

EASE OF DOING BUSINESS SUMMIT 2014

Public Pledging of Work Team Targets

May 28, 2014, Tuesday (9:30 am - 12:00 pm)
Hotel Intercontinental, Makati City



Starting a Business

USEC. NORA TERRADO

Department of Trade and Industry

ATTY. FERDINAND SALES

Securities and Exchange Commission

Starting a Business: Agencies

- Securities and Exchange Commission
- Department of Trade and Industry
- Department of Interior and Local Government
- Quezon City Local Government Unit
- Bureau of Internal Revenue
- Pag-IBIG Home Development Mutual Fund
- Philippine Health Insurance Corporation
- Social Security System
- Philippine Business Registry



Starting a Business 2014

FROM:

15
STEPS

35
DAYS



Starting a Business 2015

TO:

8

STEPS

8

DAYS



Starting a Business: Reforms

Reduction on the number of steps and days from 15 steps and 35 days to 8 steps and 8 days thru:

- **Aggressive promotion of the use of the Green Lane Unit (GLU)** which is the express registration of corporations and partnerships that takes place within 1 day. From June 2013 up to May 15, 2014, a total of 16,273 corporations and partnerships, or 75% of the total registration applications for the period, were registered through the one-day processing of the Green Lane Unit.
- **Continuous implementation of Quezon City reforms:**
 1. Joint payment of CTC and Mayor's Permit
 2. Executive Order No. 17 that created the Business One Stop Shop which processes Mayor's Permit within 1 day – a total of 5,894 Mayor's Permits were released on the same day from June 2013 to May 6, 2014



Starting a Business: Reforms

Reduction in the number of steps and days from 15 steps and 35 days to 8 steps and 8 days thru:

- **Raising awareness regarding Primary Registration of businesses in BIR**
 - To start a business, a company just needs to undergo the Primary Registration process where the company obtains the BIR Certificate of Registration (COR) and consequently included in the registration database of BIR. It also includes issuance of the Tax Identification Number.
- **Full implementation of the Philippine Business Registry**
 - The PBR is a project that integrates all agencies (SEC, SSS, Pag-ibig, PhilHealth) which are involved in business-registration related transactions



Starting a Business 2014

15 steps / 35 days

START

Verify and reserve company name with SEC.

Notarize articles of incorporation and treasurer's affidavit.

Register the company with SEC and receive pre-registered TIN.

Buy special books of account at bookstore.

Obtain business permit from BPLO.

Pay annual community tax and obtain community tax certificate.

Obtain barangay clearance.

Apply and pay for Certificate of Registration and obtain TIN at BIR.

Pay registration fee and documentary stamp taxes

Obtain authority to print receipts and invoices from BIR.

Print receipts and invoices.

END

Register with Pag-IBIG.

Register with PhilHealth.

Register with SSS.

Have books of accounts and Printer's Certificate of Delivery stamped by BIR.

Starting a Business 2015

8 steps / 8 days



START

Verify and reserve company name with SEC.

Notarize articles of incorporation and treasurer's affidavit.

Register the company with SEC and receive pre-registered TIN.

Register with SSS, Pag-Ibig and Philhealth thru **PBR**.

Obtain business permit from BPLO.

Obtain barangay clearance.

Apply and pay for Certificate of Registration and obtain TIN at BIR.

Pay registration fee and documentary stamp taxes

END

Starting a Business 2015

8 steps / 8 days

TO:

8

STEPS

8

DAYS



Starting a Business 2016

TO:

3

STEPS

3

DAYS



Starting a Business 2015

8 steps / 8 days

START

Verify and reserve company name with SEC.

Notarize articles of incorporation and treasurer's affidavit.

Register the company with SEC and receive pre-registered TIN.

Register with SSS, Pag-Ibig and Philhealth thru **PBR**.

Obtain business permit from BPLO.

Obtain barangay clearance.

Apply and pay for Certificate of Registration and obtain TIN at BIR.

