



NATIONAL
COMPETITIVENESS
COUNCIL | PHILIPPINES



EASE OF DOING BUSINESS BRIEFING SESSION

2 February 2016

Programme

Ease of Doing Business Briefing Session

2 February 2016 | 11:00 AM to 2:00 PM

AIM Conference Center | Makati City

1. Opening Remarks
2. Results of the 2016 Doing Business Report
3. Reforms on Ease of Doing Business
4. Open Forum
5. Closing Remarks

An aerial view of a city skyline at dusk. The sky is filled with soft, pink and orange clouds, and the city lights are beginning to glow. The buildings are densely packed, with many skyscrapers. A large, bold, blue text overlay is centered on the image.

Results of the 2016 Doing Business Report



GLOBAL COMPETITIVENESS REPORT CARD

REPORT	2015 RANK	2014 RANK	2013 RANK	CHANGE	ASEAN RANK	TOP 1/3	PERFORMANCE 4 or 5 years
1. WEF -Global Competitiveness Report	47/140	52/144	59/148	↑ 5	5 of 9	47****	↑ 38
2. IFC- Ease of Doing Business	103/189	95/189*	108/189**	↓ 8	6 of 10	63	↑ 45
3. TI - Corruption Perception Index	95/168	85/175	94/177	↓ 10	3 of 9	58	↑ 39
4. HF - Economic Freedom Index	76/178	89/178	97/177	↑ 13	5 of 9	59	↑ 39
5. WEF- Global Information Technology Report	76/143	78/148	86/144	↑ 2	5 of 9	48	↑ 10
6. WEF - Travel and Tourism Report	74/141	n/a	82/140	↑ 8	5 of 7	46	↑ 20
7. WEF - Global Enabling Trade Index	Mar 2016	64/138	n/a	↑ 8	6 of 10	46	↑ 28
8. IMD -World Competitiveness Report	41/60	42/60	38/60	↑ 1	4 of 5	20	↑ 1
9. WIPO - Global Innovation Index	83/141	100/143	90/142	↑ 17	5 of 8	47	↑ 8
10. WB - Logistics Performance Index	Mar 2016	57/160	n/a	↓ 5	6 of 9	53	↓ 2
11. FFP - Fragile States Index ***	48/178	52/178	59/178	↓ 4	8 of 10	118	↓ 6
12. WEF - Global Gender Gap Report	7/145	9/142	5/136	↑ 2	1 of 9	47****	---

*Ranking based on the 2015 Doing Business Report

**Ranking based on the 2014 Doing Business Report

***Reverse ranking (1 as worst) – Fragile States Index

As of November 2015

**** REACHED THE TOP THIRD

PHILIPPINES AND ASEAN

2015-2016



ASEAN		2016 (189)	2015 (189)	Change 2015-2016
1	Singapore	1	1	-
2	Malaysia	18	18	-
3	Thailand	49	26	-23
4	Vietnam	90	78	-12
5	Brunei Darussalam	84	101	+17
6	Philippines	103	95	-8
7	Indonesia	109	114	+5
8	Cambodia	127	135	+8
9	Lao PDR	134	148	+14
10	Myanmar	167	177	+10

DOING BUSINESS INDICATORS PHILIPPINES (2015-2016)



INDICATORS	2016 (189)	2015 (189)	Change 2015- 2016
OVER-ALL RANKING	103	95	↓ 8
1. Starting a Business	165	161	↓ 4
2. Dealing w/ Construction Permits	99	124	↑ 25
3. Getting Electricity	19	16	↓ 3
4. Registering Property	112	108	↓ 4
5. Getting Credit	109	104	↓ 5
6. Protecting Investors	155	154	↓ 1
7. Paying Taxes	126	127	↑ 1
8. Trading Across Borders	95	65	↓ 30
9. Enforcing Contracts	140	124	↓ 16
10. Resolving Insolvency	53	50	↓ 3

Source: Published DB reports (2015-2016)



Issues on the Doing Business 2015 Methodology

ISSUES ON THE DOING BUSINESS REPORT

- **The *Doing Business* Report's methodology is erratic.**

- The data used is questionable and inconsistent year-on-year.
- The methodology applied changes year after year, and ranks/scores subsequently retroactively revised a year after publication.
- Revisions in findings cannot undo the damage done to affected economies.
- This leads us to question the credibility of the report as an instrument.

OVERALL RANK



Report Title	Original Release Date	Original Published Rank	Adjusted Rank (released +1yr)	Methodology Change
2011	2010	148	134	✓
2012	2011	136	136	
2013	2012	138	133	✓
2014	2013	108	86	✓
2015	2014	95	97	✓
2016	2015	103	???	✓

DOING BUSINESS INDICATORS

Published VS Adjusted



INDICATORS	2016 (189)	Published		Adjusted	
		2015 (189)	Change	2015	Change
OVER-ALL RANKING	103	95	↓ 8	97	↓ 6
1. Starting a Business	165	161	↓ 4	157	↓ 8
2. Dealing w/ Construction Permits	99	124	↑ 25	94	↓ 5
3. Getting Electricity	19	16	↓ 3	21	↑ 2
4. Registering Property	112	108	↓ 4	110	↓ 2
5. Getting Credit	109	104	↓ 5	105	↓ 4
6. Protecting Investors	155	154	↓ 1	154	↓ 1
7. Paying Taxes	126	127	↑ 1	125	↓ 1
8. Trading Across Borders	95	65	↓ 30	94	↓ 1
9. Enforcing Contracts	140	124	↓ 16	139	↓ 1
10. Resolving Insolvency	53	50	↓ 3	50	↓ 3

OVERALL SCORE



Report Title	Original Release Date	Original Published Score	Adjusted Score (released +1yr)	Methodology Change
2011	2010	-	-	✓
2012	2011	0.6211	-	
2013	2012	0.6200	55.06	✓
2014	2013	60.08	62.08	✓
2015	2014	62.08	59.94	✓
2016	2015	60.07	???	✓

ISSUES ON THE DOING BUSINESS REPORT

- **The World Bank's *Doing Business Report* selects only 1 or 2 cities as its sample.**

- It does not give a good representation of the country.

- The Doing Business report is misleading to foreign investors who may use the report in their decision-making processes.

ISSUES ON THE DOING BUSINESS REPORT

- **It does not give due consideration to on-the-ground reforms and improvements.**

- There is a clear substantial improvement that is backed by empirical data.

- One major improvement was the implementation of the Integrated Business Registration System (IBRS) which will further be discussed by the SEC.

An aerial view of a dense city skyline at dusk, featuring numerous high-rise buildings and a semi-transparent blue overlay. The sky is filled with soft, pinkish clouds, and the city lights are beginning to glow. The text "Roles of Survey Contributors" is centered in a bold, dark blue font.

Roles of Survey Contributors

ROLES OF SURVEY CONTRIBUTORS

- **Provide Expert Assessment on the local business environment**

- Experts providing information to *Doing Business* are better suited for assessing the process of starting a business than individual firms. A firm goes through the process of starting a business once in its existence while an incorporation lawyer may do several dozen such transactions in a year.
- Most of the information gathered through the *Doing Business* questionnaires is of a legal nature which firms are unlikely to be fully familiar with. For instance, very few firms will know about all the many legal procedures involved in resolving a commercial dispute through the courts, even if they may actually have gone through the process themselves .

ROLES OF SURVEY CONTRIBUTORS


• Provide Updated Information on Doing Business Reforms

- Experts are the primary sources of updates on the reforms implemented in each of the economies measured by the DB Report. Although, the Doing Business team accept reform updates from governments, they still give more weight on the inputs provided by the respondents.
- Last year, only 2 out of 22 reforms and 4 out of 9 updates submitted by the Government of the Philippines were accepted by World Bank IFC. One of the major reasons for denunciation was that the reforms were not confirmed by the local experts.

ROLES OF SURVEY CONTRIBUTORS

• Validate Reforms Implemented by the Government

- The *Doing Business* team and the contributors examine the extent to which changes have taken place in the regulatory framework that are relevant for the features captured in the indicators.
- Experts were annually asked by the doing business team if they have truly experienced on-the-ground improvements in the processes.

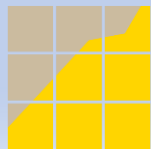
An aerial photograph of a dense urban skyline at dusk. The sky is filled with soft, pinkish-purple clouds, and the city lights are beginning to glow. The buildings are a mix of modern glass skyscrapers and older, more traditional structures. A large, bold, blue text overlay is centered in the middle of the image.

Gameplan 4.0: Scenarios



Scenarios

- **BIG IMPACT INDICATORS** - Implement targets on 4 identified Gameplan 4.0 Big Impact indicators. (SAB, DWCP, GC, and PMI)
- **BELOW 100**— Implement Gameplan 4.0 targets on 6 indicators ranked below 100 (SAB, RP, GC, PMI, PT, and EC)
- **STRETCH TARGETS** - Implement Gameplan 4.0 targets for ALL indicators.



Big Impact Indicators

WORLD RANKING

FROM



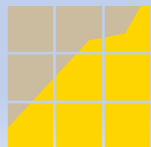
TO



IMPACT ON RANKING



BIG IMPACT INDICATORS - Implement targets on **4 identified Gameplan 4.0 big impact indicators**. (*Starting A Business, Dealing with Construction Permits, Getting Credit, and Protecting Minority Investors*)



Big Impact Indicators

move from 6 to 4



	ASEAN ECONOMIES	DB 2016 REPORT	TARGET WORLD RANK
1	Singapore	1	1
2	Malaysia	18	18
3	Thailand	49	49
4	Brunei	84	84
5	Vietnam	90	90
6	Philippines	103	55
7	Indonesia	109	109
8	Cambodia	127	127
9	Lao PDR	134	134
10	Myanmar	167	167

BIG IMPACT INDICATORS - Implement targets on 4 identified Gameplan 4.0 big impact indicators.
(Starting A Business, Dealing with Construction Permits, Getting Credit, and Protecting Minority Investors)



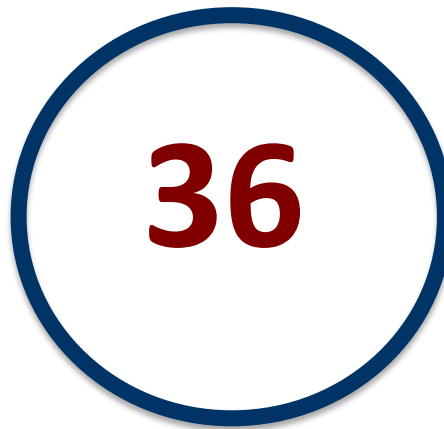
Below 100

WORLD RANKING

FROM



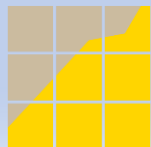
TO



IMPACT ON RANKING

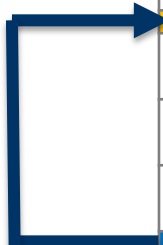


BELOW 100– Implement Gameplan 4.0 targets on **6 identified indicators ranked below 100**. (SAB, RP, GC, PMI, PT, and EC)



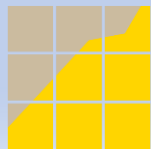
Below 100

move from 6 to 3



	ASEAN ECONOMIES	DB 2016 REPORT	TARGET WORLD RANK
1	Singapore	1	1
2	Malaysia	18	18
3	Thailand	49	49
4	Brunei	84	84
5	Vietnam	90	90
6	Philippines	103	40
7	Indonesia	109	109
8	Cambodia	127	127
9	Lao PDR	134	134
10	Myanmar	167	167

BELOW 100– Implement Gameplan 4.0 targets on **6 identified lowest ranking (below 100) indicators**. (SAB, RP, GC, PMI, PT, and EC)



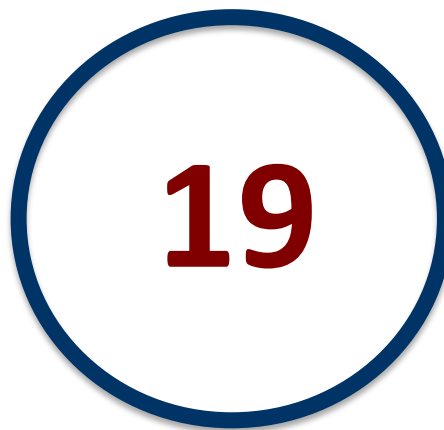
Stretch Targets

WORLD RANKING

FROM



TO



IMPACT ON RANKING



STRETCH TARGETS - Implement suggested **Gameplan 4.0 TARGETS** on **ALL** indicators.



Stretch Targets

move from 6 to 3

	ASEAN ECONOMIES	DB 2016 REPORT	TARGET WORLD RANK
1	Singapore	1	1
2	Malaysia	18	18
3	Thailand	49	49
4	Brunei	84	84
5	Vietnam	90	90
6	Philippines	103	19
7	Indonesia	109	109
8	Cambodia	127	127
9	Lao PDR	134	134
10	Myanmar	167	167

STRETCH TARGETS - Implement Gameplan 4.0 TARGETS on ALL indicators.

