



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



USEC. NORA TERRADO

Department of Trade and Industry

ATTY.FERDINAND SALES

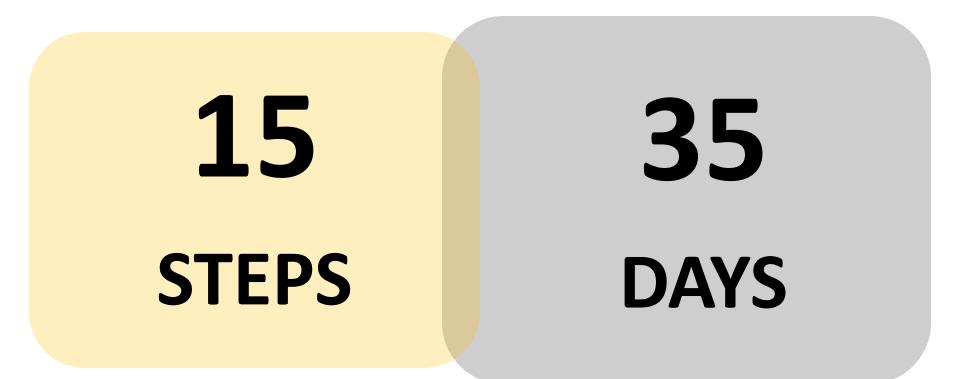
Securities and Exchange Commission

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



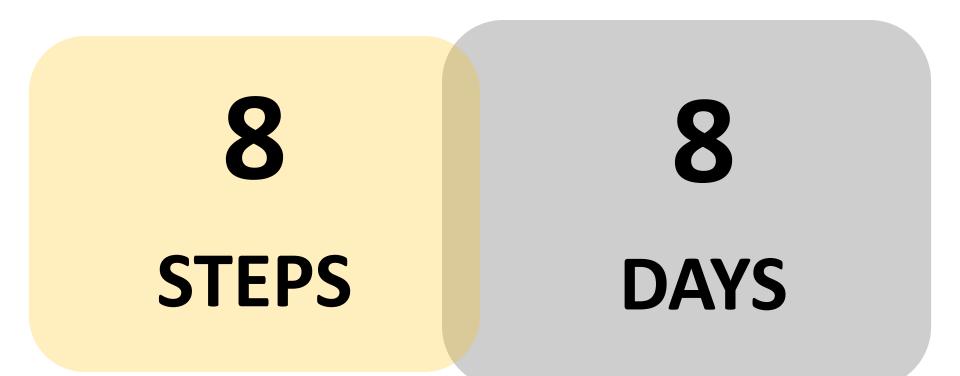
FROM:







TO:







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

NATIONAL

CIL PHILIPPINES

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

28 May 2014, Hotel Intercontinental, Makati City

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

IL PHILIPPINES

- The PBR is a project that integrates all agencies (SEC, SSS, Pag-ibig, PhilHealth) which are involved in business-registration related transactions

28 May 2014, Hotel Intercontinental, Makati City

15 steps / 35 days

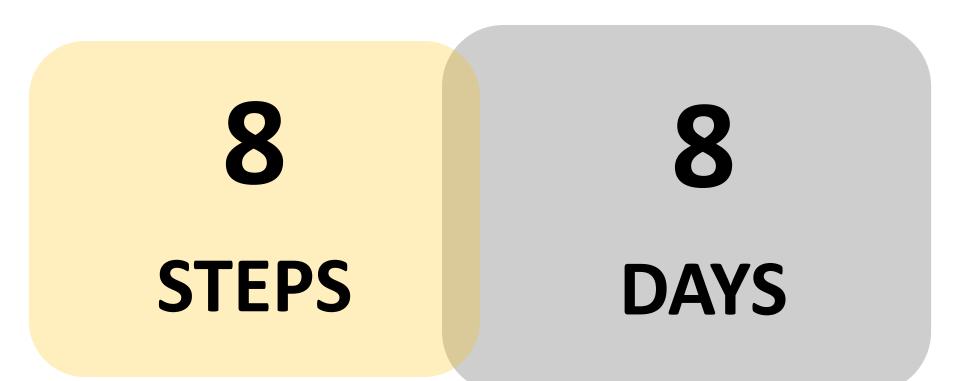
START	Verify and reserve company name with SEC.		Notarize articles of incorporation and treasurer's affidavit.			Register the company with SEC and receive pre- registered TIN.	
Buy special books of account at bookstore.		Obtain business permit from BPLO.		Pay annual community tax and obtain community 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.	n Re	gister with SSS.	Printer's Ce	ks of accounts and ertificate of Delivery mped by BIR.	

