

Result of 2017 Customer Experience Survey Renewal of Business Permit

Executive Brief

BACKGROUND

In 2010, the Department of Trade and Industry (DTI) and the Department of Interior and Local Government (DILG) jointly administered the implementation of the **Nationwide Streamlining of the Business Permits and Licensing System (BPLS) Program** consistent with **Republic Act No. 9485, the Anti-Red Tape Act of 2007 (ARTA)**, to address the cumbersome process of acquiring business permits and licenses issued by the various Local Government Units (LGUs) across the country. It enjoined major cities and municipalities to follow service standards in processing applications specifically for new business registration and renewal of business permits.

This resulted in the issuance of **Joint Memorandum Circular (JMC) No. 1 s. 2010** as *“Guidelines in Implementing the Standards in Processing Business Permits and Licenses in All Cities and Municipalities”*. Several issuances on BPLS streamlining program were also made by government agencies including government-owned or controlled corporations such as the Bureau of Fire Protection (BFP), Social Security System (SSS), and the Philippine Health Insurance Corporation (PHIC) and other regulatory agencies.

Last August 30, 2016, a new **Joint Memorandum Circular (JMC) on Revised BPLS Standards** was signed by Department of the Interior and Local Government (DILG), Department of Trade and Industry (DTI), and Department of Information and Communications Technology (DICT) in compliance with the administration’s pronouncement to further streamline business permitting procedures in all cities and municipalities.

The new JMC prescribes all cities and municipalities to reduce processing time and procedures it takes for **new business registration from 10 days to 2 days and for renewal of business permits from 5 days to 1 day**. It also prescribes to follow at least **three (3) procedures when applying or getting a business permit**. This will encourage LGUs to automate their respective business permitting processes for fast and accessible government – experience transaction.

This year, a total of **173 LGUs with 1,730 respondents** participated in the survey.

SURVEY METHODOLOGY

In computing the desired sample size, the methodology used in this survey is through quota sampling, by which the respondents were selected in a non-probabilistic version of stratified sampling.

REGION	TOTAL LGUS			Target no. of LGUs per Region (y=10% of the total No. of LGUs per Region)	Target No. of Respondents per Region (10 respondents times y)
	CITIES	MUNICIPALITIES	TOTAL		
Cordillera Administrative Region	2	75	77	8	80
National Capital Region	16	1	17	17*	170*
I - Ilocos Region	9	116	125	12	120
II - Cagayan Valley	4	89	93	9	90
III - Central Luzon	14	116	130	13	130
IVA- CALABARZON	18	124	142	14	140
IVB- MIMAROPA	2	71	73	7	70
V - Bicol Region	7	107	114	11	110
VI - Western Visayas	16	117	133	13	130
VII - Central Visayas	16	116	132	13	130
VIII- Eastern Visayas	7	136	143	14	140
IX - Zamboanga Peninzula	5	67	72	7	70
X - Northern Mindanao	9	84	93	9	90
XI - Davao Region	6	43	49	5	50
XII – SOCCSKSARGEN	5	45	50	5	50
XIII - CARAGA Region	6	67	73	7	70
TOTAL	144	1490	1516	164 LGUs	1640 Respondents

**With exception to National Capital Regions (NCR)*

The respondents were first segmented in mutually exclusive subgroups. In this case, the total number of local government units (LGUs) were used as reference in computing for the sample size. This also resulted in getting desired number of LGUs to be covered and number of respondents, basically the 10% of the total population.

SUMMARY OF 2017 BPLS Customer Experience Survey

A. Business Profile

- A total of **1,496 out of 1,730 or 86%** were business owners who have personally applied for renewal of their business permits.
- In terms of business registration, **79% were classified under 'sole proprietor' and 1,592 or 93% were Micro, Small, and Medium Enterprises (MSMEs)**
- On the fixer facilitation fees, **majority of the respondents, 1,678 or 97%** did not avail of any services from fixers during renewal period.
- Also, a total of **860 or 50%** respondents indicated positive reforms in their respective LGUs (e.g., establishment of BOSS, computerization of procedures, Citizen Charter, Queueing System)

B. Nationwide Compliance to BPLS Standards for Renewal of Business Permits

- Processing Time – a total of **1,222 or 71%** were able to renew their business permit in *less than 10 minutes to 2 days*.
- Procedures/Steps – a total of **778 or 45%** reported that it took only *3 procedures or steps* to process their permits.
- Number of signatories – majority or the **1,359 or 79%** indicated only *2 signatories* present in their permit namely the Mayor and/or City Treasurer/BPLO.
- Number of form – a total of **1,344 or 77%** used the prescribed unified form.
- Some of the problems encountered during renewal period are as follows: *long line or queuing system, absent signatories, long transaction line, BFP requirements, and too many procedures*.
- Also, respondents indicated other permits applied for and problems encountered while during the process: *securing FSIC and barangay clearance*.