An aerial view of a city skyline at sunset. The sky is filled with soft, pink and orange clouds, and the sun is low on the horizon, casting a warm glow over the buildings. The city is densely packed with skyscrapers of various heights and colors, some with lights on. A construction crane is visible on the right side of the image. The overall scene is a vibrant and modern urban landscape.

Key Dates for Doing Business Report

KEY DATES FOR DOING BUSINESS REPORT

Dates	Activities
Late-February	Doing Business Survey
Mid-March	open call to WBG colleagues and Executive Directors to send updates on ongoing reforms expected to affect DB indicators
March to April	Doing Business team engagement with governments and colleagues on DB data for particular countries.
Late June	Circulation of reform update memos to WBG regional colleagues and to governments through the Executive Directors' offices.
August	Bank-wide review of the draft DB report
September-October	Video conferences held with regional staff to explain methodological changes.
Mid-October	Calls to WBG regional management for countries with large data changes or recognized as top-improvers, to discuss changes
3rd wk of October	release of embargoed report
Last wk of October	Doing Business 2017 report official launch date.

For queries email us at: doingbusiness@competitive.org.ph

THANK YOU



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admin@competitive.org.ph



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[/compete.philippines](https://www.facebook.com/compete.philippines)

An aerial view of a city skyline at sunset. The sky is filled with soft, pink and orange clouds. The city is densely packed with skyscrapers of various heights and architectural styles. Some buildings are illuminated with warm lights, while others are still in shadow. A construction crane is visible on the right side of the frame. The overall atmosphere is one of a bustling urban environment during the golden hour.

Presentations by the Doing Business Work Teams

[SAB](#), [DWCP](#), [GE](#), [RP](#), [GC](#), [PMI](#), [PI](#), [TAB](#), [EC](#), [RI](#)

STARTING A BUSINESS

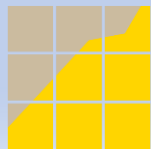
ATTY. MARY ANNE LAGURA

Assistant Director, Company Registration and Monitoring Department
Securities and Exchange Commission



SOCIAL SECURITY SYSTEM





STARTING A BUSINESS

FROM:

TO:

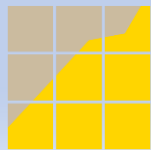
16 **34**
STEPS DAYS

6 **8**
STEPS DAYS

2014

2016





STARTING A BUSINESS

Old Procedures

1 Verify and reserve the company name with SEC (1 day, Php 40)

2 Deposit Paid in Capital at the bank (1 day, Php 0)

3 Notarize articles of incorporation and treasurer's affidavit. (1 day, Php 500)

4 Register the company with SEC and receive pre-registered TIN. (2 days average, see procedure details)

5 Obtain barangay clearance. (1 day, Php 500)

6 Pay annual community tax and obtain community tax certificate. (1 day, Php 500)

7 Obtain business permit from BPLO. (6 days, see procedure details)

8 Buy special books of account at book-store. (1 day, Php 400)

9 Apply and pay for Certificate of Registration and obtain TIN at BIR. (1 day, see procedure details)

10 Pay registration fee and documentary stamp taxes (1 day, see procedure details)

11 Obtain authority to print receipts and invoices from BIR. (1 day, Php 0)

12 Print receipts and invoices. (7 days, Php 3,500)

13 Have books of accounts and Printer's Certificate of Delivery stamped by BIR. (1 day, Php 0)

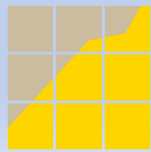
14 Register with SSS. (7 day, Php 0)

15 Register with PhilHealth. (1 day, Php 0)

16 Register with Pag-IBIG. (1 day, Php 0)

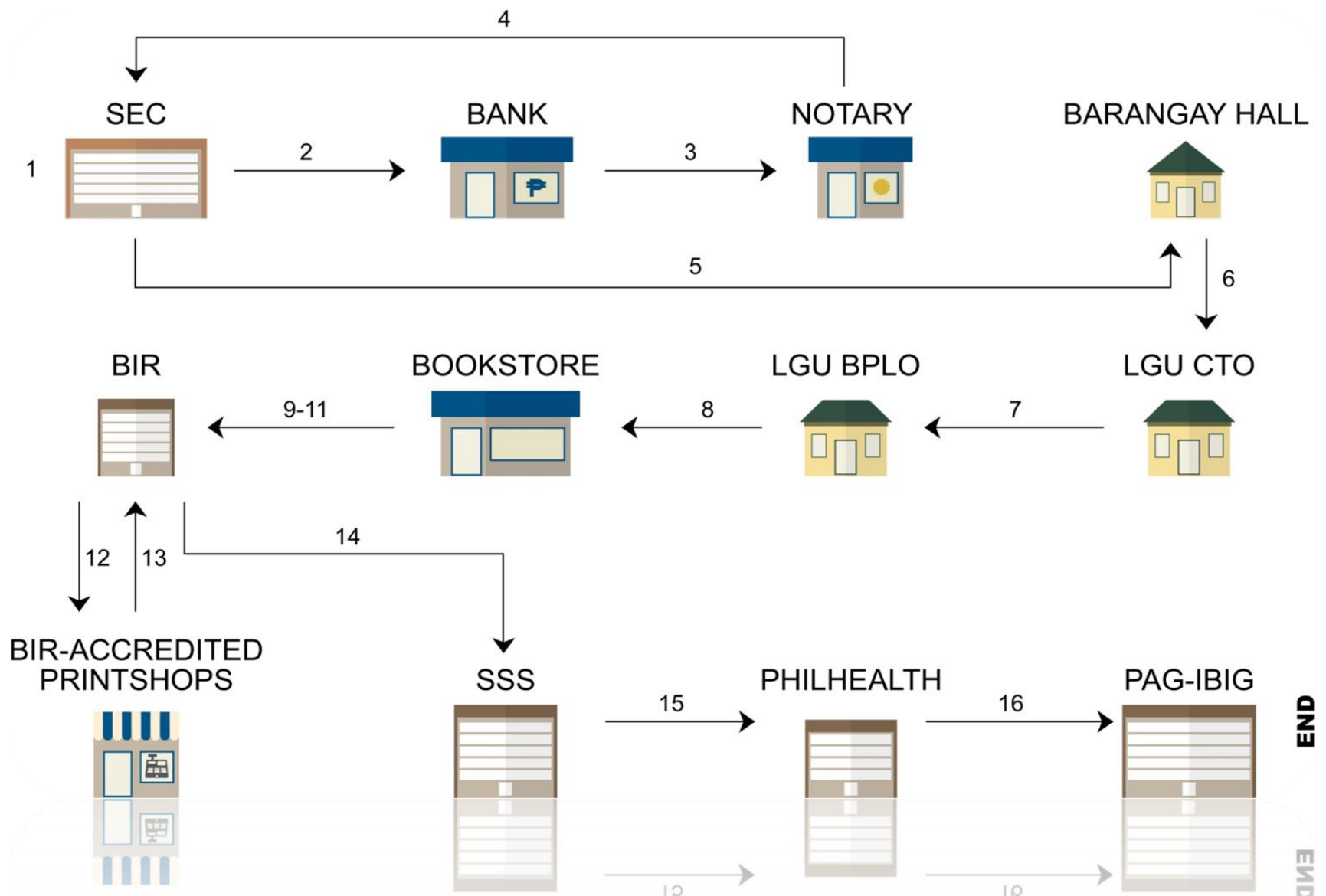
16 Steps which can be completed in **29** days

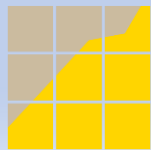
[SAB](#), [DWCP](#), [GE](#), [RP](#), [GC](#), [PMI](#), [PI](#), [TAB](#), [EC](#), [RI](#)



STARTING A BUSINESS

Agency Flowchart





STARTING A BUSINESS

New Procedures

1

Prepare articles of incorporation, by-laws, and treasurer's affidavit signed by the incorporators for notarization.

1 DAY

2

Obtain SEC Registration Number, BIR Tax Identification Number Pag-IBIG fund, PhilHealth, and SSS Employer numbers (ERNs) at the Securities and Exchange Commission through its Integrated Business Registration System. Applicant will receive a Unified Registration Form (URF).

1 DAY

3

Obtain Barangay Clearance

1 DAY

4

Obtain Business Permit to Operate from the Business Process and Licensing Office and pay necessary fees

2-3 DAYS

5

Secure Certificate of Registration and Registration of Books of accounts at the Bureau of Internal Revenue (BIR)

1 DAY

6

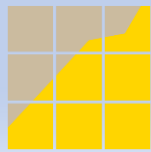
A. Registration Cash Register Machine (CRM) / Point of Sale (POS)

1 DAY

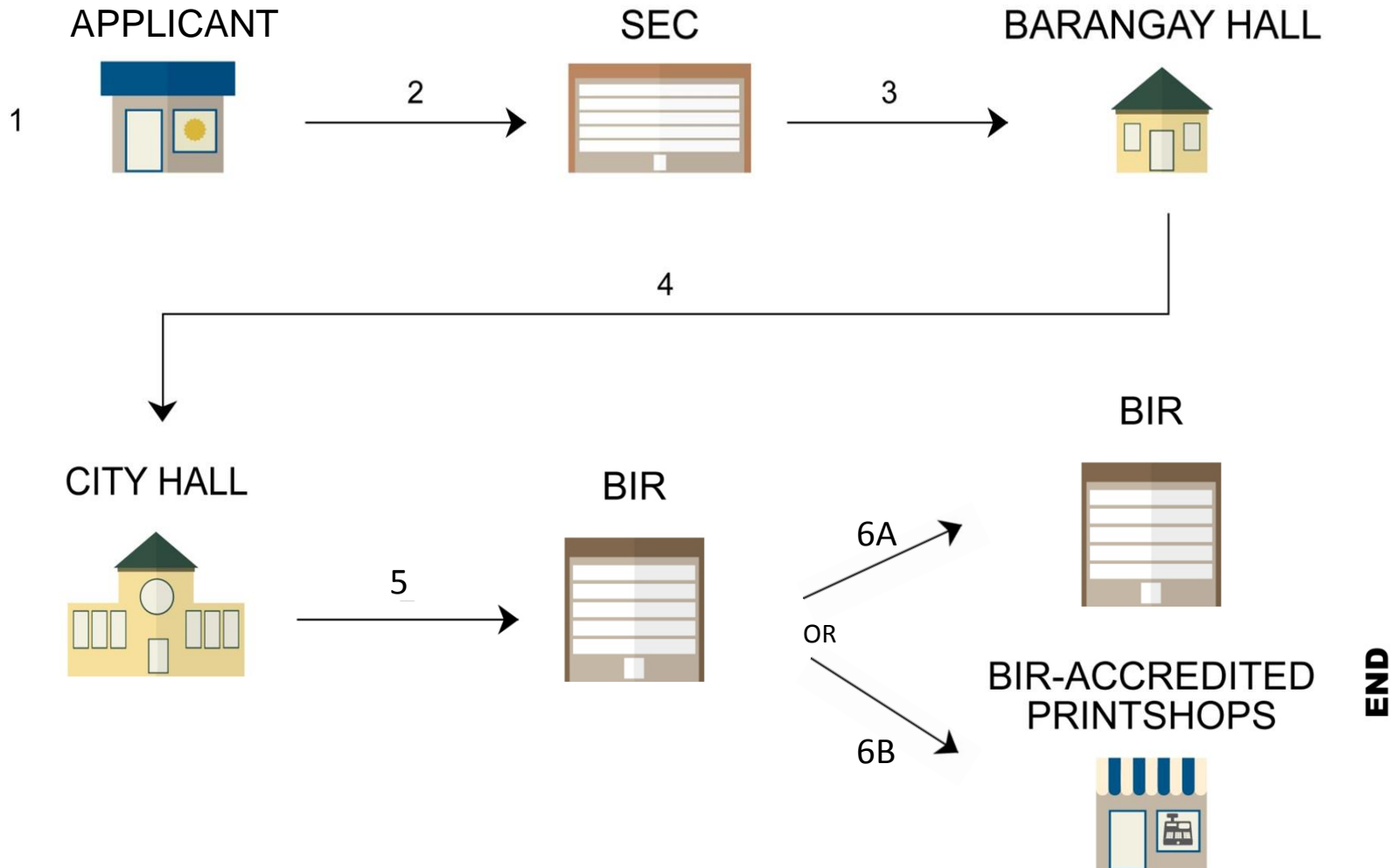
B. Secure Authority to Print Receipts/ Invoices (Manual Receipts)

1-7 DAYS

can now be completed in **8** days



STARTING A BUSINESS Agency Flowchart



INTEGRATED BUSINESS REGISTRATION SYSTEM UNIFIED REGISTRATION RECORD (URR)

USAGE:



UNIFIED REGISTRATION RECORD (URR)