8 steps / 8 days



8 steps / 8 days

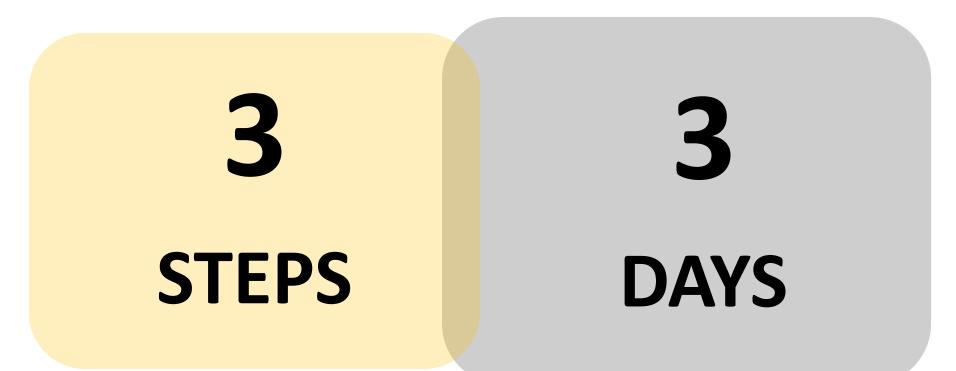
TO:







TO:







8 steps / 8 days



(3 steps, 3 days)

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}

DDING

BUSINESS

28 May 2014, Hotel Intercontinental, Makati City

SUMM

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

END



START



ENGR. KENNY DIOKNO Office of the Building Official Quezon City

Dealing with Construction Permits: Agencies

otel Intercontinental. Makati

- 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:

NATIONAL

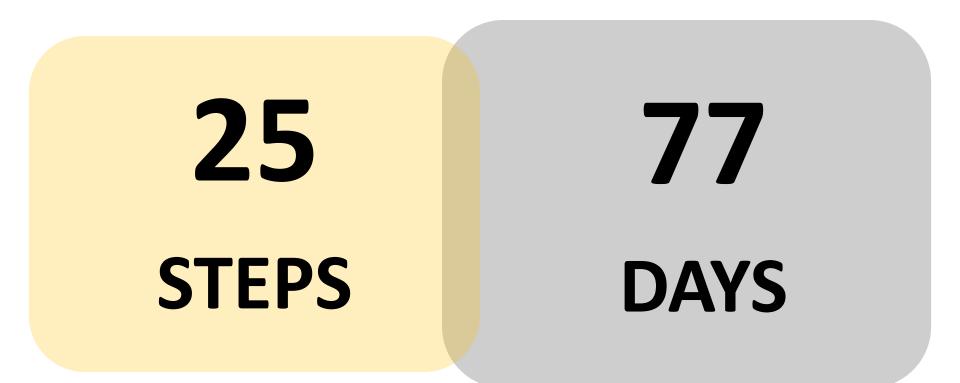
I PHILIPPINES

- Water: Maynilad/ Manila Water
- Telephone: Globe/PLDT/etc.





