitude; and

"(e) Said respondent/accused-informant does not appear to be the most guilty.

"Evidence adduced in support of the discharge shall automatically form part of the records of the investigation. Should the investigating body or court deny the motion or request for discharge as a witness, his/her sworn statement shall be inadmissible as evidence."

SEC. 17. New sections to be numbered as Sections 26, 27, 28, 29, 30, 31, 32 and 33 are hereby inserted after Section 15 of the same Act to read as follows:

"SEC. 26. *Transition from Manual to Software-Enabled Business-Related Transactions.* - The DICT, in coordination with other concerned agencies, shall within three (3) years after the effectivity of this Act, automate business-related transactions by developing the necessary software and technology-neutral platforms and secure infrastructure that is web-based and accessible to the public. The DICT



shall ensure that all municipalities and provinces classified as third (3<sup>rd</sup>), fourth (4<sup>th</sup>), fifth (5<sup>th</sup>) and sixth (6<sup>th</sup>) class are provided with appropriate equipment and connectivity, information and communications technology platform, training and capability building to ensure the LGUs compliance with this Act.”

“SEC. 27. *Transitory Provisions.* -

“(a) The Director General of the Authority, in consultation with the DTI, shall determine the organizational structure and personnel complement of the Authority. To ensure continued implementation of ease of doing business and anti-red tape reforms, the teams or units involved in regulatory improvement and/or ease of doing business-related programs of the DTI-Competitiveness Bureau shall serve as temporary secretariat of the Authority until such time that its organizational structure and personnel complement have been determined and filled up: *Provided*, That the staff of the DTI-Competitiveness Bureau shall have the option to be absorbed or transferred laterally to the Authority without diminution of their rank, position, salaries and other emoluments once the staffing pattern and plantilla position of the Authority has been approved.

“(b) All regulatory management programs and anti-red tape initiatives across government agencies shall be gathered by the Authority. The DTI, CDA, NCC, DOF, Development Academy of the Philippines (DAP), and National Economic and Development Authority (NEDA) shall submit to the Authority a report on the status of their respective projects related to regulatory management.

“(c) The Authority, in coordination with CSC and the Council, shall conduct an information dissemination campaign in all NGAs and LGUs to

inform them of this Act amending Republic Act No. 9485, otherwise known as the Anti-Red Tape Act of 2007.”

“SEC. 28. *Congressional Oversight Committee.* - To monitor the implementation of this Act, there shall be created a Congressional Oversight Committee on Ease of Doing Business (COC-EODB), which shall be composed of five (5) members from the Senate, which shall include the Chairpersons of the Senate Committees on Trade and Commerce and Entrepreneurship, Civil Service, Government Reorganization and Professional Regulation, and Economic Affairs; and five (5) members from the House of Representatives which shall include the Chairpersons of the House Committees on Trade and Industry, Civil Service and Professional Regulation, Government Reorganization, and Economic Affairs. The COC-EODB shall be jointly chaired by the Chairpersons of the Senate Committee on Trade and Commerce and Entrepreneurship and the House of Representatives Committee on Trade and Industry: *Provided*, That the oversight committee shall cease to exist after five (5) years upon the effectivity of this Act

“The Secretariat of the COC-EODB shall be drawn from the existing personnel of the Senate and House of Representatives committees comprising the COC-EODB.”

“SEC. 29. *Appropriations.* - The amount necessary to carry out the provisions of this Act shall be charged against the current year's appropriations of the concerned agencies. In addition, the amount of Three hundred million pesos (P300,000,000.00) as initial funding for the Authority to be charged against the unexpended Contingency Fund of the Office of the President is hereby appropriated. Thereafter, the amount needed for the

implementation of this Act shall be included in the annual General Appropriations Act."

"SEC. 30. *Implementing Rules and Regulations.* - The Authority with the CSC and DTI, and in coordination with the DICT, DOF, DILG, NEDA, PSA, CDA, SEC, the Office of the Ombudsman, Housing and Land Use Regulatory Board (HLURB) and the Union of Local Authorities of the Philippines (ULAP), shall promulgate the necessary rules and regulations within ninety (90) working days from the effectivity of this Act."


"SEC. 31. *Separability Clause.* - If any provision of this Act shall be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining provisions of this Act."

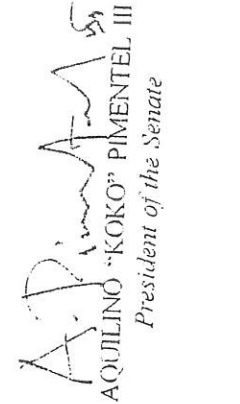
"SEC. 32. *Repealing Clause.* - All provisions of laws, presidential decrees, letters of instruction and other presidential issuances which are incompatible or inconsistent with the provisions of this Act are hereby deemed amended or repealed accordingly."

"SEC. 33. *Effectivity.* - This Act shall take effect within fifteen (15) days following its publication in the *Official Gazette* or in two (2) national newspapers of general circulation."


SEC. 18. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved.

  
PANTALEON D. ALVAREZ  
Speaker of the House of Representatives

  
AQUILINO "KOKO" PIMENTEL, III  
President of the Senate

This Act which is a consolidation of Senate Bill No. 1311 and House Bill No. 6579 was finally passed by the Senate and the House of Representatives on February 21, 2018 and February 27, 2018, respectively.

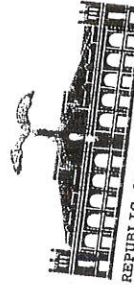
  
CESAR SIKIT PAREJA  
Secretary General  
House of Representatives

  
LUTGARDO B. BARBO  
Secretary of the Senate

Approved: MAY 25 2018



  
RODRIGO ROA DUTERTE  
President of the Philippines



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