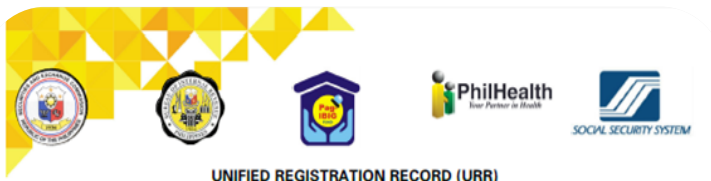
COMPANY NAME ONE ORANGE COMMUNICATIONS INC.	SEC REGISTRATION NUMBER CS201504528
DOING BUSINESS AS (list down trade names) Telecommunications	TAX IDENTIFICATION NUMBER (TIN) 008008000
PRINCIPAL ADDRESS 123 marvex pineda Kalookan City Metro Manila	PAG-IBIG EMPLOYER NUMBER (Eyer ID) 800170635509
PHONE NO. 7846498	PHILHEALTH EMPLOYER NUMBER (PEN) 002000008635
FAX NO. 7772345	SSS EMPLOYER NUMBER (ER No.) 0392534831
MOBILE NO.	E-MAIL ADDRESS
AUTHORIZED REPRESENTATIVE (to be filled up by company - for presentation to social agencies)	

DATE	PERFORMANCE
April 15 – 31 December 30, 2015	URRs Printed = 17,607
	Applications Received = 17,673
	Applications Processed = 17,666
	IBRS Performance = 99.62%



INTEGRATED BUSINESS REGISTRATION SYSTEM

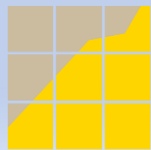
UNIFIED REGISTRATION RECORD (URR)



COMPANY NAME ONE ORANGE COMMUNICATIONS INC.		SEC REGISTRATION NUMBER CS201504528	
DOING BUSINESS AS (list down trade names) Telecommunications		TAX IDENTIFICATION NUMBER (TIN) 008008000	
PRINCIPAL ADDRESS 123 marvex pineda Kalookan City Metro Manila		PAG-IBIG EMPLOYER NUMBER (Eyer ID) 800170635509	
PHONE NO. 7846498		FAX NO. 7772345	
MOBILE NO.		PHILHEALTH EMPLOYER NUMBER (PEN) 002000008635	
AUTHORIZED REPRESENTATIVE (to be filled up by company - for presentation to social agencies)		SSS EMPLOYER NUMBER (ER No.) 0392534831	
E-MAIL ADDRESS			

PROCESSING TIME:

PROCESSING TIME	NO. OF URRS RELEASED
1 day or less	16,655
2-3 days	678
4-5 days	133
6 + days	207



IMPROVEMENT IN THE NUMBER OF BUSINESS REGISTRATIONS AT THE SEC

MONTH	2014	2015	% Change
April 15-30	771	1,208	57%
May	2,066	2,155	4%
June	2,078	2,179	5%
July	2,238	2,307	3%
August	1,885	2,085	11%
September	2,422	2,319	-4%
October	2,227	2,327	4%
November	1,989	1,492	-25%
December	1,455	1,656	14%
Total	17,131	17,728	3%



STARTING A BUSINESS

Reforms in Summary

Reduced **STEPS** and **DAYS** from 16 steps and 29 days to 6 and 8, respectively, through the following:

1. Implementation of Integrated Business Registration System (IBRS) from SEC, in collaboration with the Social Agencies, namely SSS, Home Development Mutual Fund HDMF or the Pag-IBIG Fund and PhilHealth.
2. Removal of the requirement for depositing the paid-in minimum capital.
3. Reduction in the number of days in the business application procedures in QC LGU from 6 days to 1 or 2 days.



STARTING A BUSINESS

Reforms in Summary

Reduced **STEPS** and **DAYS** from 16 steps and 29 days to 6 and 8, respectively, through the following:

4. Removal of the requirements for special books of account, authority to print receipt and invoices, and stamping of books of accounts and Printer's Certificate of Delivery from BIR.
5. BIR allows companies to buy and use point-of-sale - cash register machines, in lieu of printing of receipts and invoices at BIR-accredited print shops.

DEALING WITH CONSTRUCTION PERMITS

ENGR. KENNY DIOKNO

QUEZON CITY, BUILDING OFFICIAL



[SAB](#), [DWCP](#), [GE](#), [RP](#), [GC](#), [PMI](#), [PI](#), [TAB](#), [EC](#), [RI](#)



DEALING WITH CONSTRUCTION PERMITS

OLD PROCEDURES (24 Steps, 98 Days)

1. Obtain CTC of Land Title from Registry of Deeds (**LRA-
BFP**) 1 day

2. Obtain Lot plan with Site map from **Geodetic Engineer** 1 day

3. Obtain **Barangay Clearance** 1 day

4. Apply for Locational Clearance (**CPDO**) 1 day

5. Receive Inspection for Locational Clearance(**CPDO**) 1 day

6. Obtain Locational Clearance (**CPDO**) 5 day

7. Apply and Obtain FSEC form **BFP Fire Mashall (BFP)** 1 day

8. Apply and obtain Building permit and ancillary permits from **OBO** 21 days

9. Receive inspection from **BFP** during Construction 1 day

10. Apply for FSIC at the **BFP** 1 day

11. **Receive** final inspection for the FSIC from the **BFP** 1 day

12. **Obtain** the FSIC from the **BFP** 5 days

13. **Apply** for the Certificate of Final Electrical Inspection (CFEI) at the **OBO** 1 day

14. **Receive** final inspection for the CFEI from the **OBO** 1 day

15. **Obtain** the CFEI from the **OBO** 3 days

16. **Apply** for the certificate of occupancy at the **OBO** 1 day

17. **Receive** final inspection for the certificate of occupancy from the **OBO** 1 day

18. **Obtain** the certificate of occupancy from the **OBO** 18 days

19. Apply for water and sewage connection. Manila Water 1 day

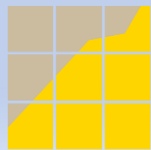
20. Receive inspection for water and sewage connection. Manila Water 1 day

21. Obtain water and sewage connection from Manila Water 21 days

22. **Apply** for the tax declaration of improvement at **CAO** 1 day

23. **Receive** inspection from the appraiser of **CAO** 1 day

24. **Obtain** tax declaration of improvement from the **CAO** 3 days



DEALING WITH CONSTRUCTION PERMITS

NEW PROCEDURES (16 Steps, 61 Days)

1. Obtain CTC of Land Title from Registry of Deeds (**LRA-RD**) **4 days**

2. Obtain Lot plan with Site map from **Geodetic Engineer** **3 days**

3. Obtain **Barangay Clearance** **1 day**

4. Apply for the following at the City Planning and Development Office (CPDO)

- Locational Clearance
- Fire Safety Evaluation Clearance
- Pre-approval of Architectural plans

5. Get the Pre-approved documents from the CPDO

6. Submit pre-approved and complete documentary requirements for the Building Permit and Ancillary Permits at the OBO

7. Obtain the following clearance and permits at the OBO

- Fire Safety Evaluation Clearance
- Locational Clearance
- Building Permit and Ancillary Permits

8. Apply for the following at the OBO:

- Fire Safety Inspection Certificate
- Certificate of Final Electrical Inspection
- Certificate of Occupancy

9 Receive the following inspections:

- Final inspection for the FSIC from the BFP
- Final inspection for the CFEI from the OBO
- Final inspection for the certificate of occupancy from the OBO

10. Obtain the following certificates at the OBO

- Fire Safety Inspection Certificate FSIC
- Certificate of Final Electrical Inspection CFEI

11. Apply for water and sewage connection. Manila Water **1 day**

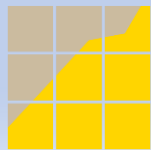
12. Receive inspection for water and sewage connection. Manila Water **1 day**

13. Obtain water and sewage connection from Manila Water **21 days**

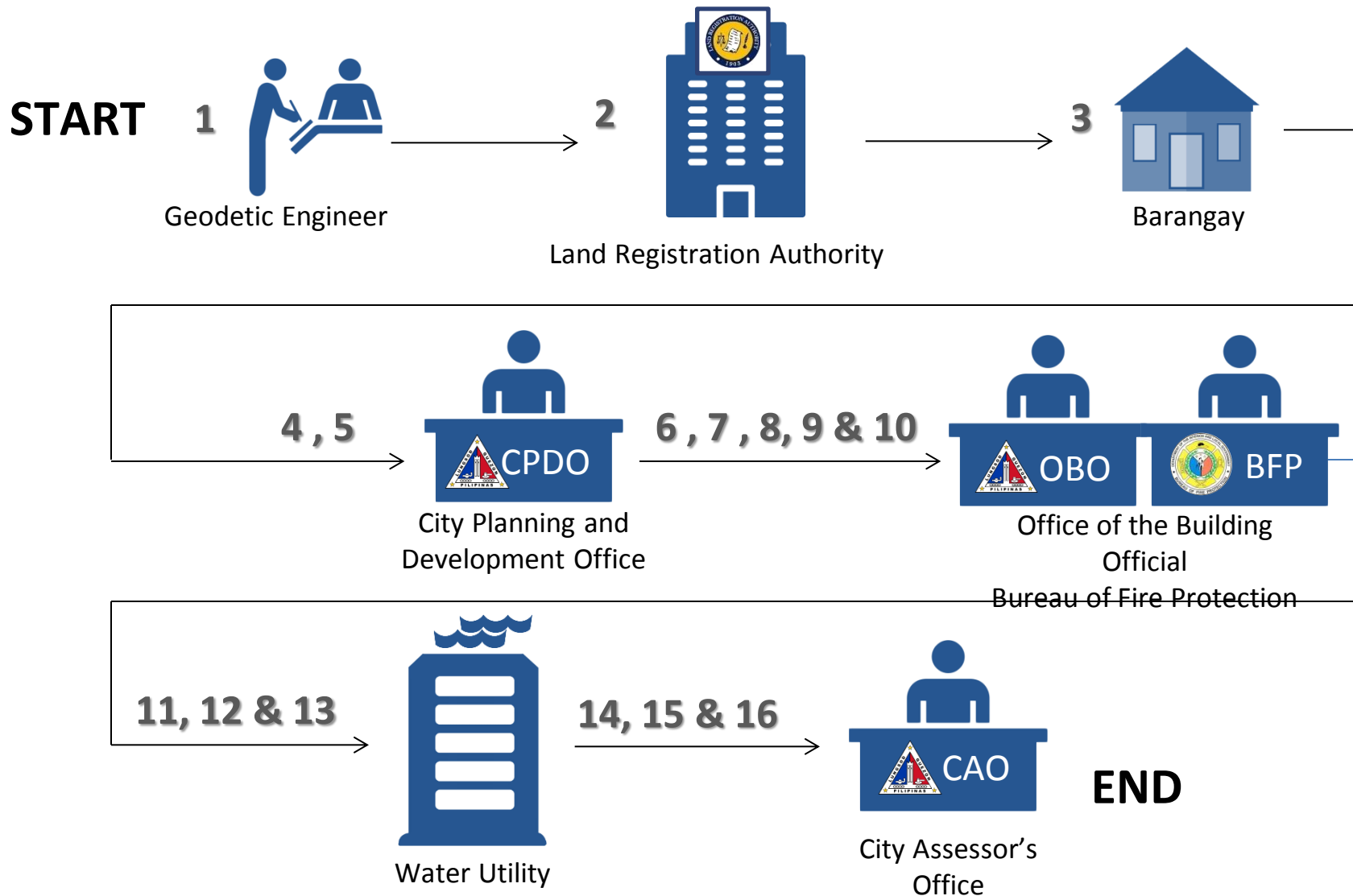
14. **Apply** for the tax declaration of improvement at **CAO** **1 day**

15. **Receive** inspection from the appraiser of **CAO** **1 day**

16. **Obtain** tax declaration of improvement from the **CAO** **2 days**



DEALING WITH CONSTRUCTION PERMIT Reforms



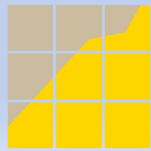


DEALING WITH CONSTRUCTION PERMIT (Reforms in Summary)

Reduced steps and days from 24 and 94 to 16 and 61, through the reform implemented by the Local Government of Quezon City.

REFORM:

The Quezon City government allows and permits the Bureau of Fire protection to co-locate in the Department of Building Official's office to accept and process applications for Fire Safety Inspection Certificate, as well as in the issuance of the Fire Safety Evaluation Clearance.



DEALING WITH CONSTRUCTION PERMIT

Measuring Regulatory Quality and Efficiency

Building Quality Control Index



DOES THE BUILDING
CODE FOLLOW
GOOD PRACTICES?
IS IT EASILY
ACCESSIBLE?



WHO APPROVES THE
DESIGN? HOW ARE
INSPECTIONS CARRIED
OUT BEFORE, DURING
AND AFTER
CONSTRUCTION?



WHAT QUALIFICATIONS ARE
REQUIRED FOR THE
PROFESSIONALS REVIEWING
PLANS OR CONDUCTING
INSPECTIONS?
WHAT ARE THE RULES ON
LIABILITY AND INSURANCE?