Pay registration fee and documentary stamp taxes

END

Starting a Business 2016

(3 steps, 3 days)

START

Register the company
with SEC + BIR + SSS +
Philhealth +
Pag-Ibig
(all in one form and
online transaction)

LGU Steps
{Barangay
clearance +
Community Tax
Certificate (CTC)
+ Mayor's
Permit}

Review + Consent +
Pay
(with submission of
notarized documents
to follow within 7
days or entire process
is invalidated)

END



Dealing with Construction Permits

ENGR. KENNY DIOKNO

Office of the Building Official

Quezon City

Dealing with Construction Permits: Agencies

- Quezon City Local Government Unit
 - Office of the Building Official
 - City Planning and Development Office
 - City Assessor's Office
- Land Registration Authority
- Bureau of Fire Protection
- Utilities:
 - Water: Maynilad/ Manila Water
 - Telephone: Globe/PLDT/etc.



Globe



Dealing with Construction Permits 2014

FROM:

25

STEPS

77

DAYS



Dealing with Construction Permits 2015

TO:

14
STEPS

65
DAYS



Dealing with Construction Permits: Reforms

Reduction of steps and days from

25 steps → 14 steps and 77 days → 65 days

- ✓ Parcel verification service of the Land Registration Authority
- ✓ Amendment of Executive Order 17-A, which creates the one stop shop for the processing of the building permit to include **WAREHOUSES** (*which complies with the Doing Business methodology*). → EXECUTIVE ORDER NR 17-B

The Executive Order 17 on streamlining the process in Doing Business in Quezon City will be strengthened.



Dealing with Construction Permits

25 steps / 77 days

2014

START

Obtain Certified true copy of land title from the Register of Deeds

Obtain lot plan with site map from the geodetic engineer

Obtain barangay clearance

Apply for the locational clearance at the CPDO

Receive inspection for the locational clearance from the CPDO

Apply for FSIC at the BFP

Receive inspection from the OBO during construction

Receive inspection from the BFP during inspection

Apply and obtain the building permit and ancillary permits at the OBO

Obtain locational clearance from the CPDO

Receive final inspection for FSIC from the BFP

Obtain FSIC from the BFP

Apply for CFEI at OBO

Receive final inspection for the CFEI from the OBO

Obtain CFEI at the OBO

Receive inspection for water and sewage connection

Apply for water and sewage connection

Obtain certificate of occupancy from the OBO

Receive Final inspection for the certificate of occupancy from the OBO

Apply for the Certificate of Occupancy at the OBO

Obtain water and sewage connection

Obtain telephone connection

Apply for the tax declaration of improvement at the CAO

Receive inspection from the appraiser of CAO

Obtain Tax declaration of improvement from the CAO

END

Dealing with Construction Permits 2015

14 steps / 65 days

START

Obtain certified true copy of land title and lot plan from the Register of Deeds

Obtain barangay clearance

Apply and obtain the building permit and ancillary permits at the OBO

Receive inspection from the OBO during construction

Receive inspection for water and sewage connection

Apply for water and sewage connection

Obtain certificate of occupancy, CFEI, and FSIC from the OBO

Receive Final inspection for the certificate of occupancy, CFEI, and FSIC from the OBO

Apply for the Certificate of Occupancy, CFEI and FSIC at the OBO

Obtain water and sewage connection

Obtain telephone connection

Apply for the tax declaration of improvement at the CAO

Receive inspection from the appraiser of CAO

Obtain Tax declaration of improvement from the CAO

END



Dealing with Construction Permits 2015

FROM:

14
STEPS

65
DAYS



Dealing with Construction Permits 20XX

TO:

6
STEPS

65
DAYS



Dealing with Construction Permits 2015

14 steps / 65 days

START

Obtain certified true copy of land title and lot plan from the Register of Deeds

Obtain barangay clearance

Apply and obtain the building permit and ancillary permits at the OBO

Receive inspection from the OBO during construction

Receive inspection for water and sewage connection

Apply for water and sewage connection

Obtain certificate of occupancy, CFEI, and FSIC from the OBO

Receive Final inspection for the certificate of occupancy, CFEI, and FSIC from the OBO

Apply for the Certificate of Occupancy, CFEI and FSIC at the OBO

Obtain water and sewage connection

Obtain telephone connection

Apply for the tax declaration of improvement at the CAO

Receive inspection from the appraiser of CAO

Obtain Tax declaration of improvement from the CAO

END

Dealing with Construction Permits 20XX

6 steps / 65 days

START

Obtain by submitting applications to the Construction Permits One Stop Shop

QC LGU, BFP, LRA: Involves **ALL PRE-CONSTRUCTION APPLICATIONS AND INSPECTIONS** – Through a unified form.