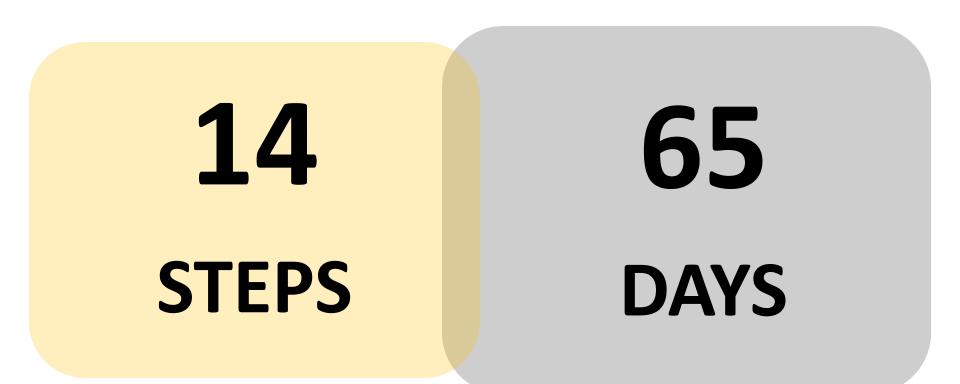
FROM:







TO:







Dealing with Construction Permits: Reforms

Reduction of steps and days from 25 steps \rightarrow <u>14 steps</u> and 77 days \rightarrow <u>65 days</u>

- ✓ 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.

May 2014, Hotel Intercontinental, Makati





25 steps / 77 days 2014 Obtain START **Obtain lot plan** Receive Apply for the **Certified true** Obtain with site map inspection for locational copy of land the locational from the barangay title from the clearance at geodetic clearance from clearance **Register of** the CPDO the CPDO engineer Deeds Obtain Apply and Receive Receive obtain the Apply for locational inspection inspection building permit **FSIC** at the from the OBO from the BFP clearance and ancillary during during from the **BFP** permits at the construction inspection OBO **CPDO Receive final Receive final Obtain FSIC** inspection Apply for **Obtain CFEI** inspection from the for the CFEI for FSIC from **CFEI at OBO** at the OBO from the **BFP** the **BFP OBO** Receive Obtain **Receive Final** Apply for Apply for the certificate of inspection inspection for water and **Certificate of** for water the certificate occupancy **Occupancy** sewage of occupancy and sewage from the at the OBO connection from the OBO **OBO** connection

Apply for the

tax

declaration of

improvement

at the CAO

Obtain water and sewage connection

Obtain

telephone

connection

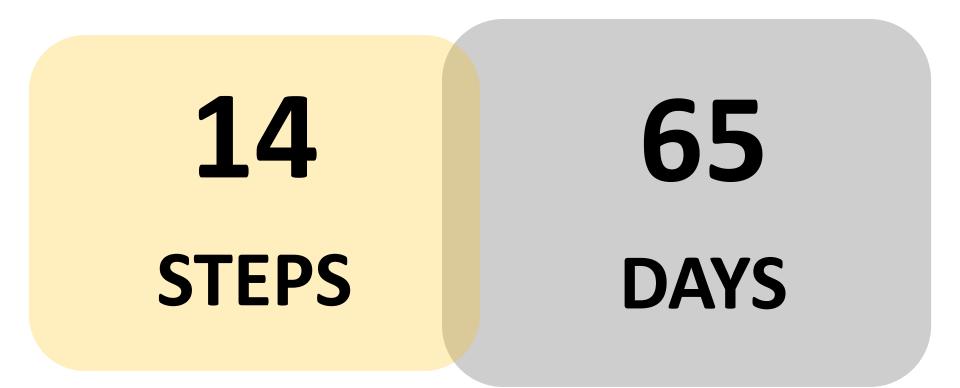
Receive inspection from the appraiser of CAO Obtain Tax declaration of improvement from the CAO



14 steps / 65 days



FROM:







TO:



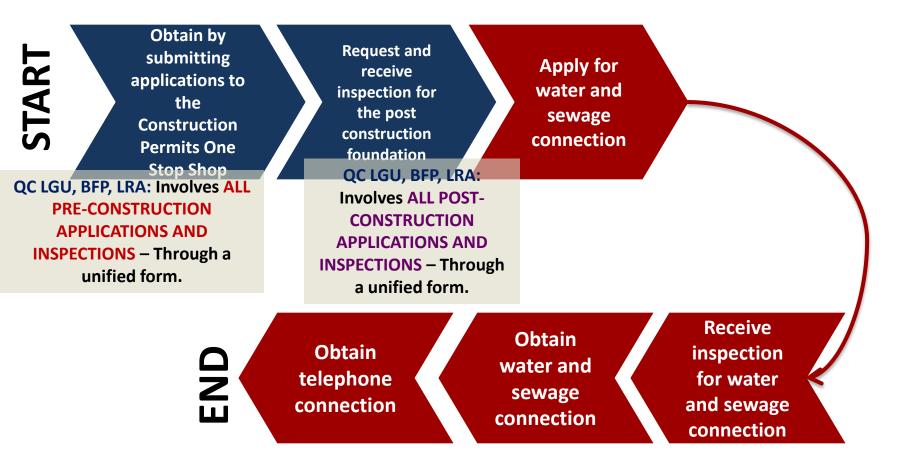




14 steps / 65 days



6 steps / 65 days



MR REDEL DOMINGO

Assistant Vice President Manager, SME Metro Manila Area SME Business Group, MERALCO

Getting Electricity: Agencies

- MERALCO
- Quezon City Local Government Unit

28 May 2014, Hotel Intercontinental, Makati City



MERALCO





FROM:



PhP 519,640.00 (Security Deposit)

COST

DDING BUSINESS SUMMI

28 May 2014, Hotel Intercontinental, Makati City





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)







32 Days

PROCEDURE TIME

PhP 226,250.00 (Security Deposit)

COST

DOING BUSINESS SUMMI

28 May 2014, Hotel Intercontinental, Makati City





4 steps / 32 days

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

START

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

Hire Registe ed Master Electrician/Registered Electrical Engineer or a Professional Electrical Engineer to conduct inspection and he signs "Completion of Certo-ate 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

4 steps / 32 days

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

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

START

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.

ING BUSINESS

28 May 2014, Hotel Intercontinental, Makati City



MERALCOPARTNE RS



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.