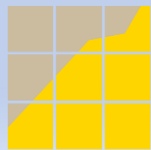


GETTING ELECTRICITY

EUSEBIO A. GONZALES

AVP and Head South Area, BIZ Partners
Manila Electric Company (MERALCO)



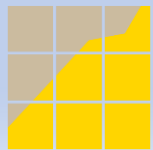


GETTING ELECTRICITY

Indicator Details

SUB-INDICATORS	2013	2014	2015	2016
Procedures (number)	5	5	4	4
Time (days)	50	42	42	42
Cost (% of income per capita)	833.3	118.2	90.6	28.7
Reliability of supply and transparency of tariffs index (0-8)	-	-	-	6
Ease of getting electricity (percentile)	0.36	0.23	91	87
Ease of getting electricity RANK	57	33	16	19

Source: Published DB reports (2015-2016)



GETTING ELECTRICITY (Old Procedure)

OLD PROCEDURES (4 Steps, 42 Days)

START

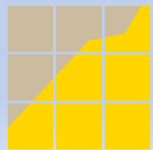
Submit application to MERALCO
and await site inspection
(STEP 1 - 3 days)

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

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 - 25 days)

END



GETTING ELECTRICITY (New Procedure)

NEW PROCEDURES (3 Steps, 42 Days)

START

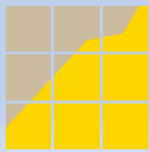
Submit application to MERALCO
and await site inspection
(STEP 1 - 3 days)

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

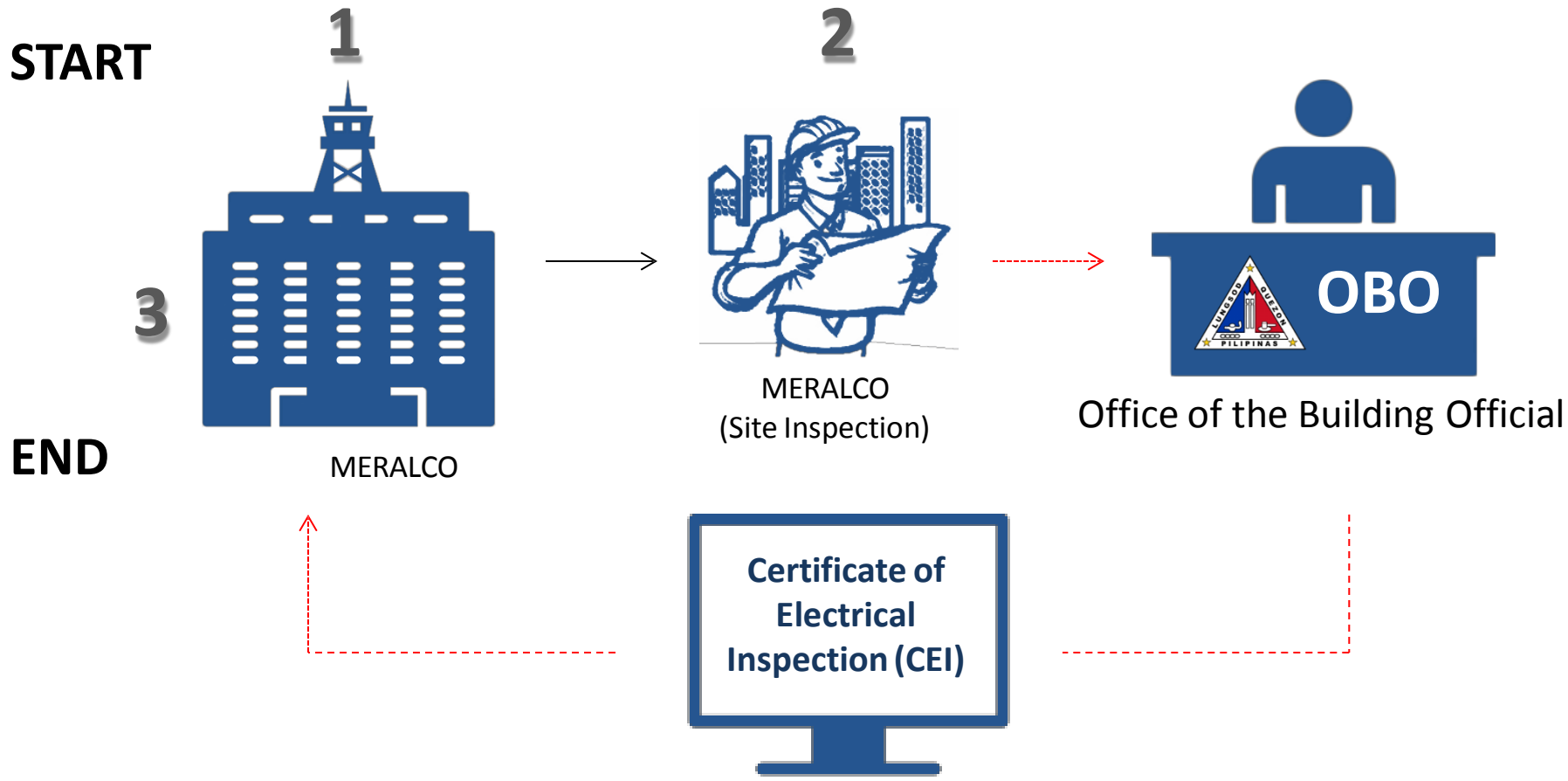
~~Request and receive Certificate
of Electrical Inspection (CEI) from
Quezon City (simultaneous with
previous procedure)
(STEP 3 - 7 days)~~

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 (AGENCY FLOWCHART)



Electronic transfer of CEI from QC-OBO to MERALCO



GETTING ELECTRICITY (Reforms in Summary)

REDUCTION in PROCEDURES (From 4 to 3)

- The third procedure which is “Request and Receive Certificate of Electrical Inspection (CEI) from Quezon City will become a transaction between Meralco & the QC LGU. Meralco will prompt QC LGU of the need for CEI after the Site visit in Procedure No. 2

FASTER Processing TIME (From 42 days to 38 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

- Security Deposit dropped from PhP 251,770 to P203,180 for 2016.

OTHER INITIATIVES

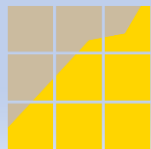
- Automatic Update of Bill Deposit

REGISTERING PROPERTY

ATTY. RONALD ORTILE

Deputy Administrator for Operations
Land Registration Authority



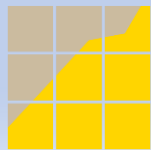


REGISTERING PROPERTY

Indicator Details

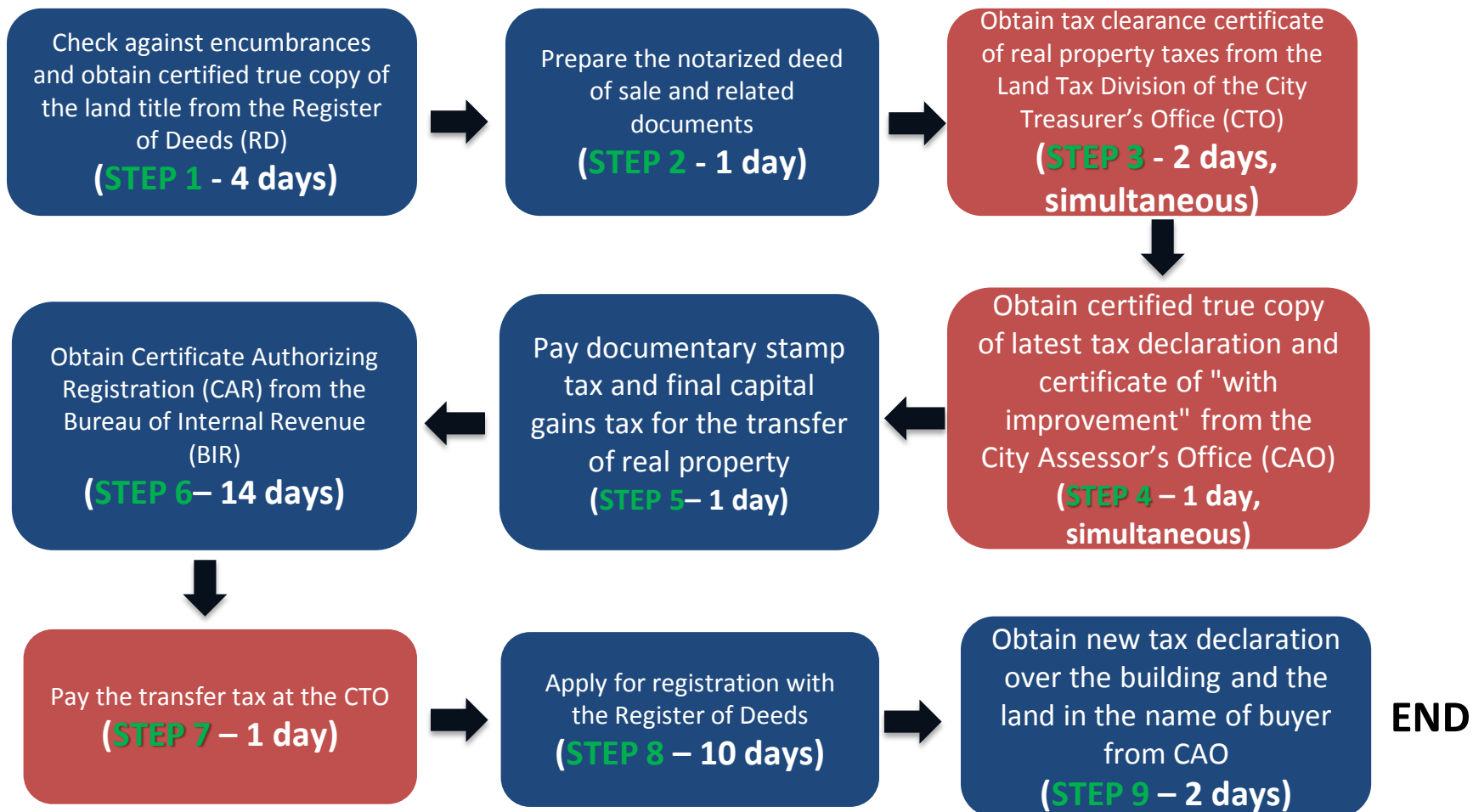
SUB-INDICATORS	2013	2014	2015	2016
Procedures (number)	8	8	9	9
Time (days)	39	39	35	35
Cost (% of income per capita)	4.8240	4.8173	4.2962	4.2891
Quality of Land Administration Index (0-30)	-	-	-	12.5
Ease of registering property (percentile)	0.59	0.60	62.81	57.53
Ease of registering property rank	122	122	108	112

Source: Published DB reports (2015-2016)



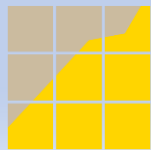
REGISTERING PROPERTY (Old Procedures)

START



can be completed in 35 days

END



REGISTERING PROPERTY (New Procedures)

START

Check against encumbrances and obtain certified true copy of the land title from the Register of Deeds (RD)
(STEP 1 - 4 days)

Prepare the notarized deed of sale and related documents
(STEP 2 - 1 day)

Obtain tax clearance certificate of real property taxes , certified true copy of latest tax declaration and certificate of "with improvement, and Pay Transfer tax at the **QCITDO**
(STEP 3- 2 days, simultaneous)

Obtain Certificate Authorizing Registration (CAR) from the Bureau of Internal Revenue (BIR)
(STEP 5 - 5 days)

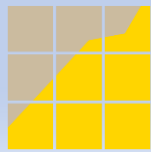
Pay documentary stamp tax and final capital gains tax for the transfer of real property
(STEP 4 - 1 day)

Apply for registration with the Register of Deeds
(STEP 6 - 10 days)

