



Batangas City: Improving Competitiveness by Streamlining Business Registration Processes

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Business Permits and Licensing Officer

NCC Meeting
September 09, 2014
Competitiveness Bureau Office, Makati City





Outline

Rationale

- What do we want to achieve? The city's vision
- How can we achieve this?

Streamlining Business Registration

- Previous permitting processes
- Radical changes beginning 2013
- The Current Streamlined Process:
Key features and important factors
- Outcomes
- Recent innovations



What do we want to achieve?



The City's Vision



“a well-diversified agro-industrial center, ICT center, and international gate-way, with a tourist-friendly and safe environment and quality infrastructure, powered by a globally-competitive citizenry, and inspired by transparent, firm, and fair leadership towards sustainable development”

What do we want to achieve?



- We want to be an international gateway
- We want to be competitive - an investment destination
- We want to attract more firms, more people

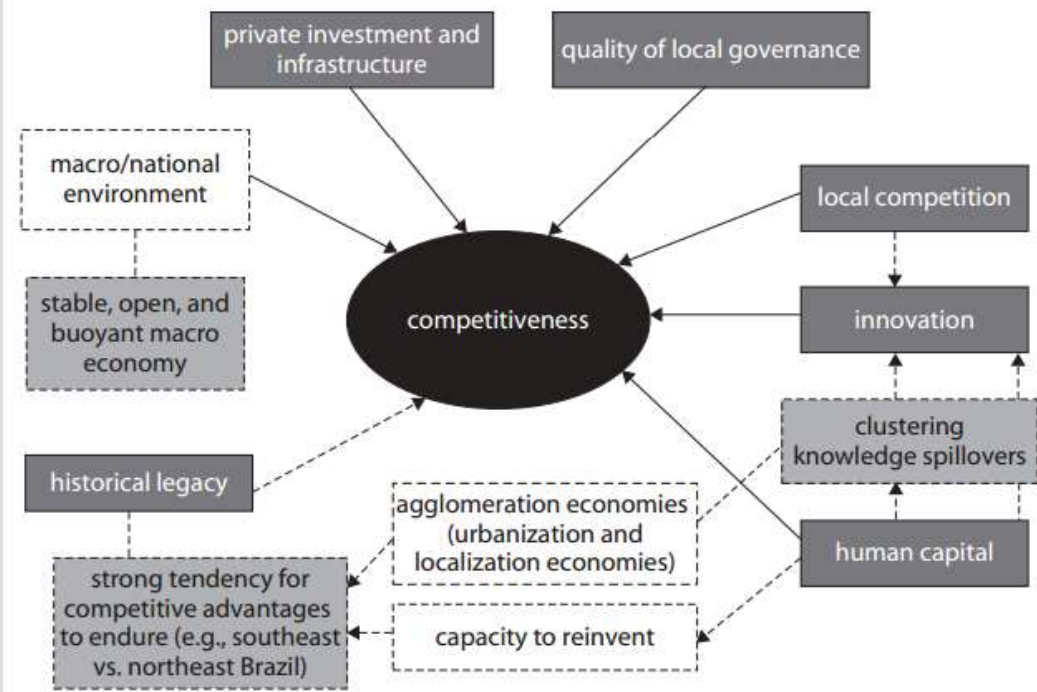


How can we achieve this?