Request and receive inspection for the post construction foundation

QC LGU, BFP, LRA: Involves **ALL POST-CONSTRUCTION APPLICATIONS AND INSPECTIONS** – Through a unified form.

Apply for water and sewage connection

END

Obtain telephone connection

Obtain water and sewage connection

Receive inspection for water and sewage connection



Getting Electricity

MR REDEL DOMINGO

Assistant Vice President

Manager, SME Metro Manila Area

SME Business Group, MERALCO

Getting Electricity: Agencies

- MERALCO
- Quezon City Local Government Unit



Getting Electricity 2014

FROM:

5 Steps

PROCEDURE

42 Days

TIME

**PhP 519,640.00
(Security Deposit)**

COST



Getting Electricity 2014

5 steps / 42 days

START

Submit application to MERALCO
and await site inspection
(STEP 1 - 3 days)

Receive site visit from MERALCO
and await estimate
(STEP 2 - 14 days)

Hire Registered Master Electrician/Registered Electrical Engineer or a
Professional Electrical Engineer to conduct inspection and he signs
“Completion of Certificate of Electrical Installation” (simultaneous
with previous procedure
(STEP 3 - 1 day)

Request and receive Certificate
of Electrical Inspection (CEI) from
Quezon City (simultaneous with
previous procedure)
(STEP 4 - 7 days)

Submit CEI to MERALCO and
MERALCO completes installation of
overhead distribution facilities and
meter, and electricity starts flowing
(STEP 5 - 25 days)

END

Getting Electricity 2014

TO:

4 Steps

PROCEDURE

32 Days

TIME

**PhP 226,250.00
(Security Deposit)**

COST



Getting Electricity 2014

4 steps / 32 days

START

Submit application to MERALCO and await site inspection
(STEP 1 - 3 days)

Receive site visit from MERALCO and await estimate
(STEP 2 - 10 days)

Hire Registered Master Electrician/Registered Electrical Engineer or a Professional Electrical Engineer to conduct inspection and he signs "Completion of Certificate of Electrical Installation" (simultaneous with previous procedure)
(1 day)

Request and receive Certificate of Electrical Inspection (CEI) from Quezon City (simultaneous with previous procedure)
(STEP 3 - 7 days)

Submit CEI to MERALCO and MERALCO completes installation of overhead distribution facilities and meter, and electricity starts flowing
(STEP 4 - 19 days)

END

Getting Electricity 2015

4 steps / 32 days

START

Submit application to MERALCO
and await site inspection
(STEP 1 - 3 days)

Receive site visit from MERALCO
and await estimate
(STEP 2 - 10 days)

Request and receive Certificate
of Electrical Inspection (CEI) from
Quezon City (simultaneous with
previous procedure)
(STEP 3 - 7 days)

Submit CEI to MERALCO and
MERALCO completes installation of
overhead distribution facilities and
meter, and electricity starts flowing
(STEP 4 - 19 days)

END

Getting Electricity: Reforms

REDUCTION in PROCEDURES (From 5 to 4)

- The third procedure which is to *Hire Registered Master Electrician/Registered Electrical Engineer or a Professional Electrical Engineer to conduct inspection and he signs "Completion of Certificate of Electrical Installation"* is already part of the CEI acquisition in procedure number 4. Deleted.

FASTER Processing TIME (From 42 days to 32 days)

- From 14 days to 10 days for Step 2 (Site Visit to Receipt of Cost Estimate by applicant)
- From 25 days to 19 days for Step 4 (Compliance of requirements to energization)

REDUCTION OF COST (PhP 118,341.14 to PhP _____)

- Security Deposit dropped from PhP519,640 to PhP 226,250.00.

COORDINATION BETWEEN MERALCO AND QUEZON CITY

- MERALCO and the Quezon City Local Government Unit had an agreement to streamline the process of acquiring necessary permits such as Approved Pole Location (APL) and Excavation Permit of MERALCO from the Quezon City LGU.





VISION

To be the active business partner of SMEs,
indispensable for the latter's sustained growth.