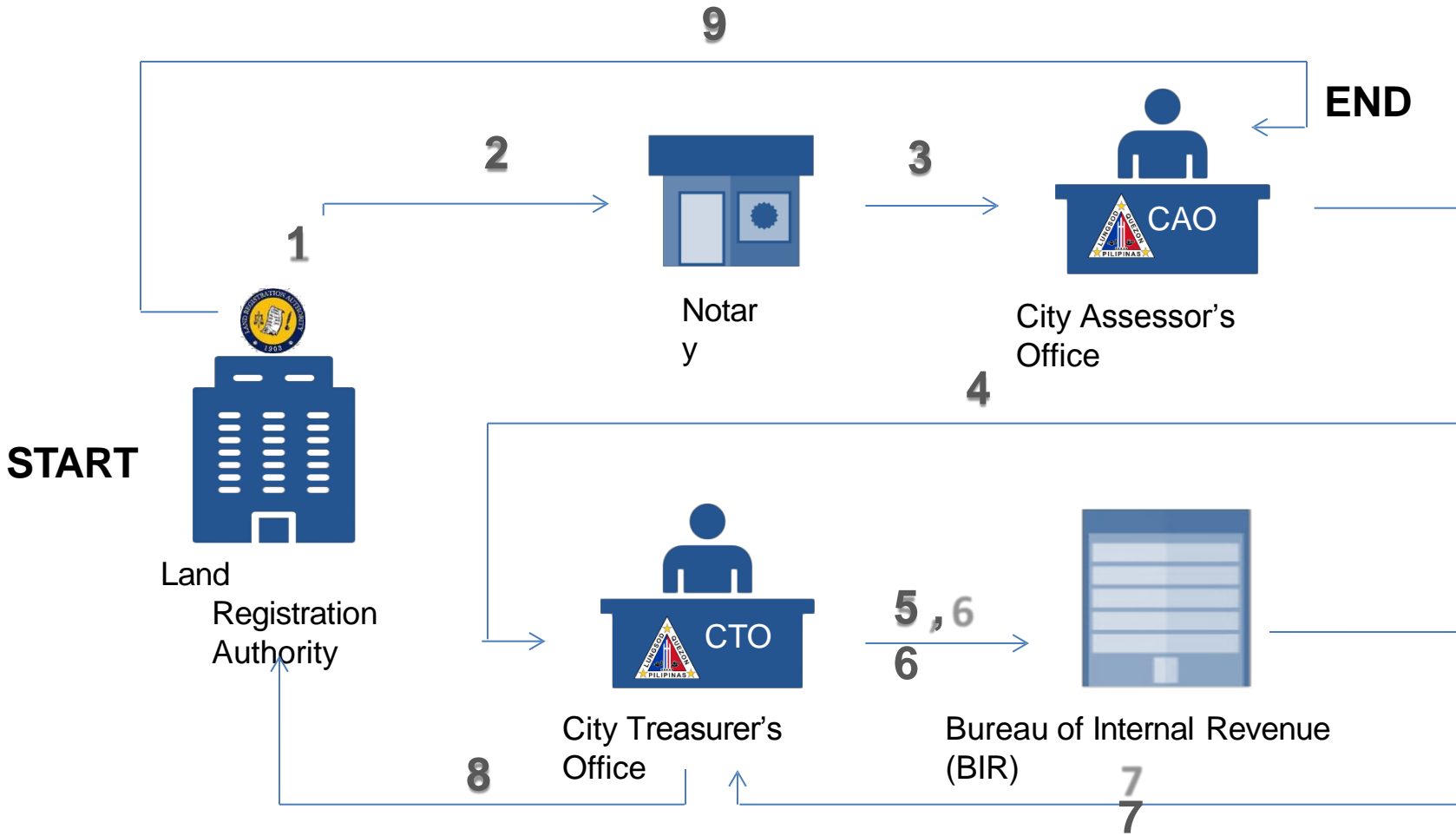
Obtain new tax declaration over the building and the land in the name of buyer from CAO
(STEP 7 - 2 days)

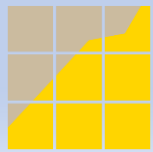
END

Can now be completed in 22 days



REGISTERING PROPERTY (AGENCY FLOWCHART)





REGISTERING PROPERTY (Reforms in Summary)

Electronic Certificate Authorizing Registration (eCAR)

The Bureau of Internal Revenue (BIR) developed a new web-based system called Electronic Certificate Authorizing Registration (eCAR).

The reform will reduce the number of obtaining Certificate Authorizing Registration from 14 days to 5 days.

Merging LGU Procedures

Reduce Registering Property procedures from 9 to 7

Merge steps on obtaining Certified True Copy of latest tax declaration and certificate of “with improvement” from the City Assessor’s Office (CAO), Obtaining tax clearance certificate of real property taxes from the Land Tax Division of the City Treasurer’s Office (CTO), and Paying the transfer tax at the CTO.



REGISTERING PROPERTY (Reforms in Summary)

Other Enabling Initiatives of LRA

LRA Circular No. 2016-001 (Published Jan. 29, 2016), entitled, “Program for the Upgrade of All Manually-Issued Titles within a 3-Year Period.”

GETTING CREDIT

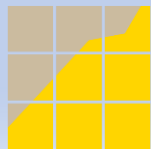
JAIME GARCHITORENA

President and CEO
Credit Information Corporation



ACCRA[®]

[SAB](#), [DWCP](#), [GE](#), [RP](#), [GC](#), [PMI](#), [PI](#), [TAB](#), [EC](#), [RI](#)



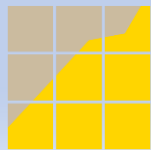
GETTING CREDIT

Indicators Details

SUB-INDICATORS	2013	2014	2015	2016
Credit Information Index	3/6	5/6	5/8	5/8
Legal Rights Index	4/10	4/10	3/12	3/12
Sum getting credit	7/16	9/16	8/20	8/20
<i>*Ease of getting credit</i>	0.83	0.57	40.00	40.00
Ease of Credit RANK	129	86	104	109

**not comparable*

Source: Published DB reports (2015-2016)



GETTING CREDIT (Reforms)

Depth of credit information index (0–8)	Old Score		New Score	
	Credit bureau	Credit registry	Credit bureau	Credit registry
Are data on both firms and individuals distributed?	YES	NO	YES	YES
Are both positive and negative data distributed?	YES	NO	YES	YES
Are data from retailers and utility companies, in addition to data from banks and financial institutions, distributed?	NO	NO	NO	NO
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component)	NO	NO	NO	YES
Are data on loan amounts below 1% of income per capita distributed?	YES	NO	YES	YES
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	YES	NO	YES	YES
*Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	YES	NO	YES	YES
*Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	NO	NO	NO	YES
Score	5/8		7/8	



GETTING CREDIT (Reforms in Summary)

Credit Information Corporation issued the following:

- CIC Circular No. 2015-01
(Enforcement of the Credit Information Act Pursuant to Republic Act No. 9510 and its Implementing Rules and Regulations)
- CIC Circular No. 2015-02
(Deadline for Production Submission of Credit Data and Technical Requirements)



GETTING CREDIT (Reforms in Summary)

November 30, 2015

March 31, 2016

April 30, 2016

June 30, 2016

August 31, 2016

September 30, 2016

October 30, 2016

December 31, 2016

Credit card issuers

Universal and commercial banks, including their trust departments

Thrift banks, including their trust departments

Rural banks and entities with quasi-banking license issued by the BSP, including their subsidiaries and/or affiliates that are engaged in the business of providing credit

Financing companies

Government-owned and-controlled corporations engaged in lending

Large cooperatives defined by the CDA

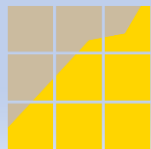
Medium cooperatives as defined by the CDA; insurance companies, mutual benefit associations and other similar entities supervised by the Insurance Commission; and non-stock savings and loan associations



GETTING CREDIT (Reforms in Summary)

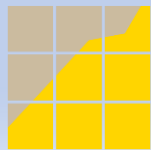
CISA Project database summary

- CIC has already loaded six (6) Financial Institutions to its database: MetroBank Card, HSBC, RCBC, EastWest Banking, UnionBank, and Taloy Norte Multi-Purpose Cooperative.
- As of January 25, 2016 the **total subjects loaded is 2,718,317** while the **total contracts loaded is 7,264,779**.
- In the month of Feb 2016 we expect an additional 3 million records to be uploaded



GETTING CREDIT (Reforms in Summary)

No.	Bank/Institution Name	Total Subjects	Total Subjects Loaded	Total Contracts	Total Contracts Loaded	Total Record (subject + contract) SUBMITTED	Total Record (subject + contract) LOADED in CIS
1	Credit Card Issuer A (Oct)	1,235,555	841,871	1,236,835	1,228,816	2,472,390	2,070,687
	Credit Card Issuer A (Oct)	7,872	6,292	7,830	7,823	15,702	14,115
	Credit Card Issuer A (Nov)	1,245,725	851,368	1,246,886	1,246,478	2,492,611	2,097,846
	Credit Card Issuer A (Dec)	1,244,721	0	1,245,858	0	2,490,579	0
2	Credit Card Issuer B (Oct)	263,792	164,403	302,958	302,851	566,750	467,254
	Credit Card Issuer B (Nov)	264,828	164,148	305,612	305,523	570,440	469,671
	Credit Card Issuer B (Dec)	264,087	162,933	305,594	304,641	569,681	467,574
3	Credit Card Issuer C (Nov)	627,997	321,418	627,997	627,990	1,255,994	949,408
	Credit Card Issuer C (Dec)	630,300	0	630,300	0	1,260,600	0
4	Credit Card Issuer D (Nov)	252,599	173,426	267,679	259,477	520,278	432,903
	Credit Card Issuer D (Dec)	251,664	31,837	264,109	251,341	515,773	283,178
5	Credit Card Issuer E	10,728	0	10,728	10,694	21,456	10,694
6	Cooperative A	630	621	984	828	1,614	1,449
	TOTAL	6,300,498	2,718,317	6,453,370	4,546,462		7,264,779



GETTING CREDIT

(Financial Institutions)

Universal Banks (13 out of 21)

1. Al-Amanah Islamic Investment Bank of the Philippines
2. Bank of the Philippine Islands
3. Development Bank of the Philippines
4. Deutsche Bank AG
5. East West Banking Corporation
6. HSBC The Hongkong & Shanghai Banking Corporation
7. Internationale Nederlanden Groep Bank N.V. - Manila Branch
8. Mizuho Bank, Ltd. - Manila Branch
9. Philippine National Bank
10. Security Bank Corporation
11. Standard Chartered Bank
12. Union Bank of the Philippines
- United Coconut Planters Bank

Commercial Banks (10 out of 17)

1. Bangkok Bank Public Co. Ltd.
2. Bank of America, N.A.
3. Bank of Commerce
4. (The) Bank of Tokyo-Mitsubishi UFJ, Ltd.
5. Citibank, N.A.
6. Mega International Commercial Bank Co., Ltd.

7. Robinsons Bank Corporation
8. Shinhan Bank
9. Cathay United Bank
10. Philippine Bank of Communications

Thrift Banks (15 out of 69)

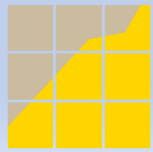
1. BPI Family
2. First Consolidated Bank, Inc.
3. City Savings Bank
4. Queen City Development Bank
5. Philippine Postal Savings Bank, Inc.
6. Philippine Savings Bank (PSBank)
7. Tong Yang Bank (A Korean Savings Bank)
8. Inter Asia Development Bank
9. Isla Bank (A Thrift Bank), Inc.
10. Equicom Savings
11. Wealth Bank
12. Dumaguete City Development Bank, Inc.
13. Business and Consumers Bank
14. Pampanga Development Bank
15. Bataan Development Bank

Rural Banks (9 out of 499)

1. Camalig Bank
2. Pangasinan Bank, Inc. (A Rural Bank)
3. Rural Bank of Barili (Cebu), Inc.
4. RBT Bank, Inc. A Rural Bank
5. BHF Rural Bank, Inc.
6. BOF, Inc. (A Rural Bank)
7. Zamboanga City Rural Bank, Inc.
8. Cagsawa Rural Bank, Inc.
9. Providence Rural Bank, Inc.

Credit Card Issuers (14 out of 17)

1. AUB
2. BDO
3. BOC
4. BPI
5. Citibank
6. East West
7. HSBC
8. Maybank
9. MCC
10. PNB
11. RCBC
12. Security Bank
13. Standard Chartered
14. Union Bank



GETTING CREDIT (Reforms in Summary)

First round stage of accrediting CIC Credit Bureaus

November 2015: CIC completed the **first round stage of accrediting Special Accessing Entities (SAEs)** by officially accepting the applications of five (5) international and one (1) local credit bureaus who expressed their intent to become the accredited CIC Credit Bureaus

Credit Bureaus who passed the document requirement stage:

Credit Bureau Singapore (CBS), Credit Information Bureau Inc. (CIBI), Compuscan, CRIF, Dun and Bradstreet South Asia Middle East, and TransUnion

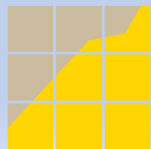
PROTECTING MINORITY INVESTORS

ATTY. ROSARIO CARMELA B. GONZALEZ-AUSTRIA

Securities Counsel, Securities and Exchange Commission



[SAB](#), [DWCP](#), [GE](#), [RP](#), [GC](#), [PMI](#), [PI](#), [TAB](#), [EC](#), [RI](#)

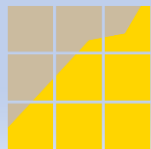


PROTECTING MINORITY INVESTOR

Strength of Minority Investor Protection



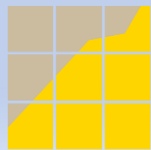
SUBINDICATORS	For DB 2017 (SEC Response)
Extent of conflict of interest regulation index (0-10)	
1. Extent of disclosure index (0-10)	
1.1 Which corporate body can provide legally sufficient approval for the Buyer-Seller transaction? (0-3)	The board of directors including Mr. James
1.2 Is disclosure by the interested director to the board of directors required? (0-2)	
1.3 Is disclosure of the transaction in published periodic filings (annual reports) required? (0-2)	Yes
1.4 Is immediate disclosure of the transaction to the public and/or shareholders required? (0-2)	Yes
1.5 Must an external body review the terms of the transaction before it takes place? (0-1)	No



PROTECTING MINORITY INVESTORS

Strength of Minority Investor Protection

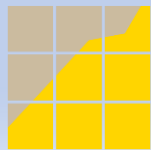
SUBINDICATORS	For DB 2017 (SEC Response)
Extent of conflict of interest regulation index (0-10)	
2. Extent of director liability index (0-10)	
2.1 Can shareholders sue directly or derivatively for the damage caused by the Buyer-Seller transaction to the company? (0-1)	Yes
2.2 Can shareholders hold the interested director liable for the damage caused by the transaction to the company? (0-2)	Yes
2.3 Can shareholders hold members of the approving body liable for the damage cause by the transaction to the company? (0-2)	Yes
2.4 Must the interested director pay damages for the harm caused to the company upon a successful claim by a shareholder plaintiff? (0-1)	
2.5 Must the interested director repay profits made from the transaction upon a successful claim by a shareholder plaintiff? (0-1)	
2.6 Is the interested director fined and imprisoned or disqualified upon a successful claim by the shareholder	Yes (Disqualified)



