

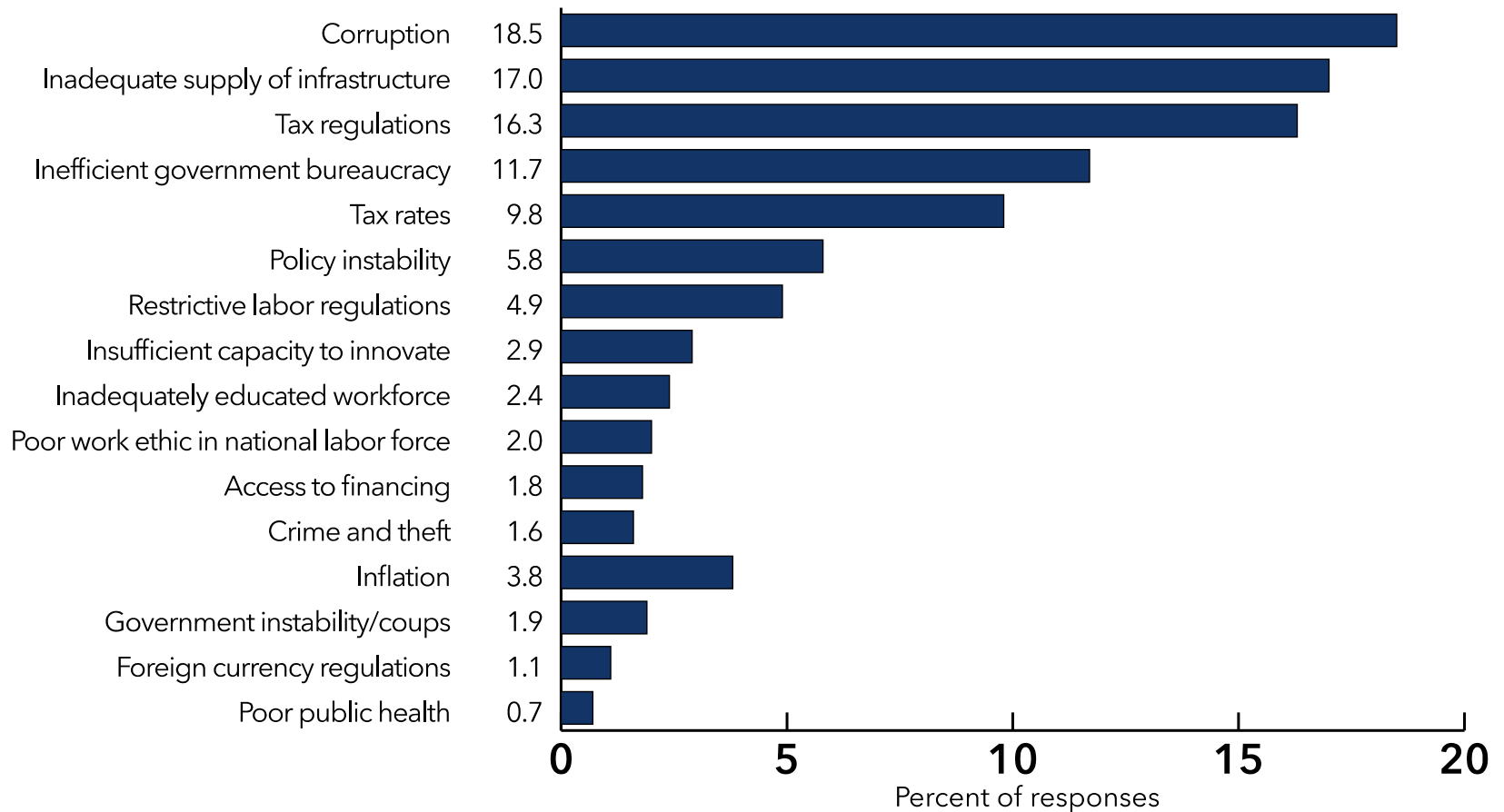
EASE OF DOING BUSINESS ACT

By SEN. JUAN MIGUEL F. ZUBIRI

SECOND REPEAL DAY: PUBLIC REPORTING

**Meeting Room 1, Delegation Bldg., PICC
8 December 2016**

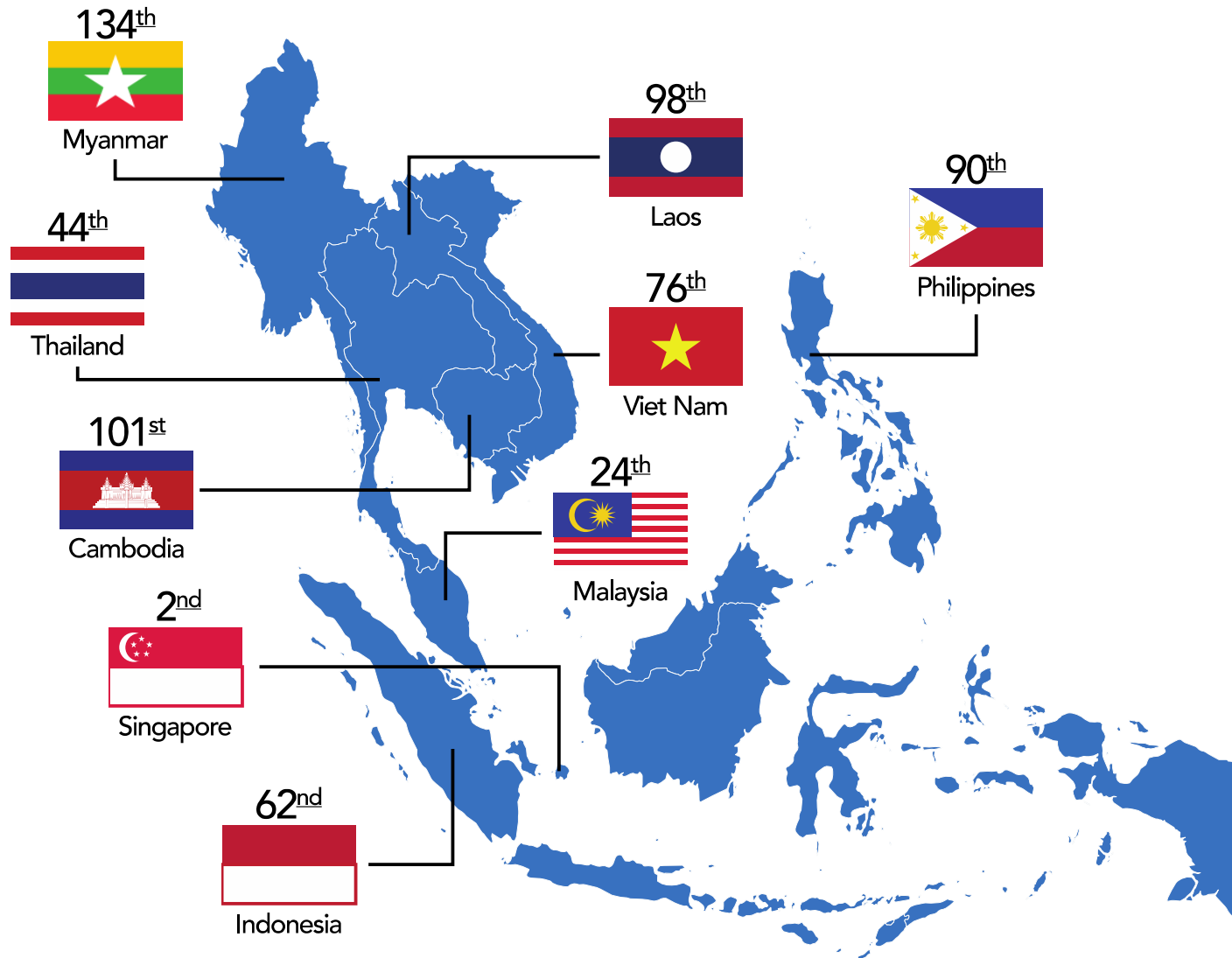
THE MOST PROBLEMATIC FACTORS FOR DOING BUSINESS IN THE PHILIPPINES



From the list of factors, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The score corresponds to the responses weighted according to their rankings.