To see the Philippines in the Top 50 Economies in the
"Ease of Doing Business for SMEs",
an annual ranking by the World Bank
(as of 2011, the Philippines ranked 136th of 183).

To achieve an SME total GWH size
equal to or more than 80% of the total GWH size
of large enterprises, with the
best possible cost to serve ratio.

Registering Property

ATTY. RONALD ORTILE

Deputy Administrator

Land Registration Authority

Registering Property: Agencies

- Land Registration Authority
- Bureau of Internal Revenue
- Quezon City Local Government Unit
 - City Treasurer's Office
 - City Assessor's Office



Registering Property 2014

FROM:

8

STEPS

39

DAYS



Registering Property 2015

TO:

7

STEPS

16

DAYS



Registering Property: Reforms

- Reduction of steps from 8 to 7
-delete step 8: Obtaining a new tax declaration
- Reduction of days for obtaining Certificate Authorizing Registration from 21 days to 5 days from BIR
- Reduction of days for applying for registration with the Registry of Deeds from 10 days to 5 days



Registering Property

Other enabling initiatives by the LRA:

LAND TITLING COMPUTERIZATION PROJECT (LTCP)

Queries on the status of a land title can be made anywhere, anytime from any of the various Registries of Deeds nationwide.

ANYWHERE-TO-ANYWHERE SERVICE (A2A)

-Clients many now request for a Certified True Copies of Titles, which are kept in and under the jurisdiction of any Computerized Registry located in other parts of the country, by going to the nearest Registry of Deeds or Extension Office.

-It is already operational at the Computerized Registries of Deeds, LRA Central Office Kiosk and LRA Extension Office in Dasmariñas, since October 11, 2012 under the LRA Memorandum dated October 4, 2012.



Registering Property

PARCEL VERIFICATION SERVICE (PVS)

Clients may now request for print-outs of their land parcel/lot configuration, based on the Technical Description of the original Title kept in the Registry.

This service may be requested using the A2A facility of RDs - requests for PVS of a Title kept in another Registry may be processed in the nearest Registry or Extension Office.

Starting October 29, 2012, the PVS shall be available in all Computerized Registries of Deeds, LRA Central Office Kiosk and LRA Extension Office in Dasmariñas, under LRA Memorandum dated October 17, 2012.



Registering Property 2014

8 steps / 39 days

START

Prepare the notarized deed of sale and related documents.

Obtain certified true copy of latest tax declaration and certificate of "with improvement" from City Assessor's Office.

Obtain tax clearance certificate of real property taxes from the Land Tax Division of City Treasurer's Office .

Pay the transfer tax at the CTO.

Obtain Certificate Authorizing Registration from Bureau of Internal Revenue.

Pay documentary stamp tax and final capital gains tax for transfer of real property.

Apply for registration with Register of Deeds.

Obtain new tax declaration over the building and the land in the name of buyer from CAO.

END

Registering Property 2015

7 steps / 16 days

START

Prepare the notarized deed of sale and related documents.

Obtain certified true copy of latest tax declaration and certificate of "with improvement" from City Assessor's Office.

Obtain tax clearance certificate of real property taxes from the Land Tax Division of City Treasurer's Office .

Pay documentary stamp tax and final capital gains tax for transfer of real property.

Pay the transfer tax at the CTO.

Obtain Certificate Authorizing Registration from Bureau of Internal Revenue.

Apply for registration with Register of Deeds.

Registering Property 2015

7 steps / 16 days

TO:

7

STEPS

16

DAYS



Registering Property 20XX

TO:

6

STEPS

14

DAYS



Registering Property 2015

7 steps / 16 days

Prepare the notarized deed of sale and related documents.

Obtain certified true copy of latest tax declaration and certificate of "with improvement" from City Assessor's Office.

Obtain tax clearance certificate of real property taxes from the Land Tax Division of City Treasurer's Office .

Obtain Certificate Authorizing Registration from Bureau of Internal Revenue.

Pay the transfer tax at the CTO

Pay documentary stamp tax & final capital gains tax for transfer of real property.

Apply for registration with Register of Deeds.

Registering Property 20XX

6 steps / 14 days

Step 1

Prepare the notarized deed of sale and related documents.