PROTECTING MINORITY INVESTORS

Strength of Minority Investor Protection

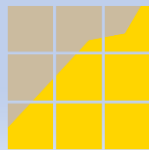
SUBINDICATORS	For DB 2017 (SEC Response)
Extent of conflict of interest regulation index (0-10)	
3. Ease of shareholder suits index (0-10)	
3.1 Before filing suit, can shareholders owning 10% of the company's share capital inspect the transaction documents? (0-1)	Yes
3.2 Can the plaintiff obtain any documents from the defendant and witnesses during trial? (0-3)	Yes
3.3 Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	
3.4 Can the plaintiff directly question the defendant and witnesses during trial? (0-2)	
3.5 Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes
3.6 Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	



PROTECTING MINORITY INVESTORS

Strength of Minority Investor Protection

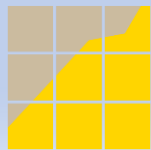
SUBINDICATORS	For DB 2017 (SEC Response)
Extent of shareholder governance index (0-10)	
1. Extent of shareholder rights index (0-10)	
1.1 Does the sale of 51% of Buyer's assets require shareholder approval?	Yes
1.2 Can shareholders representing 10% of Buyer's share capital call for an extraordinary meeting of shareholders?	Yes
1.3 Must Buyer obtain its shareholders' approval every time it issues new shares?	No
1.4 Do shareholders automatically receive preemption rights every time Buyer issues new shares?	Yes
1.5 Must shareholders approve the election and dismissal of the external auditor?	Yes
1.6 Must changes to the voting rights of a class of shares be approved only by the holders of the affected shares?	No



PROTECTING MINORITY INVESTORS

Strength of Minority Investor Protection

SUBINDICATORS	For DB 2017 (SEC Response)
Extent of shareholder governance index (0-10)	
1. Extent of shareholder rights index (0-10)	
1.7 Assuming that Buyer is a limited company, does the sale of 51% of Buyer's assets requires shareholder approval?	
1.8 Assuming that Buyer is a limited company, can shareholders representing 10% of Buyer's share capital call for an extraordinary meeting of shareholders?	Invalid. There are no limited companies in the Philippines
1.9 Assuming that Buyer is a limited company, must Buyer obtain its shareholders' approval every time it issues new shares?	
1.10 Assuming that Buyer is a limited company, do shareholders automatically receive preemption rights every time Buyer issues new shares?	
1.11 Are Restrictions on trading of shares prior to a major corporate action or meeting of shareholders (shareblockers) disallowed	Yes
1.12 Must Buyer distribute profits or pay dividends within a set maximum time period from the declaration date?	Yes

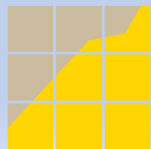


PROTECTING MINORITY INVESTORS

Strength of Minority Investor Protection



SUBINDICATORS	For DB 2017 (SEC Response)
Extent of shareholder governance index (0-10)	
2. Extent of ownership and control index (0-10)	
2.1 Is the CEO prohibited from also being chair of the board of directors?	No
2.2 Must the board of directors include independent and nonexecutive board members?	Yes
2.3 Can shareholders remove members of Buyer's board of directors without cause before the end of their term?	Yes
2.4 Must Buyer's board of directors include a separate audit committee?	Yes
2.5 Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	Yes
2.6 Must Buyer pay dividends within a maximum period set by law after the declaration date?	No
2.7 Is there a percentage of acquired shares which triggers a mandatory bid rule, requiring a potential acquirer to make a tender offer to all remaining shareholders?	Yes
2.8 Is cross-shareholding between two independent companies limited to 10% of outstanding shares	No
2.9 Is a subsidiary barred from acquiring shares issued by its parent	

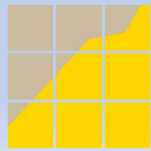


PROTECTING MINORITY INVESTORS

Strength of Minority Investor Protection



SUBINDICATORS	For DB 2017 (SEC Response)
Extent of shareholder governance index (0-10)	
3. Extent of corporate transparency index (0-10)	
3.1 Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes
3.2 Must Buyer disclose information about board members' other directorships as well as basic information on their primary employment?	Yes
3.3 Must Buyer disclose the compensation of individual managers?	Yes
3.4 Must a detailed notice of general meeting be sent 30 days before the meeting?	No
3.5 Can shareholders representing 5% of Buyer's share capital put items on the agenda for the general meeting?	Yes
3.6 Must Buyer's annual financial statements be audited by an external auditor?	Yes
3.7 Must Buyer disclose its audit reports to the public?	Yes
3.8 Assuming that Buyer is a limited company, must a detailed notice of general meeting be sent 30 days before the meeting?	
3.9 Assuming that Buyer is a limited company, can shareholders representing 5% of Buyer's share capital put items on the agenda for the general meeting?	Invalid. There are no limited companies in the Philippines



PROTECTING MINORITY INVESTORS

Strength of Minority Investor Protection



1. Creation of Securities and Exchange Commission (SEC) taskforce
 - Tasked to review regulations affecting the internal governance of corporations, regulations of related-party transactions, disclosure obligations, liability of company executives and access to evidence in civil litigations
2. Issuance of SEC Memorandum Circular Nos. 11 and 18
 - Posting of pertinent company information on websites of Publicly Listed companies

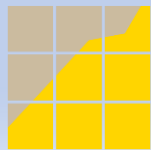
PAYING TAXES

MR. JOJIT MISLANG

PHILHEALTH



[SAB](#), [DWCP](#), [GE](#), [RP](#), [GC](#), [PMI](#), [PI](#), [TAB](#), [EC](#), [RI](#)



PAYING TAXES

FROM:

TO:



2015



2016



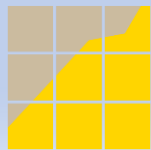


PAYING TAXES

(Social Service Contributions/Payments)

Corporate Income Tax	Local Business Tax	Community Tax Certificate	Tax on Interest	Real Property Tax	Environmental Tax
Stamp Duty	Employer Compensation	Value Added Tax	Tax on Check Transactions	Tax on Insurance Contracts	SSS
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

36 Payments | 193 Hours



PAYING TAXES

(Social Service Contributions/Payments)

Corporate
Income Tax

Community Tax Certificate paid
jointly with Local Business Tax

Tax on
Interest

Real Property
Tax

Environmental
Tax

Stamp Duty

Employer
Compensation

Value Added
Tax

Tax on Check
Transactions

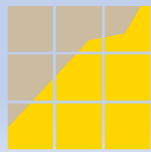
Tax on
Insurance
Contracts

SSS

Health Insurance

Pag-IBIG Fund

13 Payments | 193 Hours



PAYING TAXES

(Social Service Contributions/Payments)



Businesses with 10+ employees may now register for e-payment services with commercial and government banks.



***This applies to businesses with 10+ employees effective May 2015.*



Social Security System
Online Payments Available
Since 2012

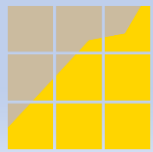


Pag-IBIG Fund



PhilHealth

e-Payment and online transactions for Social Services are now available.



PAYING TAXES

Reforms in Summary

Reduced **NUMBER OF SOCIAL SERVICE CONTRIBUTIONS/PAYMENTS** from 36 to 13, respectively, through the following:

1. Boosting of e-government facilities of social agencies (SSS, Pag-IBIG Fund, and PhilHealth);
2. Utilizing financial institutions such as universal and commercial banks and other financial intermediaries authorized/licensed by the BSP for accessible and convenient online payment.
3. Continuous enhancement of electronic payment facilities of (SSS, Pag-IBIG Fund, and Philhealth) and
4. Implementation of 'No Average Daily Balance' from LBP and DBP

Electronic Premium Remittance System (EPRS) v.3.1

October 16, 2015

[SAB](#), [DWCP](#), [GE](#), [RP](#), [GC](#), [PMI](#), [PI](#), [TAB](#), [EC](#), [RI](#)

PhilHealth Circular No. 027-2015

Published October 15, 2015

PREMIUM REMITTANCE AND REPORTING PROCESS

EPAY SYSTEM



EMPLOYER



RF-1		EMPLOYER'S EMPLOYMENT REPORT		FOR THE PERIOD FROM THE LAST	
EMPLOYER'S NAME		EMPLOYER'S ADDRESS		EMPLOYER'S PHONE NUMBER	
1	NAME OF EMPLOYEE	2	EMPLOYEE'S SOCIAL SECURITY NUMBER	3	EMPLOYEE'S DATE OF BIRTH
4	EMPLOYEE'S ADDRESS	5	EMPLOYEE'S PHONE NUMBER	6	EMPLOYEE'S SOCIAL SECURITY NUMBER
7	EMPLOYEE'S DATE OF BIRTH	8	EMPLOYEE'S SOCIAL SECURITY NUMBER	9	EMPLOYEE'S SOCIAL SECURITY NUMBER
10	EMPLOYEE'S SOCIAL SECURITY NUMBER	11	EMPLOYEE'S SOCIAL SECURITY NUMBER	12	EMPLOYEE'S SOCIAL SECURITY NUMBER
13	EMPLOYEE'S SOCIAL SECURITY NUMBER	14	EMPLOYEE'S SOCIAL SECURITY NUMBER	15	EMPLOYEE'S SOCIAL SECURITY NUMBER
16	EMPLOYEE'S SOCIAL SECURITY NUMBER	17	EMPLOYEE'S SOCIAL SECURITY NUMBER	18	EMPLOYEE'S SOCIAL SECURITY NUMBER
19	EMPLOYEE'S SOCIAL SECURITY NUMBER	20	EMPLOYEE'S SOCIAL SECURITY NUMBER	21	EMPLOYEE'S SOCIAL SECURITY NUMBER
22	EMPLOYEE'S SOCIAL SECURITY NUMBER	23	EMPLOYEE'S SOCIAL SECURITY NUMBER	24	EMPLOYEE'S SOCIAL SECURITY NUMBER
25	EMPLOYEE'S SOCIAL SECURITY NUMBER	26	EMPLOYEE'S SOCIAL SECURITY NUMBER	27	EMPLOYEE'S SOCIAL SECURITY NUMBER
28	EMPLOYEE'S SOCIAL SECURITY NUMBER	29	EMPLOYEE'S SOCIAL SECURITY NUMBER	30	EMPLOYEE'S SOCIAL SECURITY NUMBER
31	EMPLOYEE'S SOCIAL SECURITY NUMBER	32	EMPLOYEE'S SOCIAL SECURITY NUMBER	33	EMPLOYEE'S SOCIAL SECURITY NUMBER
34	EMPLOYEE'S SOCIAL SECURITY NUMBER	35	EMPLOYEE'S SOCIAL SECURITY NUMBER	36	EMPLOYEE'S SOCIAL SECURITY NUMBER
37	EMPLOYEE'S SOCIAL SECURITY NUMBER	38	EMPLOYEE'S SOCIAL SECURITY NUMBER	39	EMPLOYEE'S SOCIAL SECURITY NUMBER
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94	EMPLOYEE'S SOCIAL SECURITY NUMBER	95	EMPLOYEE'S SOCIAL SECURITY NUMBER	96	EMPLOYEE'S SOCIAL SECURITY NUMBER
97	EMPLOYEE'S SOCIAL SECURITY NUMBER	98	EMPLOYEE'S SOCIAL SECURITY NUMBER	99	EMPLOYEE'S SOCIAL SECURITY NUMBER
100	EMPLOYEE'S SOCIAL SECURITY NUMBER	101	EMPLOYEE'S SOCIAL SECURITY NUMBER	102	EMPLOYEE'S SOCIAL SECURITY NUMBER