CUSTOMER SATISFACTION SURVEY INDEX

In general, the Municipalities of **La Paz and Sibagat in Agusan Del Sur** garnered an overall satisfaction score of **10.00** while **Muntinlupa City in NCR** scored of **9.62**.

Annex A. Overall Customer Satisfaction Scores

REGION	CITY/MUNICIPALITY	OVERALL SATISFACTIONS SCORES
Caraga (XIII)	La Paz	10.00
Caraga (XIII)	Sibagat, Agusan Del Sur	10.00
MIMAROPA (IV-B)	Mogpog	9.93
Southern Mindanao (XI)	Nabunturan	9.87
Cagayan Valley Region (II)	Aparri	9.70
National Capital Region (NCR)	Muntinlupa City	9.62
Caraga (XIII)	Esperanza	9.56
Cagayan Valley Region (II)	Gonzaga	9.50
MIMAROPA (IV-B)	Santa cruz	9.45
National Capital Region (NCR)	Marikina City	9.44
Cagayan Valley Region (II)	Solano	9.34
Southern Mindanao (XI)	Mati City	9.34
Caraga (XIII)	Loreto, Agusan Del Sur	9.33
National Capital Region (NCR)	Pasig City	9.32
Central Luzon Region (III)	Balanga City	9.28
Negros Island Region/Western Visayas Region (VI)	Bago City	9.18
Negros Island Region/Western Visayas Region (VI)	Silay City	9.16
Cagayan Valley Region (II)	City of Ilagan	9.12
Central Visayas (VII)	Lapu-Lapu City	9.09
Ilocos Region (I)	Rosario	9.07
Central Visayas (VII)	Minglanilla	9.04
Zamboanga Peninsula (IX)	Sindangan	9.02
Ilocos Region (I)	City of San Fernando	9.01
MIMAROPA (IV-B)	Sablayan	8.96
Bicol Region (V)	Sorsogon	8.92
Cagayan Valley Region (II)	Cabarroguis	8.91
Ilocos Region (I)	Batac City	8.88
MIMAROPA (IV-B)	Boac	8.88
MIMAROPA (IV-B)	Calapan City	8.88
MIMAROPA (IV-B)	Narra	8.84
Ilocos Region (I)	Laoag City	8.83
Caraga (XIII)	Talacogon	8.83
Central Luzon Region (III)	Gapan City	8.82
SOCCSKSARGEN (XII)	Kidapawan City	8.77
Central Luzon Region (III)	Cabanatuan City	8.74
Southern Mindanao (XI)	Tagum City	8.73

Cordillera Administrative Region (CAR)	Itogon	8.70
Bicol Region (V)	Naga City	8.68
National Capital Region (NCR)	Malabon City	8.67
Eastern Visayas (VIII)	Catarman	8.64
Negros Island Region/Western Visayas Region (VI)	Talisay City	8.54
MIMAROPA (IV-B)	PPC	8.54
Bicol Region (V)	San Jacinto	8.51
Bicol Region (V)	Ligao City	8.49
Bicol Region (V)	Tabaco City	8.47
CALABARZON (IV-A)	Biñan, Laguna	8.45
CALABARZON (IV-A)	San Pablo City, Laguna	8.45
Northern Mindanao (X)	Linamon	8.41
SOCCSKSARGEN (XII)	Tacurong City	8.39
National Capital Region (NCR)	City of Manila	8.38
MIMAROPA (IV-B)	Romblon	8.38
Cagayan Valley Region (II)	Tuguegarao City	8.35
Central Visayas (VII)	Jagna	8.34
Bicol Region (V)	Nabua	8.34
Northern Mindanao (X)	Jimenez	8.33
National Capital Region (NCR)	San Juan City	8.29
Central Luzon Region (III)	Mabalacat City	8.24
Eastern Visayas (VIII)	Catbalogan City	8.23
CALABARZON (IV-A)	Cavite City, Cavite	8.23
Ilocos Region (I)	Vigan City	8.22
Bicol Region (V)	Daet	8.19
Bicol Region (V)	Pili	8.16
Caraga (XIII)	Bayugan City, Agusan Del Sur	8.16
Caraga (XIII)	Sta. Josefa	8.14
MIMAROPA (IV-B)	Coron	8.14
Northern Mindanao (X)	Iligan City	8.13
Negros Island Region/Western Visayas Region (VI)	Bacolod City	8.13
Central Visayas (VII)	Talibon	8.10
Central Luzon Region (III)	Tarlac City	8.07
MIMAROPA (IV-B)	Victoria	8.07
MIMAROPA (IV-B)	San Jose	8.07
SOCCSKSARGEN (XII)	Koronadal City	8.07
Zamboanga Peninsula (IX)	Dipolog City	8.05
National Capital Region (NCR)	Navotas City	8.01
MIMAROPA (IV-B)	Mamburao	8.01
CALABARZON (IV-A)	Imus, Cavite	8.00
Ilocos Region (I)	Bantay	7.98
National Capital Region (NCR)	Valenzuela City	7.98
Ilocos Region (I)	Rosales	7.98
Ilocos Region (I)	San Nicolas	7.94