Step 2

Obtain tax clearance certificate of real property taxes from the Land Tax Division of City Treasurer's Office .

Step 3

Pay the transfer tax at the CTO

Step 4

Pay documentary stamp tax & final capital gains tax for transfer of real property.

Step 5

Obtain Certificate Authorizing Registration from Bureau of Internal Revenue.

Step 6

Apply for registration with Register of Deeds.

Getting Credit

MR. MANUEL BATALLONES

Manager

Bankers Association of the Philippines- Credit Bureau

ATTY. FRANCIS ED LIM

Senior Partner

ACCRALAW

Getting Credit

Getting Credit	2014	2013	2012	2011	Change in 3 years
Indicator Rank	86	129	126	127	+41
Strength of legal rights index	4	4	4	3	+1
Depth of credit information index	5	3	3	3	+2
Public registry coverage	0	0	0	0	No change
Private bureau coverage	9.3	9	8.2	7.4	+1.9



Getting Credit: Agencies

- BAP- Credit Bureau
- Credit Information Corporation
- Land Registration Authority
- ACCRALAW
- Department of Justice
- Bangko Sentral ng Pilipinas



Credit Information Index

Retain:

5
out of 6



Depth of Credit Information Index: Current Initiative

1. Implement a unified collateral registry instead of one that is separately maintained by the registry of deeds of the different provinces.
2. Create a data system where individuals can access data from retailers, trade creditors or utility companies and financial institutions.
3. Endeavour that the BAP Credit Bureau expand its database of negative information to include information such as late payments of individuals and bankruptcies of firms.



Depth of Credit Information Index: Current Initiative

4. Follow up on the issuance by the Credit Information Corporation of credit reports to financial institutions, as required by the Data Privacy Act, in order to facilitate the exchange of credit information
5. Invite and include retailers, trade creditors and utility companies to join and participate in a credit information sharing system currently in operation
6. Explore the possibility of allowing individuals or consumers to acquire a free copy of their credit report once a year
7. Incorporate credit score in existing credit information systems



Getting Credit 2015

DEPTH OF CREDIT INFORMATION INDEX		SCORE	
		PUBLIC	PRIVATE
1	Are data on both firms and individuals distributed?		✓
2	Are both positive and negative data distributed?		✓
3	Does the registry distribute credit information from retailers, trade creditors or utility companies as well as financial institutions?		✗
4	Are more than 2 years of historical credit information distributed?		✓
5	Is data on all loans below 1% of income per capita distributed?		✓
6	Is it guaranteed by law that borrowers can inspect their data in the largest credit registry?		✓
TOTAL			5/6



Strength of Legal Rights Index

TO:

4

out of 10

10

out of 10



Strength of Legal Rights Index: Current Initiative

Continue to discuss with the IFC Washington the existing laws and regulations in the Philippines that would substantially give us a positive effect in score and rank and provide them the necessary documents to support our claims.



Getting Credit 2014

STRENGTHS OF LEGAL RIGHTS INDEX		SCORE
1	Can any business use movable assets as collateral while keeping possession of the assets? Can any financial institution accept such assets as collateral?	
2	Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	
3	Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	
4	May a security right extend to future or after-acquired assets, and may it extend automatically to the products, proceeds or replacements of the original assets?	
5	Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?	



Getting Credit 2014

STRENGTHS OF LEGAL RIGHTS INDEX		SCORE
6	Is a collateral registry in operation, that is unified geographically and by asset type, with an electronic database indexed by debtor's names?	
7	Are secured creditors paid first (i.e. before general tax claims and employee claims) when a debtor defaults outside an insolvency procedure?	
8	Are secured creditors paid first (i.e. before general tax claims and employee claims) when a business is liquidated?	
9	Are secured creditors either not subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure or does the law provide secured creditors with grounds for relief from an automatic stay or set a time limit to it?	
10	Does the law allow parties to agree in a collateral agreement that the lender may enforce its security right out of court at the time a security interest is created?	
TOTAL		4/10



Getting Credit 2015

STRENGTHS OF LEGAL RIGHTS INDEX		SCORE
1	Can any business use movable assets as collateral while keeping possession of the assets? Can any financial institution accept such assets as collateral?	
2	Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	
3	Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	
4	May a security right extend to future or after-acquired assets, and may it extend automatically to the products, proceeds or replacements of the original assets?	
5	Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?	