Publicized in 2011

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

May 2014, Hotel Intercontinental, Makati City



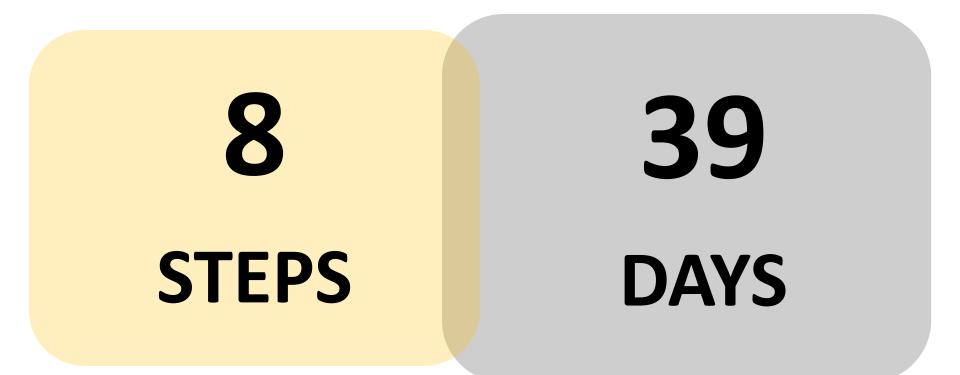






Registering Property 2014

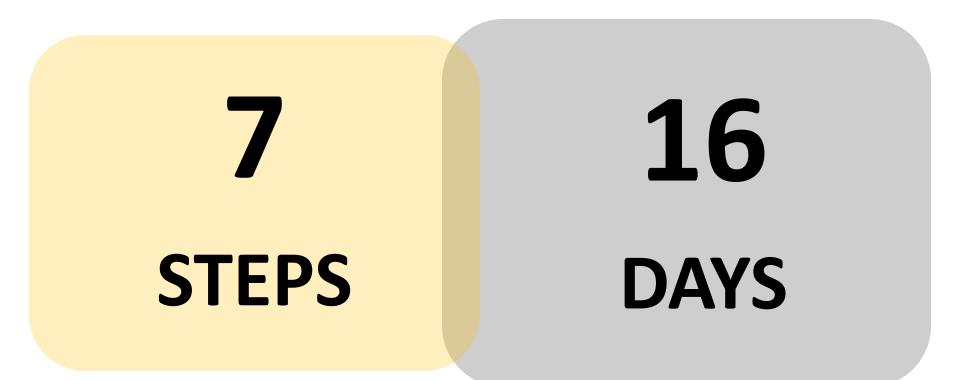
FROM:







TO:





EASE OF DOING BUSINESS SUMMIT 2014 28 May 2014, Hotel Intercontinental, Makati City



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

14, Hotel Intercontinental, Makati City

COMPETITIVENESS COUNCIL PHILIPPINES

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.

28 May 2014, Hotel Intercontinental, Makati City



VATIONAL

CIL PHILIPPINES

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.

28 May 2014, Hotel Intercontinental, Makati City

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.

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.



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.

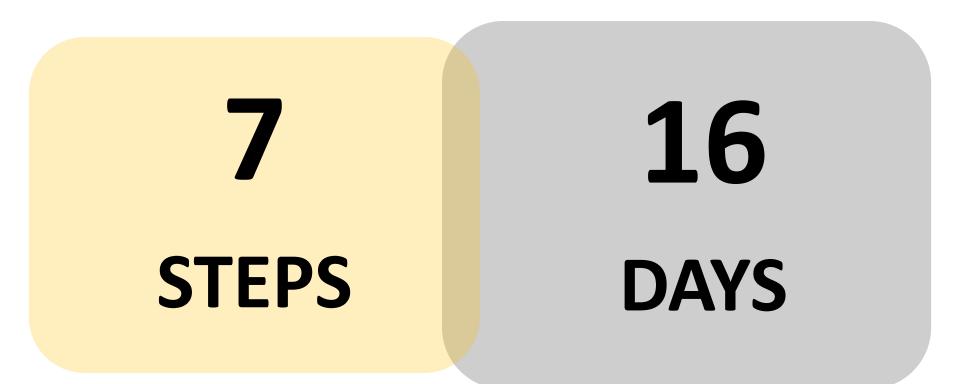
Pay the transfer tax at the CTO.

Obtain Certificate Authorizing Registration from Bureau of Internal Revenue.

Apply for registration with Register of Deeds.

7 steps / 16 days

TO:



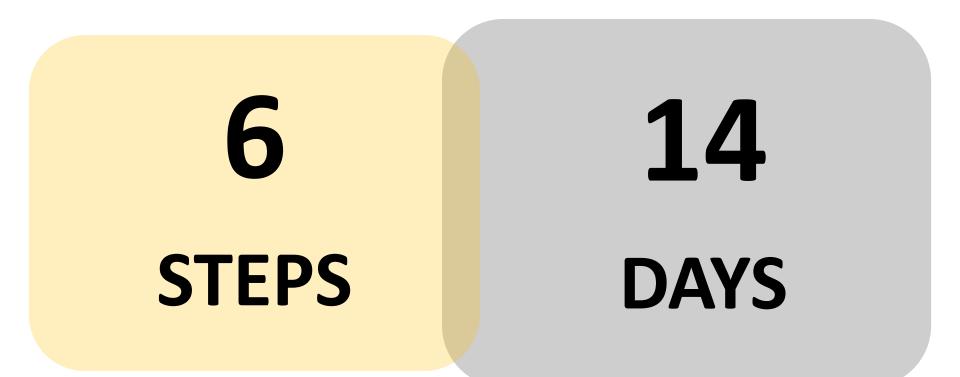


EASE OF DOING BUSINESS SUMMIT 2014 28 May 2014, Hotel Intercontinental, Makati City



Registering Property 20XX

TO:





EASE OF DOING BUSINESS SUMMIT 2014 28 May 2014, Hotel Intercontinental, Makati City



7 steps / 16 days

Prepare the notarized deed of sale and related documents.