Drivers of competitiveness

Figure 1. Key Drivers of City Competitiveness and Their Interlinkages



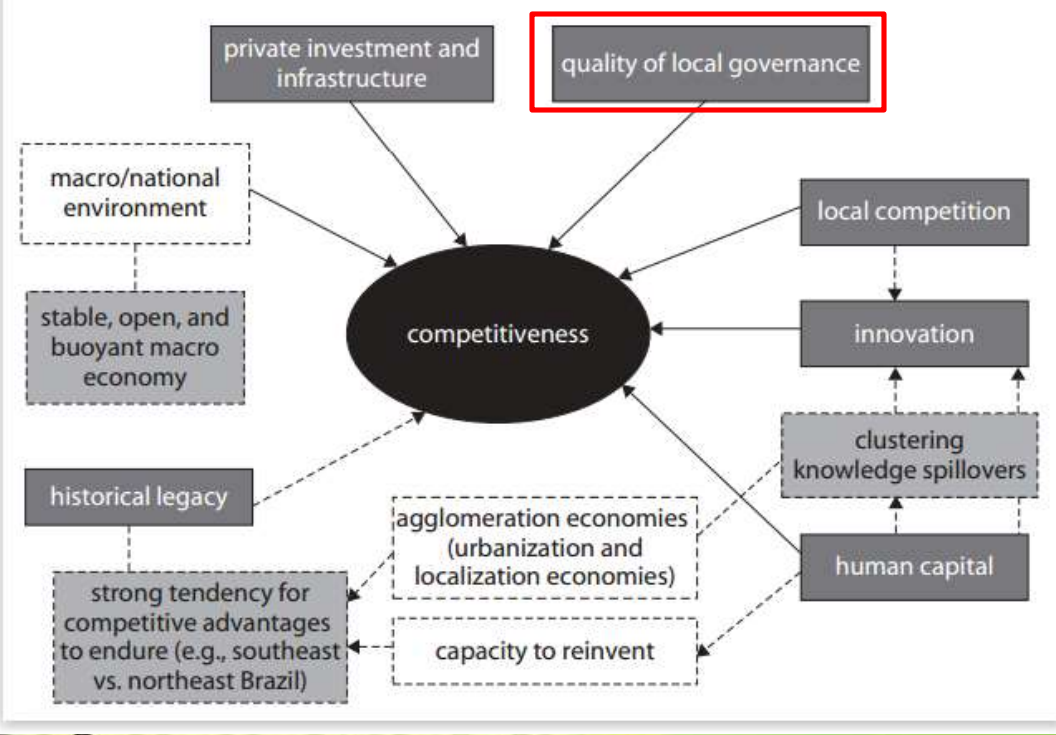
Source: Zhang, Ming (ed.). 2010. *The World Bank. Competitiveness and Growth in Brazilian Cities: Local Policies and Actions for Innovation*

How can we achieve this?



Drivers of competitiveness

Figure 1. Key Drivers of City Competitiveness and Their Interlinkages



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How can we achieve this?



Improving Quality of Local Governance

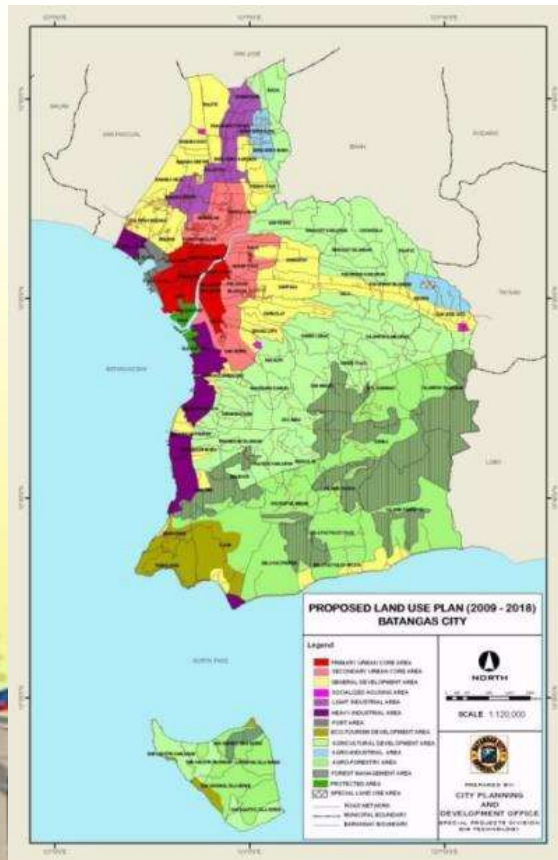
- Transparency and Accountability



How can we achieve this?

Improving Quality of Local Governance

- Provides directions: plans and priorities



**Proposed Land Use Plan as part
of 10-Year Development Plan
2009-2018**



How can we achieve this?



Improving Quality of Local Governance

- Business-friendly

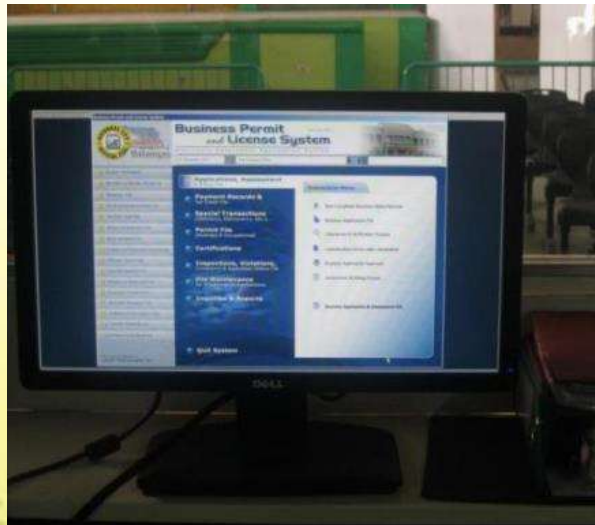


How can we achieve this?