Getting Credit 2015

STRENGTHS OF LEGAL RIGHTS INDEX		SCORE
6	Is a collateral registry in operation, that is unified geographically and by asset type, with an electronic database indexed by debtor's names?	
7	Are secured creditors paid first (i.e. before general tax claims and employee claims) when a debtor defaults outside an insolvency procedure?	
8	Are secured creditors paid first (i.e. before general tax claims and employee claims) when a business is liquidated?	
9	Are secured creditors either not subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure or does the law provide secured creditors with grounds for relief from an automatic stay or set a time limit to it?	
10	Does the law allow parties to agree in a collateral agreement that the lender may enforce its security right out of court at the time a security interest is created?	
TOTAL		10/10



Protecting Investors

ATTY. FRANCIS ED LIM

Senior Partner

ACCRALAW

Protecting Investors

Protecting Investors	2014	2013	2012	2011	Change in 3 years
Indicator Rank	128	128	134	132	+4
Extent of disclosure index	2	2	2	2	No change
Extent of director liability index	3	3	2	2	+1
Ease of shareholder suits index	8	8	8	8	No change
Strength of investor protection index	4.3	4.3	4	4	+0.3



Protecting Investors: Agencies

- ACCRALAW
- Securities and Exchange Commission
- Department of Justice
- Philippine Stock Exchange



Disclosure Index

FROM (2014):

2

out of 10

TO (2015):

7

out of 10



Disclosure Index 2014

EXTENT OF DISCLOSURE INDEX		SCORE		
1	What corporate body provides legally sufficient approval for the transaction?			
2	Whether disclosure of the conflict of interest by Mr. James to the board of directors is required?			
3	Whether immediate disclosure of the transaction to the public and/or shareholders is required?			
4	Whether disclosure of the transaction in published periodic filings (annual reports) is required?			
5	Whether an external body must review the terms of the transaction before it takes place?			
TOTAL		2/10		



Disclosure Index 2015

EXTENT OF DISCLOSURE INDEX		SCORE		
1	What corporate body provides legally sufficient approval for the transaction?			
2	Whether disclosure of the conflict of interest by Mr. James to the board of directors is required?			
3	Whether immediate disclosure of the transaction to the public and/or shareholders is required?			
4	Whether disclosure of the transaction in published periodic filings (annual reports) is required?			
5	Whether an external body must review the terms of the transaction before it takes place?			
TOTAL				



Director Liability Index

FROM (2014):

3

out of 10

**DIRECTOR LIABILITY
INDEX**

TO (2015):

9

out of 10

**DIRECTOR LIABILITY
INDEX**



Director Liability Index 2014

EXTENT OF DIRECTOR LIABILITY INDEX		SCORE	
1	Whether shareholders can sue directly or derivatively for the damage that the Buyer-Seller transaction causes to the company?		
2	Whether shareholders can hold Mr. James liable for the damage that the Buyer-Seller transaction causes to the company?		
3	Whether shareholders can hold members of the approving body liable for the damage that the Buyer-Seller transaction causes to the company?		
4	Whether a court can void the transaction upon a successful claim by a shareholder plaintiff?		
5	Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff?		
6	Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff?		
7	Whether fines and imprisonment can be applied against Mr. James?		
TOTAL		3/10	



Director Liability Index 2015

EXTENT OF DIRECTOR LIABILITY INDEX		SCORE	
1	Whether shareholders can sue directly or derivatively for the damage that the Buyer-Seller transaction causes to the company?		
2	Whether shareholders can hold Mr. James liable for the damage that the Buyer-Seller transaction causes to the company?		
3	Whether shareholders can hold members of the approving body liable for the damage that the Buyer-Seller transaction causes to the company?		
4	Whether a court can void the transaction upon a successful claim by a shareholder plaintiff?		
5	Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff?		
6	Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff?		
7	Whether fines and imprisonment can be applied against Mr. James?		
TOTAL		3/10	



Shareholders Suits Index

FROM (2014):

8

out of 10

SHAREHOLDER
SUITS INDEX

TO (2015):