Obtain Certificate Authorizing Registration from Bureau of Internal Revenue. Obtain certified true copy of latest tax declaration and certificate of "with improvement" from City Assessor's Office.

Pay the transfer tax at the CTO

Apply for registration with Register of Deeds. Obtain tax clearance certificate of real property taxes from the Land Tax Division of City Treasurer's Office .

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

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	Step 4	Step 5
		Obtain Certificate
Pay the transfer tax at the CTO	Pay documentary stamp tax & final capital gains tax for transfer of real property.	Authorizing Registration from Bureau of Internal Revenue.

MR. MANUEL BATALLONES

Manager

Bankers Association of the Philippines- Credit Bureau

ATTY. FRANCIS ED LIM

Senior Partner ACCRALAW

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



EASE OF DOING BUSINESS SUMMIT 2014 28 May 2014, Hotel Intercontinental, Makati City



Getting Credit: Agencies

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



Credit Information Index

Retain:



DOING BUSIN

28 May 2014, Hotel Intercontinental, Makati City

SE

SUMMIT

2014

ESS





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.
- 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.

.Hotel Intercontinental. Makati



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

May 2014, Hotel Intercontinental, Makati

NATIONAL COMPETITIVENESS COUNCIL PHILIPPINES

	DEPTH OF CREDIT INFORMATION INDEX	SCC	DRE
		PUBLIC	PRIVATE
1	Are data on both firms and individuals distributed?		\checkmark
2	Are both positive and negative data distributed?		\checkmark
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?		V
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?		~
ТС	TAL		5/6
NA CO CO	TIONAL MPETITIVENESS UNCIL PHILIPPINES 28 May 2014, Hotel Intercontinen	SUMMIT 2014 tal. Makati City	

Strength of Legal Rights Index

TO:

4 10 10 10

DOING BUS

SUMMII

ESS

28 May 2014, Hotel Intercontinental, Makati City



TIME NUMBER

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.

14.Hotel Intercontinental. Makati Citv



	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?	*

EASE OF DOING BUSINESS SUMMIT

28 May 2014, Hotel Intercontinental, Makati City

NATIONAL COMPETITIVENESS COUNCIL PHILIPPINES 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?	V
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?	V
TOT	AL	4/10

EASE OF DOING BUSINESS SUMMIT

28 May 2014, Hotel Intercontinental, Makati City

2014

minicity



	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?	V
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?	\checkmark
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?	\checkmark
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?	\checkmark
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?	\checkmark

EASE OF DOING BUSINESS SUMMIT

28 May 2014, Hotel Intercontinental, Makati City

NATIONAL COMPETITIVENESS COUNCIL | PHILIPPINES 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?	\checkmark
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?	\checkmark
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?	\checkmark
TOT	AL	10/10

EASE OF DOING BUSINESS SUMMIT

28 May 2014, Hotel Intercontinental, Makati City

2014

minicity



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



EASE OF DOING BUSINESS SUMMIT 2014 28 May 2014, Hotel Intercontinental, Makati City



Protecting Investors: Agencies

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









Disclosure Index

FROM(2014): TO (2015): 2 7 out of 10



EASE OF DOING BUSINESS SUMMIT 2014 28 May 2014, Hotel Intercontinental, Makati City



Disclosure Index 2014

	EXTENT OF DISCLOSURE INDEX	SCO	ORE
1	What corporate body provides legally sufficient approval for the transaction?	* 1	* *
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?	\checkmark	\checkmark
5	Whether an external body must review the terms of the transaction before it takes place?		
ΤΟ	TAL	2/	10
	TIONAL MPETITIVENESS EASE OF DOING BUSINESS SUMMIT 20 DUNCIL PHILIPPINES 28 May 2014, Hotel Intercontinental, Makati Ci	1 <u>4</u>	