Source: The Global Competitiveness Report 2015-2016

Infrastructure Pillar Rankings of ASEAN out of 140 countries

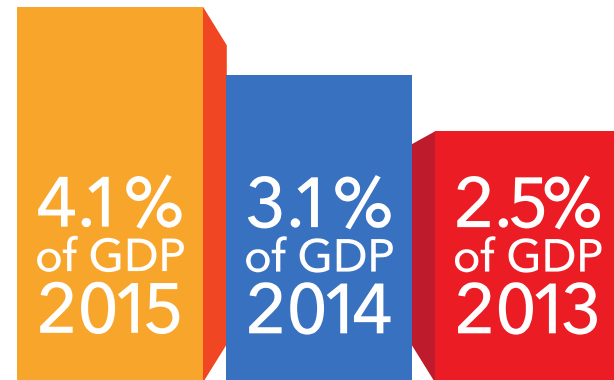


Source: The Global Competitiveness Report 2015-2016



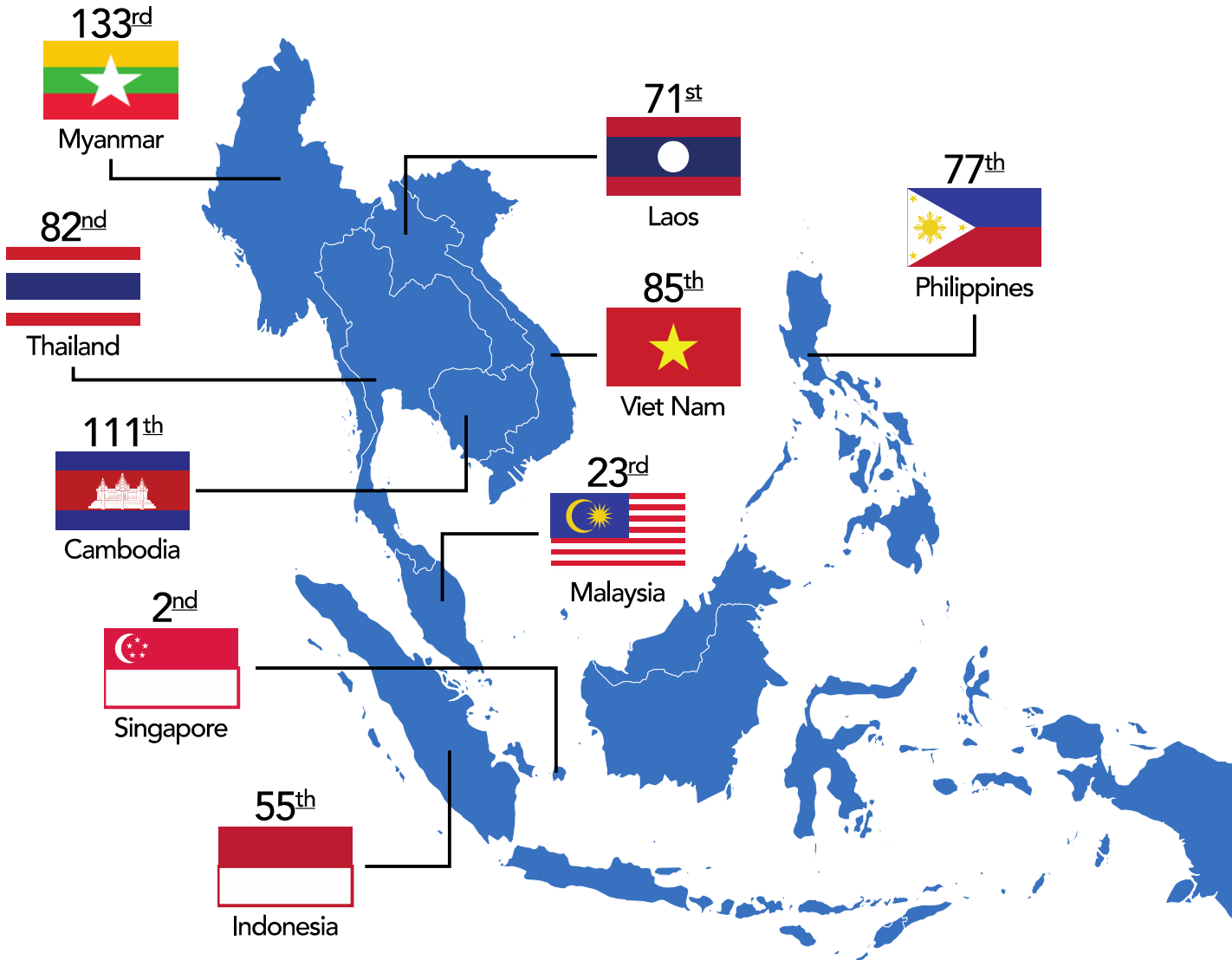
According to World Bank, a middle-income country in Asia has to spend 5% of GDP on Infrastructure to meet their needs for the next 10 years.