10

out of 10

SHAREHOLDER
SUITS INDEX



Shareholders Suits Index 2014

EASE OF SHAREHOLDER SUITS INDEX		SCORE			
1	Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit?				
2	Whether shareholders owning 10% or less of Buyer's shares can request an inspector to investigate the transaction?				
3	Whether the plaintiff can obtain any documents from the defendant and witnesses during trial?				
4	Whether the plaintiff can request categories of documents from the defendant without identifying specific ones?				
5	Whether the plaintiff can directly question the defendant and witnesses during trial?				
6	Whether the level of proof required for civil suits is lower than that of criminal cases?				
TOTAL		8/10			



Shareholders Suits Index 2015

EASE OF SHAREHOLDER SUITS INDEX		SCORE			
1	Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit?				
2	Whether shareholders owning 10% or less of Buyer's shares can request an inspector to investigate the transaction?				
3	Whether the plaintiff can obtain any documents from the defendant and witnesses during trial?				
4	Whether the plaintiff can request categories of documents from the defendant without identifying specific ones?				
5	Whether the plaintiff can directly question the defendant and witnesses during trial?				
6	Whether the level of proof required for civil suits is lower than that of criminal cases?				
TOTAL		10/10			



Protecting Investors: Next Steps

Continue to discuss with the IFC Washington the existing laws and regulations in the Philippines that would substantially give us a positive effect in score and rank and provide them the necessary documents to support our claims.



Paying Taxes

MR. REYNALDO MALAYA

Vice President for Fund Management

Home Development Mutual Fund

Paying Taxes: Agencies

- Pag-IBIG Fund
- Philippine Health Insurance Corporation (PhilHealth)
- Quezon City Local Government Unit (Treasurer's Office)
- Bureau of Internal Revenue (BIR)
- Social Security System (SSS)



Paying Taxes 2014

FROM:

36

PAYMENTS

193

HOURS



Paying Taxes 2015

TO:

13

PAYMENTS

193

HOURS



Paying Taxes' Initiative 2014

To continue the use of electronic payments systems to remit contributions for:

- Social Security System (SSS);
- Philippine Health Insurance Corporation (PhilHealth); and
- Pag-IBIG Fund.



Paying Taxes' Initiative 2014

- Joint payment of local business tax and Community Tax Certificate (CTC) at the Quezon City Treasurer's Office;
- Conduct of Capacity Building Program that aims to increase level of awareness and promote understanding of the online services of the government. It was conducted last May 14 at Ayala Technohub, Quezon City.



Paying Taxes 2014

Corporate Income Tax	Local Business Tax	SSS *	Real Property Tax	Health Insurance	Health Insurance
Health Insurance	Health Insurance	Health Insurance	Health Insurance	Health Insurance	Health Insurance
Health Insurance	Health Insurance	Health Insurance	Health Insurance	Pag-IBIG Fund	Pag-IBIG Fund
Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund
Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Tax on Interest	Community Tax Certificate
Environmental Tax	Employer Compensation	Value Added Tax	Tax on Check Transactions	Tax on Insurance Contracts	Stamp Duty

Paying Taxes 2015



Moving Forward

- Boosting of e-government facilities of social agencies (SSS, Pag-IBIG Fund, and PhilHealth);
- Utilizing financial institutions such as universal and commercial banks and other financial intermediaries authorized/licensed by the Bangko Sentral ng Pilipinas (BSP) for accessible and convenient online payment.



Trading Across Borders

ATTY. VINCENT PHILIP MARONILLA

Attorney 3

Assessment and Operations Coordinating Group

Bureau of Customs

Trading Across Borders: Agencies

- Bureau of Customs
- Export Development Council



Trading Across Borders 2014

EXPORT PROCEDURES

FROM:

6

DOCUMENTS

15

DAYS



Trading Across Borders 2015

EXPORT PROCEDURES

TO:

4

DOCUMENTS

9

DAYS



Trading Across Borders 2014

IMPORT PROCEDURES

FROM:

7

DOCUMENTS

14

DAYS



Trading Across Borders 2015

IMPORT PROCEDURES

TO:

4

DOCUMENTS

9

DAYS



Trading Across Borders

TO EXPORT:

- Lessen number of documents from 6 to 4
- Cut down 15 days processing time to 9 days