Disclosure Index 2015

	EXTENT OF DISCLOSURE INDEX	SCO	DRE
1	What corporate body provides legally sufficient approval for the transaction?		8 22
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?	\checkmark	\checkmark
4	Whether disclosure of the transaction in published periodic filings (annual reports) is required?	\checkmark	\checkmark
5	Whether an external body must review the terms of the transaction before it takes place?		
ΤΟ	TAL	7/	10
CC	TIONAL MPETITIVENESS EASE OF DOING BUSINESS SUMMIT 20 DUNCIL PHILIPPINES 28 May 2014, Hotel Intercontinental, Makati Ci	114	

Director Liability Index

FROM(2014):

3

out of 10

DIRECTOR LIABILITY

INDEX

TO(2015):

9 out of 10

DIRECTOR LIABILITY INDEX

NATIONAL COMPETITIVENESS COUNCIL PHILIPPINES

EASE OF DOING BUSINESS SUMMIT 2014 28 May 2014, Hotel Intercontinental, Makati City



Director Liability Index 2014

	EXTENT OF DIRECTOR LIABILITY INDEX	SC	ORE
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?		\$
ΤΟΊ	AL	3/	'10
CC	TIONAL MPETITIVENESS EASE OF DOING BUSINESS SUMMIT 20 UNCIL PHILIPPINES 28 May 2014, Hotel Intercontinental, Makati Ci	14 ty	

Director Liability Index 2015

	EXTENT OF DIRECTOR LIABILITY INDEX	SCO	ORE
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?	\checkmark	\checkmark
3	Whether shareholders can hold members of the approving body liable for the damage that the Buyer-Seller transaction causes to the company?		\checkmark
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?		1
7	Whether fines and imprisonment can be applied against Mr. James?		
TO	TAL	3/	10
	ATIONAL DMPETITIVENESSEASE OF DOING BUSINESS SUMMIT 20DUNCIL PHILIPPINES28 May 2014, Hotel Intercontinental, Makati Ci	14 ty	

Shareholders Suits Index

FROM (2014):

out of 10

8

SHAREHOLDER SUITS INDEX TO (2015):

10 out of 10

SHAREHOLDER SUITS INDEX

NATIONAL COMPETITIVENESS COUNCIL PHILIPPINES

28 May 2014, Hotel Intercontinental, Makati City



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?	
TO	TAL	8/10
CC	TIONAL MPETITIVENESS EASE OF DOING BUSINESS SUMM UNCIL PHILIPPINES 28 May 2014, Hotel Intercontinental, Ma	AIT 2014

Shareholders Suits Index 2015

EASE OF SHAREHOLDER SUITS INDEX				SCORE		
1		lders owning 10% or less of Buyer's t transaction documents before filing		\checkmark		
2		Iders owning 10% or less of Buyer's an inspector to investigate the		\checkmark		
3	· · ·	ntiff can obtain any documents from the tnesses during trial?	\checkmark			
4		ntiff can request categories of the defendant without identifying				
5	Whether the plair and witnesses dur	ntiff can directly question the defendant ring trial?	\checkmark	\checkmark		
6	Whether the leve than that of crimi	l of proof required for civil suits is lower nal cases?		\checkmark		
TO	TAL		10/10			
C	ATIONAL OMPETITIVENESS OUNCIL PHILIPPINES	AIT 2014 kati City				

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.

ay 2014, Hotel Intercontinental. Makati City



Paying Taxes

MR. REYNALDO MALAYA

Vice President for Fund Management Home Development Mutual Fund

Paying Taxes: Agencies

Pag-IBIG Fund

NATIONAL

MPETITIVENESS

- **Philippine Health Insurance Corporation** (PhilHealth)
- Quezon City Local Government Unit (Treasurer's ۲ Office)
- Bureau of Internal Revenue (BIR)
- Social Security System (SSS)







Paying Taxes 2014

FROM:

36193PAYMENTSHOURS





Paying Taxes 2015

TO:

13193PAYMENTSHOURS

NATIONAL COMPETITIVENESS COUNCIL PHILIPPINES



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

28 May 2014, Hotel Intercontinental, Makati City

• 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.