Improving Quality of Local Governance

- Business-friendly: easy to register and renew permits
It only takes 2 steps and less than 2 hours

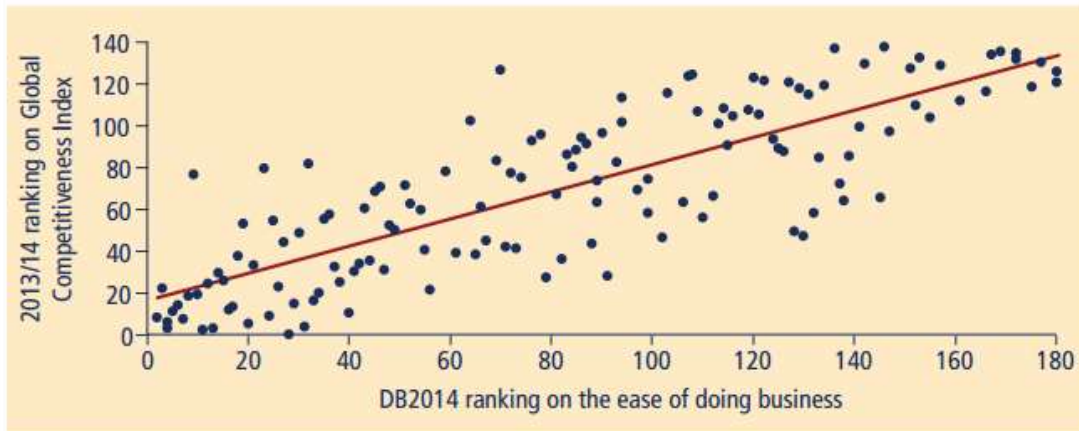


How can we achieve this?

Ease of doing business correlated with competitiveness



FIGURE 2.2 A strong correlation between *Doing Business* rankings and World Economic Forum rankings on global competitiveness



Note: Relationships are significant at the 1% level after controlling for income per capita.

Source: *Doing Business* database; WEF 2013.

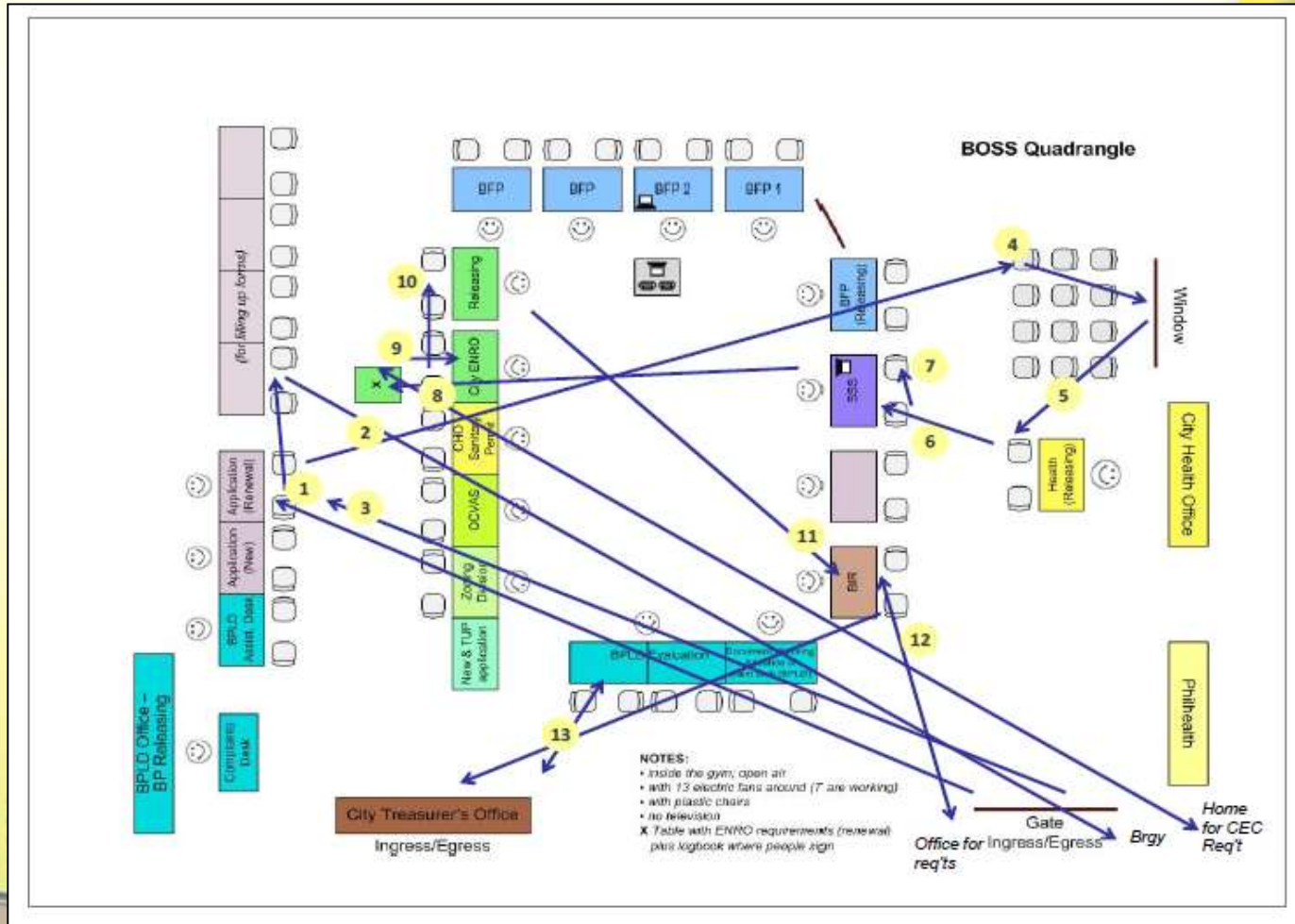
Source: International Finance Corporation (2014). *About Doing Business: measuring for impact*