Eastern Visayas (VIII)	San Juan	7.90
Central Visayas (VII)	Siquijor	7.87
CALABARZON (IV-A)	Cabuyao, Laguna	7.87
Northern Mindanao (X)	Kapatagan	7.86
CALABARZON (IV-A)	Tanauan City	7.86
Ilocos Region (I)	Naguilian	7.86
National Capital Region (NCR)	Caloocan City	7.83
Cordillera Administrative Region (CAR)	Tabuk City	7.79
National Capital Region (NCR)	Pasay City	7.79
MIMAROPA (IV-B)	Odiongan	7.79
Central Visayas (VII)	Consolacion	7.77
Central Visayas (VII)	Tagbilaran City	7.75
Cordillera Administrative Region (CAR)	Bontoc	7.74
CALABARZON (IV-A)	Batangas City	7.72
Cagayan Valley Region (II)	Cauayan City	7.70
Cordillera Administrative Region (CAR)	La Trinidad	7.69
Caraga (XIII)	Prosperidad	7.67
Southern Mindanao (XI)	Davao City	7.65
Northern Mindanao (X)	Opol	7.62
Cordillera Administrative Region (CAR)	Baguio City	7.62
Cordillera Administrative Region (CAR)	Luna	7.58
Northern Mindanao (X)	Malaybalay	7.54
National Capital Region (NCR)	Parañaque City	7.54
Cordillera Administrative Region (CAR)	Lagawe, Ifugao	7.50
Northern Mindanao (X)	Mahinog	7.49
Eastern Visayas (VIII)	Sogod, Southern Leyte	7.47
CALABARZON (IV-A)	Bacoor	7.45
Eastern Visayas (VIII)	Baybay City	7.42
CALABARZON (IV-A)	Lucena	7.38
CALABARZON (IV-A)	Tagaytay City, Cavite	7.31
CALABARZON (IV-A)	Trece Martirez City, Cavite	7.21
Zamboanga Peninsula (IX)	Dapitan City	7.21
Northern Mindanao (X)	Tangub City	7.20
Southern Mindanao (XI)	Digos City	7.20
National Capital Region (NCR)	Las Piñas City	7.18
Central Luzon Region (III)	City of San Felipe	7.16
Central Visayas (VII)	Guihulngan City	7.16
Bicol Region (V)	Aroroy	7.09
Bicol Region (V)	Virac	6.99
CALABARZON (IV-A)	Lipa City	6.98
Zamboanga Peninsula (IX)	Molave	6.95
Bicol Region (V)	Guinobatan	6.91
CALABARZON (IV-A)	Dasmariñas, Cavite	6.85
Zamboanga Peninsula (IX)	Ipil	6.81
Bicol Region (V)	Legazpi City	6.81
CALABARZON (IV-A)	Tayabas	6.80

Zamboanga Peninsula (IX)	Pagadian City	6.78
Northern Mindanao (X)	Tagoloan	6.78
Central Visayas (VII)	Dumaguete City	6.77
Eastern Visayas (VIII)	Maasin City	6.75
Eastern Visayas (VIII)	Calbayog City	6.64
SOCCSKSARGEN (XII)	Cotabato City	6.59
Ilocos Region (I)	Narvacan	6.55
Central Visayas (VII)	Canlaon City	6.55
Cordillera Administrative Region (CAR)	Bangued	6.55
National Capital Region (NCR)	Taguig City	6.34
Central Luzon Region (III)	Angeles City	6.24
Central Visayas (VII)	Cebu City	6.12
Zamboanga Peninsula (IX)	Zamboanga City	6.10
National Capital Region (NCR)	Mandaluyong City	6.07
MIMAROPA (IV-B)	Pinamalayan	6.06
Central Visayas (VII)	Tubigon	6.02
Bicol Region (V)	Iriga City	5.96
Cagayan Valley Region (II)	Santiago City	5.87
National Capital Region (NCR)	Makati City	5.85
Eastern Visayas (VIII)	Borongan City	5.81
SOCCSKSARGEN (XII)	General Santos City	5.44
Cagayan Valley Region (II)	Basco	5.38
Central Visayas (VII)	Mandaue City	5.04
National Capital Region (NCR)	Quezon City	2.87