Softcopy RF-1 in textfile format



ACCESS

Upload RF1 & Pay



Bank's HUB

Bank saves the softcopy RF-1 and Payment Info

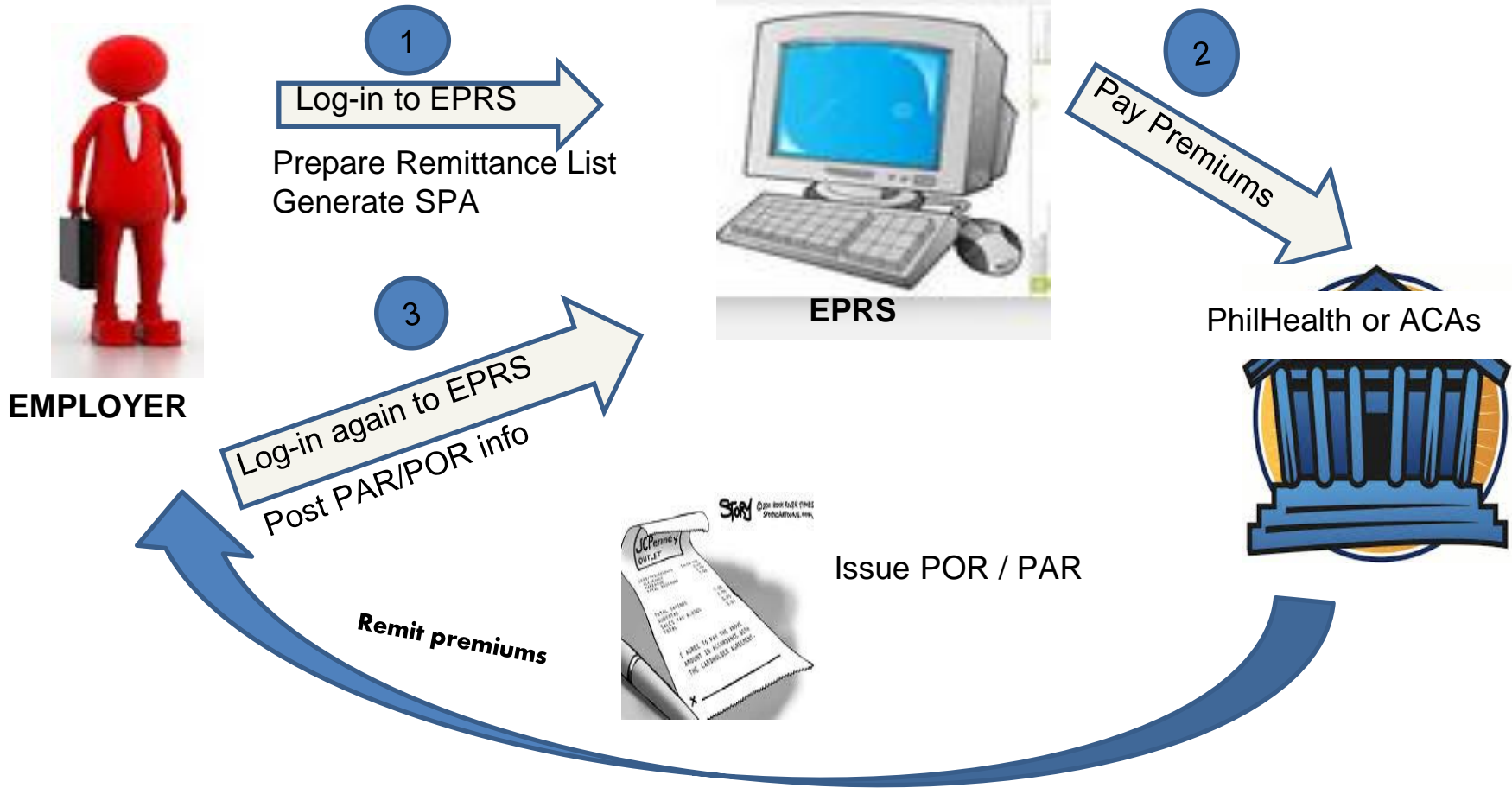


PhilHealth

Downloads the softcopy RF-1 and Payment Info

Using the RF-1 Excel template, employer converts RF-1 to textfile format for submission to the Bank ePay facility.

EPRS*



* EPRS without the ONLINE payment facility where remittances are done over-the-counter at accredited Banks / Non-Banks or PhilHealth's Office

ONLINE PAYMENT VIA EPRS



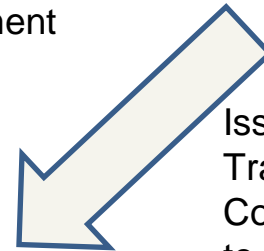
EMPLOYER



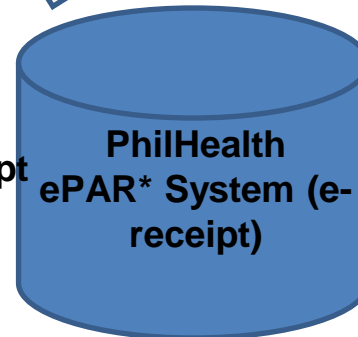
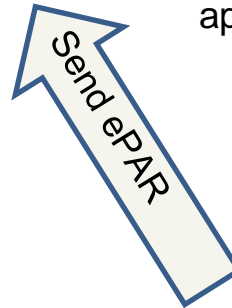
- Prepare Remittance List
- Generate SPA



Log-in to Bank's Online facility & approve payment



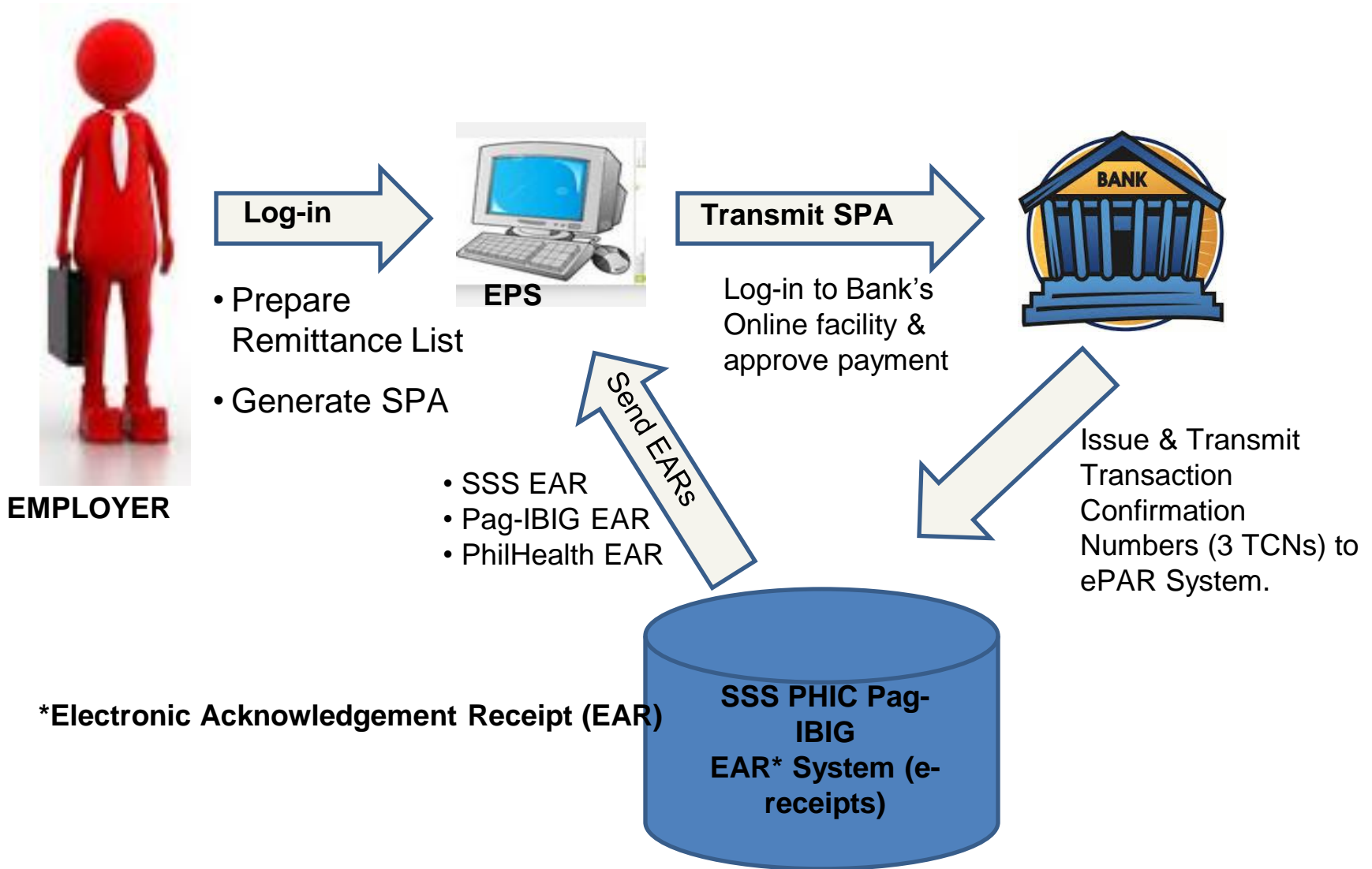
Issue & Transmit Transaction Confirmation Number to PhilHealth ePAR System.



PhilHealth ePAR* System (e-receipt)

*Electronic PhilHealth Acknowledgement Receipt (ePAR)

ONLINE PAYMENT VIA EPS



TRADING ACROSS BORDERS

ATTY. VICTOR PABLO C. TRINIDAD

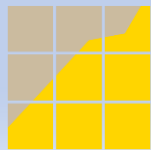
Project Manager
Bureau of Customs



EXPORT
DEVELOPMENT COUNCIL



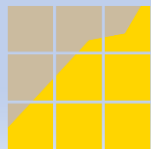
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TRADING ACROSS BORDERS

Case Study Assumption (Philippines)

Characteristics	Export	Import
Product	HS 85 : Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	HS 8708: Parts and accessories of motor vehicles
Trade partner	Hong Kong, China	Japan
Border	Manila port	Manila port
Distance (km)	18	18
Domestic transport time (hours)	4	4
Domestic transport cost (USD)	381	381
Domestic transport speed (km/hour)	4.8	4.8
Domestic transport cost per distance (USD/km)	21.1	21.1



TRADING ACROSS BORDERS

Indicators Details

SUB-INDICATORS	2016 REPORT	SUB-INDICATORS	2016 REPORT
IMPORT PROCEDURES		EXPORT PROCEDURES	
Border Compliance		Border Compliance	
Time to Import (in hrs.)	72.00	Time to Export (in hrs.)	42.46
Cost to Import (USD)	579.50	Cost to Export (USD)	456.00
Documentary Compliance		Documentary Compliance	
Time to Import (in hrs.)	96.00	Time to Export (in hrs.)	72.00
Cost to Import (USD)	50.00	Cost to Export (USD)	52.50
Distance to Frontier			69.39
Indicator Rank			95



TRADING ACROSS BORDERS (Reforms in Summary)

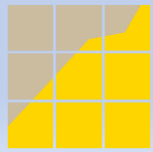
- Customs Modernization and Tariff Act (CMTA):
- Foreign Co-loading Act (RA 10668)
- Terminal Appointment Booking System (TABS)
- Implementation of the 2nd Pilot Project for the ASEAN Self-Certification
- Authorized Economic Operator (CMO 11-2012; CMO 14-2013)
- Revised Procedures and Documentation in the Processing Formal Consumption Entries (*CMO 29-2015*)
- Mandatory Submission of Electronic Sea and Air Manifest in e2m System (*CMO 19-2015, 10-2015 & 23-2011*)
- Customs Regulated Import List (CRIL)



TRADING ACROSS BORDERS (Reforms in Summary)

- Implementation of the 2nd Pilot Project for the ASEAN Self-Certification:

The system eliminates the need to present the Certificate of Origin (CO) Form D to claim preference under the ATIGA as it allows “Certified Exporters” to self-declare that their products have satisfied the ASEAN origin criteria by simply affixing a declaration on the commercial invoice. This aims to reduce the compliance (exporters) and administrative (issuing Authorities) costs associated with Certificate of Origin (CO) application and address implementation lapses e.g. delays in the release of shipments due to questions on minor technical and data errors, etc. Currently, the Philippines has three (3) Certified Exporters.



TRADING ACROSS BORDERS (Reforms in Summary)

- **Authorized Economic Operator** (CMO 11-2012; CMO 14-2013):

This is an internationally accepted customs procedure designed to create an accreditation procedure that offers certain benefits and incentives to certain economic operators considered as BOC's trusted allies. This aims to reduce processing periods, last priority in post entry audits, recognition as a low risk company, reduced inspection or expedite clearance if covered by mutual recognition programs under bilateral/multilateral arrangements, and other trade facilitation benefits which the BOC may give under existing laws and regulations. An Executive Order was drafted to maintain the AEO Program in the BOC through the creation of an office which shall handle the AEO Program, as well as other trade facilitation initiatives.



TRADING ACROSS BORDERS (Reforms in Summary)

Revised Procedures and Documentation in the Processing Formal Consumption Entries *(CMO 29-2015)*:

The use of Import Entry and Internal Revenue Declaration (IEIRD) or BC Form 236 is discontinued and was replaced by printed Single Administrative Document (SAD), in two (2) copies, through e2m Customs System. Through this, BOC adapted the universal use of paperless transactions and eliminated unnecessary use of papers and expensive forms to minimize costs in the customs clearance of imported articles.

Mandatory Submission of Electronic Sea and Air Manifest in e2m System *(CMO 19-2015, 10-2015 & 23-2011)*:

This covers the electronic submission of Inward Foreign Manifest, consolidated cargo manifest and airline e-manifest to expedite the release of legitimate cargo and reduced time processing upon arrival in the Philippines.