TO IMPORT:

- Lessen number of documents from 7 to 4
- Cut down 14 days processing time to 9 days

The target reduction in days and documents for import and export procedures are currently FULLY implemented in accordance with the Citizen's Charter of the BOC



Trading Across Borders 2014

6 documents to export

7 documents to import

DOCUMENTS TO EXPORT

Bill of Lading

Commercial Invoice

Customs Export Declaration

Packing List

Technical Standard/Health Certificate

Terminal Handling Receipts

DOCUMENTS TO IMPORT

Bill of Lading

Certificate of Origin

Commercial Invoice

Customs Import Declaration

Delivery Order

Gate Pass

Packing List



Trading Across Borders 2015

4 documents to import

4 documents to export

DOCUMENTS TO EXPORT

Bill of Lading

Commercial
Invoice /
Packing List

Customs
Export
Declaration

Terminal
Handling
Receipts

DOCUMENTS TO IMPORT

Bill of Lading

Certificate of
Origin

Commercial
Invoice/
Packing List

Customs
Import
Declaration



Trading Across Borders 2014

15 days to export

14 days to import

EXPORT

Documents
preparation

Customs
clearance and
technical
control

Ports and
terminal
handling

Inland
transportation
and handling

IMPORT

Documents
preparation

Customs
clearance and
technical
control

Ports and
terminal
handling

Inland
transportation
and
handling



Trading Across Borders 2015

9 days to export

9 days to import

EXPORT



IMPORT



Trading Across Borders

Other enabling initiatives by the BOC:

- Full automation of BOC processes by June 2015.
- Integration of Customs Procedures with Free Trade Agreement partners.
- Implementation of the World Trade Organization Trade Facilitation Agreement.
- Full implementation of the Authorized Economic Operator Program.
- Enhanced Advance Ruling System.



Enforcing Contracts

ATTY. FRANCIS ED LIM

Senior Partner

ACCRALAW

Enforcing Contracts

Enforcing Contracts	2014	2013	2012	2011	Change in 3 years
Indicator Rank	114	111	109	118	+4
Time (days)	842	842	842	842	No change
Cost (% of claim)	26	26	26	26	No change
Procedures (Number)	37	37	37	37	No change



Enforcing Contracts: Agencies

- Department of Justice



- ACCRA Law



Enforcing Contracts

FROM (2014):

37

STEPS

TO (2015):

30

STEPS



Enforcing Contracts

FROM (2014):

842

DAYS

TO (2015):

360

DAYS



Enforcing Contracts: Next Steps

1. Monitor the implementation of the E-court system which was implemented last June 13, 2013.
 - Improve the process of storing and filing cases to ensure efficiency and effective use of the time.
 - Will help rid of redundant procedures and repeated cases.
2. Endorsement and approval of the Proposed Rules on Hearing and Adjudicating Disputes
 - To expedite the process of hearing in courts to avoid delays and effectively use time.



Resolving Insolvency

ATTY. FRANCIS ED LIM

Senior Partner

ACCRALAW

Resolving Insolvency

Resolving Insolvency	2014	2013	2012	2011	Change in 3 years
Indicator Rank	100	165	166	153	+53
Time (Years)	2.7	5	5.7	5.7	+3 *
Cost (% of estate)	22	18	38	38	+16 *
Outcome (0 or 1)	0	0	0	0	No change
Recovery Rate (cents on dollar)	29.9	12.7	4.7	4.5	+25.4

*Positive change (Years to resolve insolvency cases reduced to 2.7 from 5.7)
 (Cost reduced to 22 % from 38 of the estate)



Resolving Insolvency: Agencies

- Department of Justice



- ACCRA Law



Number of Years and Cost

Retain:

2.7

YEARS

22

COST

(% of debtor's estate)



Recovery Rate

FROM (2014):

TO (2015):

29.9

RECOVERY RATE
(Cents per \$)

42.4

RECOVERY RATE
(Cents per \$)



Resolving Insolvency: Updates

Full implementation of the Financial Rehabilitation and Insolvency Act of 2010 IRR took effect last October 22, 2013

- Provides legal basis for the procedural rules on sole proprietorship, partnership, and corporate rehabilitation



Thank You





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