14.Hotel Intercontinental. Makati Citv



Paying Taxes 2014



Paying Taxes 2015



EASE OF DOING BUSINESS SUMMIT

28 May 2014, Hotel Intercontinental, Makati City



TIMETANA

2014

- 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.

May 2014.Hotel Intercontinental. Makati City



ATTY. VINCENT PHILIP MARONILLA

Attorney 3

Assessment and Operations Coordinating Group

Bureau of Customs

Trading Across Borders: Agencies

• Bureau of Customs

• Export Development Council







EXPORT PROCEDURES

FROM:

6 15 DOCUMENTS DAYS

NATIONAL COMPETITIVENESS COUNCIL PHILIPPINES



EXPORT PROCEDURES

49DOCUMENTSDAYS

NATIONAL COMPETITIVENESS COUNCIL PHILIPPINES

TO:



IMPORT PROCEDURES

FROM:

7 14 DOCUMENTS DAYS

NATIONAL COMPETITIVENESS COUNCIL PHILIPPINES



IMPORT PROCEDURES

49DOCUMENTSDAYS

NATIONAL COMPETITIVENESS COUNCIL PHILIPPINES

TO:



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

.Hotel Intercontinental. Makati

6 documents to export

7 documents to import

DOCUMENTS TO EXPORT



4 documents to import

4 documents to export



DOCUMENTS TO IMPORT

Bill of Lading Certificate of Origin	Commercial Invoice/ Packing List	Customs Import Declaration
--------------------------------------	--	----------------------------------





15 days to export

14 days to import

014

SUMM

EXPORT



IMPORT

Documents preparation	Customs clearance and technical	Ports and terminal handling	Inland transportation and
	control	nandling	handling

NG

28 May 2014, Hotel Intercontinental, Makati City



SF

9 days to export

9 days to import

EXPORT

	ocuments reparation	Customs clearance and technical control	Ports and terminal handling	Inland transportation and handling
IMPORT	From 8 days to 5 days	From 2 days to 1 day	From 3 days to 1 day	
	ocuments reparation	Customs clearance and technical control	Ports and terminal handling	Inland transportation and handling
	From 8 days to 5 days	Control	From 2 days to 1 day	

ΒU

28 May 2014, Hotel Intercontinental, Makati City

ING





2014

SUMM

22

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.

.Hotel Intercontinental. Makati

- •Full implementation of the Authorized Economic Operator Program.
- •Enhanced Advance Ruling System.

Enforcing Contracts

ATTY. FRANCIS ED LIM

Senior Partner ACCRALAW

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

EASE OF DOING BUSINESS SUMMIT

28 May 2014, Hotel Intercontinental, Makati City

TRAT

TO DE IN

2014



Enforcing Contracts: Agencies

• Department of Justice



• ACCRA Law



SUMM

NG

BU

28 May 2014, Hotel Intercontinental, Makati City





Enforcing Contracts

FROM (2014):

37

STEPS

TO (2015):

30 STEPS







Enforcing Contracts

FROM (2014): **TO (2015)**: 842 360 DAYS 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	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)

DDING

BU

28 May 2014, Hotel Intercontinental, Makati City

ESS

SUMM





Resolving Insolvency: Agencies

Department of Justice



• ACCRA Law



SIIMM

NG

28 May 2014, Hotel Intercontinental, Makati City





Number of Years and Cost

Retain:









FROM (2014): TO (2015):

29.9 RECOVERY RATE (Cents per \$) **42.4 RECOVERY RATE** (Cents per \$)

COMPETITIVENESS COUNCIL PHILIPPINES



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

28 May 2014, Hotel Intercontinental, Makati City



Thank You





admin@competitive.org.ph

www.twitter.com/ncc_PH

www.facebook.com/Compete.Philippines



FOR A COPY OF TODAY'S PRESENTATION, GO TO:

www.competitive.org.ph/downloads