ENFORCING CONTRACTS

ATTY. FRANCIS LIM

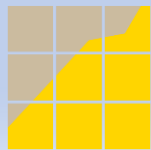
ACCRALAW



ACCRALAW®



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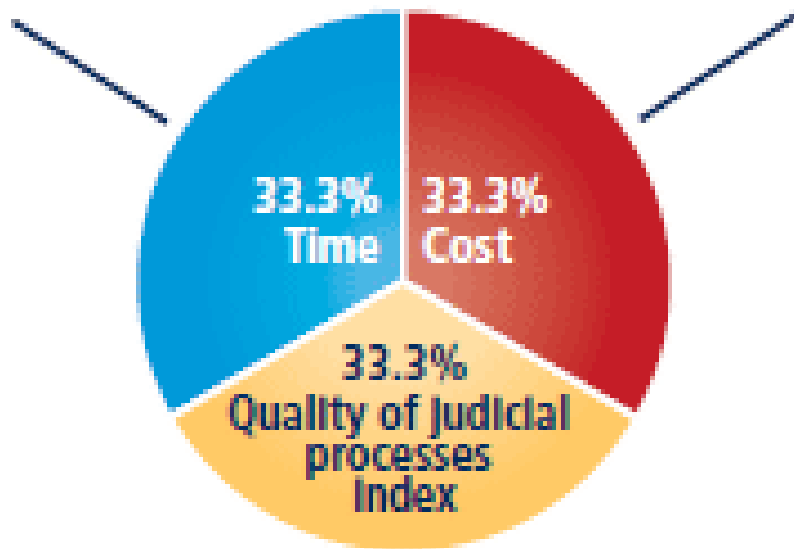
ENFORCING CONTRACTS

Methodology

Rankings are based on distance to frontier scores for three indicators

Days to resolve commercial sale dispute through the courts

Attorney, court and enforcement costs as % of claim value



Use of good practices promoting quality and efficiency

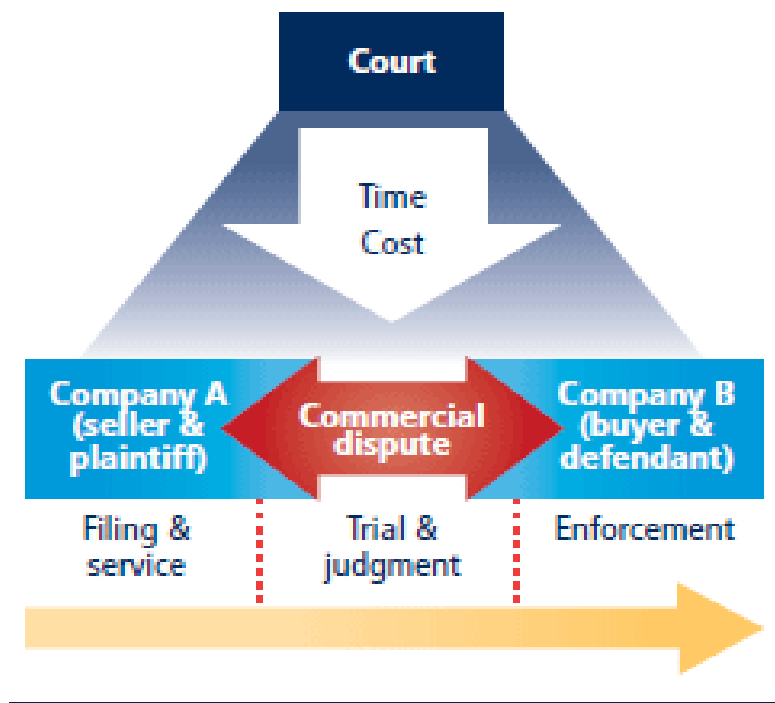
Doing Business measures the time and cost for resolving a commercial dispute through a local first-instance court. In addition, this year it introduces a new measure, the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system.

This new index replaces the indicator on procedures. The ranking of economies on the ease of enforcing contracts is determined by sorting their distance to frontier scores for enforcing contracts.



ENFORCING CONTRACTS

Methodology



Time required to enforce a contract through the courts (calendar days)

Time to file and serve the case

Time for trial and to obtain the judgment

Time to enforce the judgment

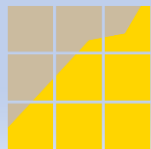
Cost required to enforce a contract through the courts (% of claim)

Average attorney fees

Court costs

Enforcement costs

The **data on time and cost** are built by following the step-by-step evolution of a commercial sale dispute. The data are collected for a specific court for each city covered, under the assumptions about the case. The court is the one with jurisdiction over disputes worth 200% of income per capita or \$5,000, whichever is greater.



ENFORCING CONTRACTS

Change in Methodology

Court structure and proceedings index (0–5)

Availability of specialized commercial court, division or section

Availability of small claims court or simplified procedure for small claims

Availability of pretrial attachment

Criteria used to assign cases to judges

Case management index (0–6)

Regulations setting time standards for key court events

Regulations on adjournments and continuances

Availability of performance measurement mechanisms

Use of pretrial conference

Availability of electronic case management system for judges

Availability of electronic case management system for lawyers

Court automation index (0–4)

Ability to file initial complaint electronically

Ability to serve process electronically

Ability to pay court fees electronically

Publication of judgments

Instead of measuring procedures, IFC introduced a new measure, the **quality of judicial processes index**. It measures whether each economy has adopted a series of good practices in its court system in four areas: court structure and proceedings, case management, court automation and alternative dispute resolution

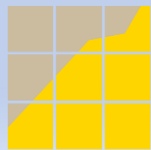
Alternative dispute resolution index (0–3)

Arbitration

Voluntary mediation or conciliation

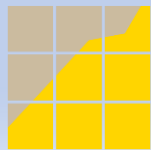
Quality of judicial processes index (0–18)

Sum of the court structure and proceedings, case management, court automation and alternative dispute resolution indices



ENFORCING CONTRACTS DB 2016 PERFORMANCE

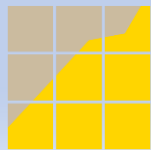
INDICATOR AND SUBINDICATORS	DATA
Time (days)	842
Filing and service	58
Trial and judgment	580
Enforcement of judgment	204
Cost (% of claim)	31
Attorney fees	20
Court fees	6
Enforcement fees	5
Quality of judicial processes index (0-18)	7.5
Court structure and proceedings (0-5)	3
Case management (0-6)	1.5
Court automation (0-4)	0.5
Alternative dispute resolution (0-3)	2.5



ENFORCING CONTRACTS

vis-à-vis ASEAN, 2012-2016

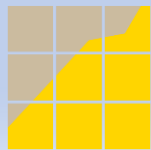
COUNTRY	2016	2015	2014	2013	2012
	Rank	Rank	Rank	Rank	Rank
BRUNEI DARUSSALAM	113	139	161	161	151
CAMBODIA	174	178	162	163	142
INDONESIA	170	172	147	146	156
LAOS	92	99	104	104	110
MALAYSIA	44	29	30	29	31
MYANMAR	187	185	188	188	-
PHILIPPINES	140	124	114	112	112
SINGAPORE	1	1	12	11	12
THAILAND	57	25	22	22	24
VIETNAM	74	47	46	46	30



ENFORCING CONTRACTS

Quality of Judicial Processes Index

Quality of judicial processes index (0-18)	DB 2016 PH Response (based from IFC-WB Survey)	For DB 2017 (Supreme Court Response)
Court structure and proceedings (0-5)		
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	No	YES
2. Small claims court		
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	YES
2.b. If yes, is self-representation allowed?	Yes	YES
3. Is pre-trial attachment available?	Yes	YES
4. Are new cases assigned randomly to judges?	Yes	YES



ENFORCING CONTRACTS

Quality of Judicial Processes Index

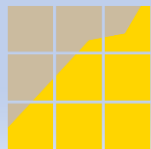
Quality of judicial processes index (0-18)	DB 2016 PH Response (based from IFC-WB Survey)	For DB 2017 (Supreme Court Response)
Case management (0-6)		
1. Time standards		
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	YES
1.b. If yes, are the time standards set for at least three court events?	Yes	YES
1.c. Are these time standards respected in more than 50% of cases?	No	N/A (perception)
2. Adjournments		
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	YES
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	Yes	YES



ENFORCING CONTRACTS

Quality of Judicial Processes Index

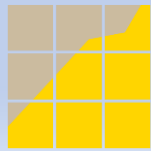
Quality of judicial processes index (0-18)	DB 2016 PH Response (based from IFC-WB Survey)	For DB 2017 (Supreme Court Response)
Case management (0-6)		
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	No	N/A (perception)
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	No	YES
4. Is a pre-trial conference among the case management techniques used before the competent court?	Yes	YES
5. Are there any electronic case management tools in place within the competent court for use by judges?	No	YES
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	No	YES



ENFORCING CONTRACTS

Quality of Judicial Processes Index

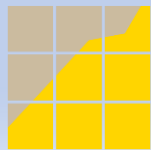
Quality of judicial processes index (0-18)	DB 2016 PH Response (based from IFC-WB Survey)	For DB 2017 (Supreme Court Response)
Court automation (0-4)		
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	No	NO See detailed Q&A.
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	YES
3. Can court fees be paid electronically within the competent court?	No	NO See detailed Q&A.
4. Publication of judgments		
4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	NO See detailed Q&A.



ENFORCING CONTRACTS

Quality of Judicial Processes Index

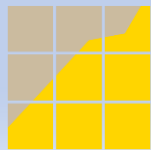
Quality of judicial processes index (0-18)	DB 2016 PH Response (based from IFC-WB Survey)	For DB 2017 (Supreme Court Response)
Court automation (0-4)		
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	YES



ENFORCING CONTRACTS

Quality of Judicial Processes Index

Quality of judicial processes index (0-18)	DB 2016 PH Response (based from IFC-WB Survey)	For DB 2017 (Supreme Court Response)
Alternative dispute resolution (0-3)		
1. Arbitration		
1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	YES
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	NO
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	YES



ENFORCING CONTRACTS

Quality of Judicial Processes Index

Quality of judicial processes index (0-18)	DB 2016 PH Response (based from IFC-WB Survey)	For DB 2017 (Supreme Court Response)
Alternative dispute resolution (0-3)		
2. Mediation/Conciliation		
2.a. Is voluntary mediation or conciliation available?	Yes	YES
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	Yes	YES
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	No	NO



ENFORCING CONTRACTS (Reforms in Summary)

1. **Creation of 70 Commercial Courts** - Judiciary designated courts of general jurisdiction as special commercial courts
2. **2016 Revised Rules For Small Claims Cases** - to *“protect and advance the constitutional rights of persons to a speedy disposition of their cases, provide a simplified and inexpensive procedure for the disposition of small claims cases, and, introduce innovations and best practice for the benefit of the underprivileged”*
3. **2015 Guidelines for Continuous Trial** - a system in which courts will conduct continuous trial in “high impact” criminal cases (e.g. bouncing checks, cases involving minors, drugs, estafa, illegal recruitment, and select commercial cases) for its speedy resolution.
4. **Alternative Dispute Resolution** – through Court Annexed-Mediation, and Judicial Dispute Resolution
5. **eFiling and eNotice**
6. **eSubpoena**
7. **eCourts** - automated case management system that is expected to not only increase efficiency in case processing and monitoring, but also enhance transparency in court operations and records integrity
8. **Hustisyeah!** – case decongestion project

RESOLVING INSOLVENCY

ATTY. FRANCIS LIM

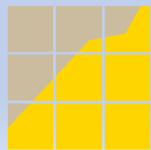
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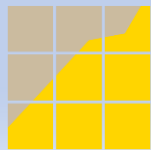


RESOLVING INSOLVENCY

Indicators Details

SUB-INDICATORS	2013	2014	2015	2016
Indicator Score and Rank	153	100	50	53
Strength of Insolvency Framework Index (0-16)	-	-	14.5	14.5
Recovery Rate (cents on dollar)	12.7	29.9	21.2	21.4
Cost (% of estate)	18	22	32	32
Time (years)	.5	2.7	2.7	2.7

Source: Published DB reports (2015-2016)



RESOLVING INSOLVENCY

Indicators Details

COUNTRY	Rank	DTF	Time	Cost	Recovery Rate	Strength of Insolvency Framework
			(Years)	(% of estate)	(cents on dollar)	(0-16)
PHILIPPINES	53	56.81	2.7	32	21.4	14.5
CAMBODIA	82	45.11	6	28	8.3	13
THAILAND	49	58.84	2.7	36	42.5	11.5
INDONESIA	77	46.48	1.9	22	31.2	9.5
SINGAPORE	27	74.83	0.8	3	89.7	8.5
VIETNAM	123	35.83	5	15	20.1	8
MALAYSIA	45	62.49	1	1	81.3	6
BRUNEI DARUSSALAM	98	41.05	2.5	4	47.2	5
MYANMAR	162	20.39	5	18	14.7	4
LAOS	189	0	No Practice	No Practice	0	0

Source: Published DB reports (2015-2016)



RESOLVING INSOLVENCY (Reforms in Summary)

The SubCommittee on Commercial Courts has submitted to the Supreme Court En Banc, for its consideration and approval, the **proposed rules on liquidation in insolvency (FL Rules)** that will implement the liquidation provisions of the Financial Rehabilitation and Insolvency Act.

The Supreme Court approved the FL Rules on April 21, 2015.

For queries email us at: doingbusiness@competitive.org.ph

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