The Philippines' infrastructure spending:



Source: The Global Competitiveness Report 2015-2016

Institution Pillar Rankings of ASEAN out of 140 countries



Source: The Global Competitiveness Report 2015-2016



Singapore

3 Procedures



Malaysia

3 Procedures



Thailand

6 Procedures



Laos

6 Procedures



Philippines

16 Procedures



STARTING A BUSINESS

Source: The Global Competitiveness Report 2015-2016



Thailand

3 Procedures



Singapore

4 Procedures



Laos

4 Procedures



Indonesia

5 Procedures



Viet Nam

5 Procedures



Philippines

9 Procedures



**REGISTERING
A PROPERTY**

Source: The Global Competitiveness Report 2015-2016



Singapore

5 Payments



Malaysia

13 Payments



Brunei

27 Payments



Myanmar

31 Payments



Philippines

36 Payments



PAYING TAXES

No. of payments a year
a firm needs to make

Source: The Global Competitiveness Report 2015-2016

Salient Features of Ease of Doing Business Act

- Coverage. – All national and local government agencies issuing business registration or certificate of incorporation, business permits, licenses and/or clearances.
- Documentary Requirements. – Based on the Joint Memorandum Circular 01, Series of 2016 of DTI.
- Validity of Business Permit. – valid for one year from the date of issuance. Renewal of Business permits on Anniversary Dates (date that the Business permit was first issued/granted) instead of January of every year;
- A prescribed timeframe or maximum number of days for the processing and issuance of permits;

Salient Features of Ease of Doing Business Act

- Automatic Approval. – A mechanism for automatic approval of application for business permits is established.
- A One-Stop Business Facilitation and Philippine Business Portal are also established.
- Mandating government agencies and LGUs to computerize their Business Processing and Licensing Services

Salient Features of Ease of Doing Business Act

- No duplication of submission of redundant documents;
- Regulatory Impact Assessment Test;
- Violations:
 - Refusal to accept application within the prescribed period or any document being submitted by the applicant;
 - Failure to refer back to the applicant an application which, cannot be acted upon due to lack or incomplete requirements or non-payment of required fees and/or charges within the prescribed period;

Salient Features of Ease of Doing Business Act

Violations:

- Refusal to accept application within the prescribed period or any document being submitted by the applicant;
- Failure to refer back to the applicant an application which, cannot be acted upon due to lack or incomplete requirements or non-payment of required fees and/or charges within the prescribed period;
- Failure to act on an application despite the complete submission of requirements and payment of required fees and/or charges within the prescribed period;

Salient Features of Ease of Doing Business Act

Violations:

- Failure to give the applicant a written notice on the disapproval of an application within the prescribed period;
- Imposition of additional irrelevant requirements other than those provided by the concerned agency and/or local government unit.

Salient Features of Ease of Doing Business Act

➤ Penalties:

- First offense – 30 days suspension without pay;
- Second offense – 3 months suspension without pay;
- Third offense – dismissal and perpetual disqualification from public service/office.

➤ EODB Congressional Oversight Committee.

➤ Express Repeal – the output of the Project Repeal to be incorporated in the Repealing Clause.

The background features a light gray gradient with several realistic water droplets of various sizes scattered across the surface. A large, faint, circular pattern, resembling a ripple or a target, is centered in the background.

THANK YOU!