Streamlining Business Registration



Before...



Source: USAID INVEST (2012). "Integrated Assessment Report on the Renewal Process and the Business One-Stop Shops: Cities of Batangas, Iloilo and Cagayan de Oro"

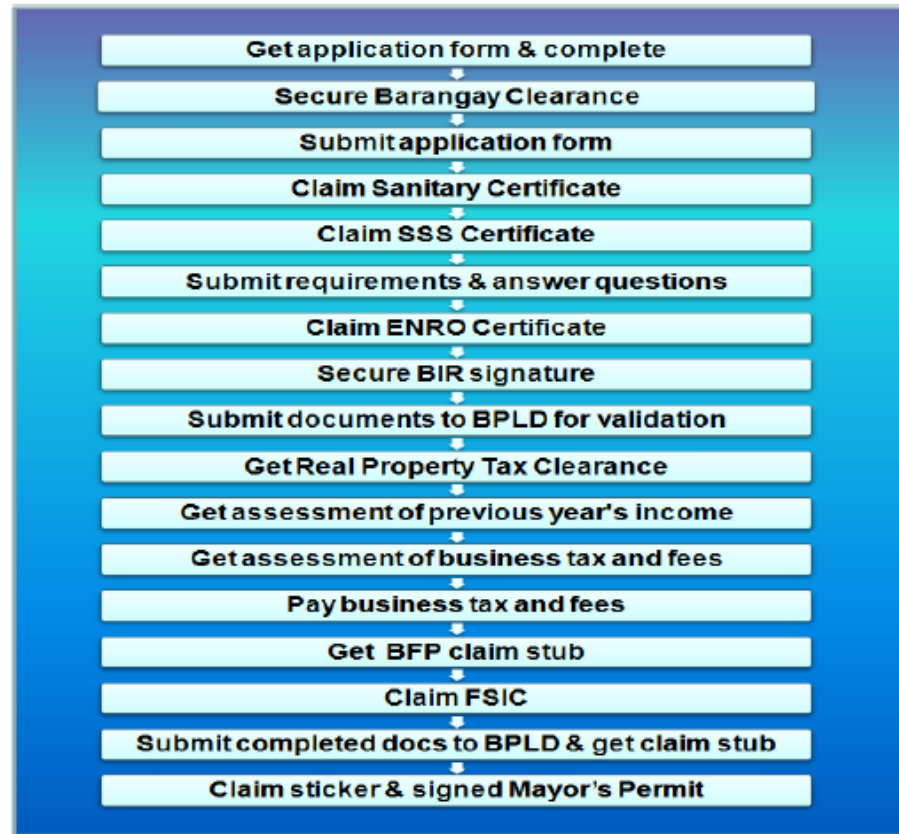
Before...



Before...



17 Steps of Batangas City



Source: USAID INVEST (2012). "Integrated Assessment Report on the Renewal Process and the Business One-Stop Shops: Cities of Batangas, Iloilo and Cagayan de Oro"

Radical changes beginning 2013



Local political will complementing national mandate

- Enabling policy: DILG-DTI Joint MC (August 2010)
“Guidelines in Implementing the Standards in Processing Business Permits and Licenses in All Cities and Municipalities”
- Progressive city administration - local EO seeking to adopt MC guidelines (December 2010)
“Institutionalizing the Streamlined Business Permit and Licensing System and Adopting the Unified Business Application Form in the City Government of Batangas City”





Radical changes beginning 2013

Technical assistance from USAID INVEST

- Batangas City as one of 3 partner cities
- Streamlining BPLS as a major component
- Undertook comprehensive assessments/ diagnostics
- Facilitated peer learning (i.e. Valenzuela, Taguig, Manila, QC)

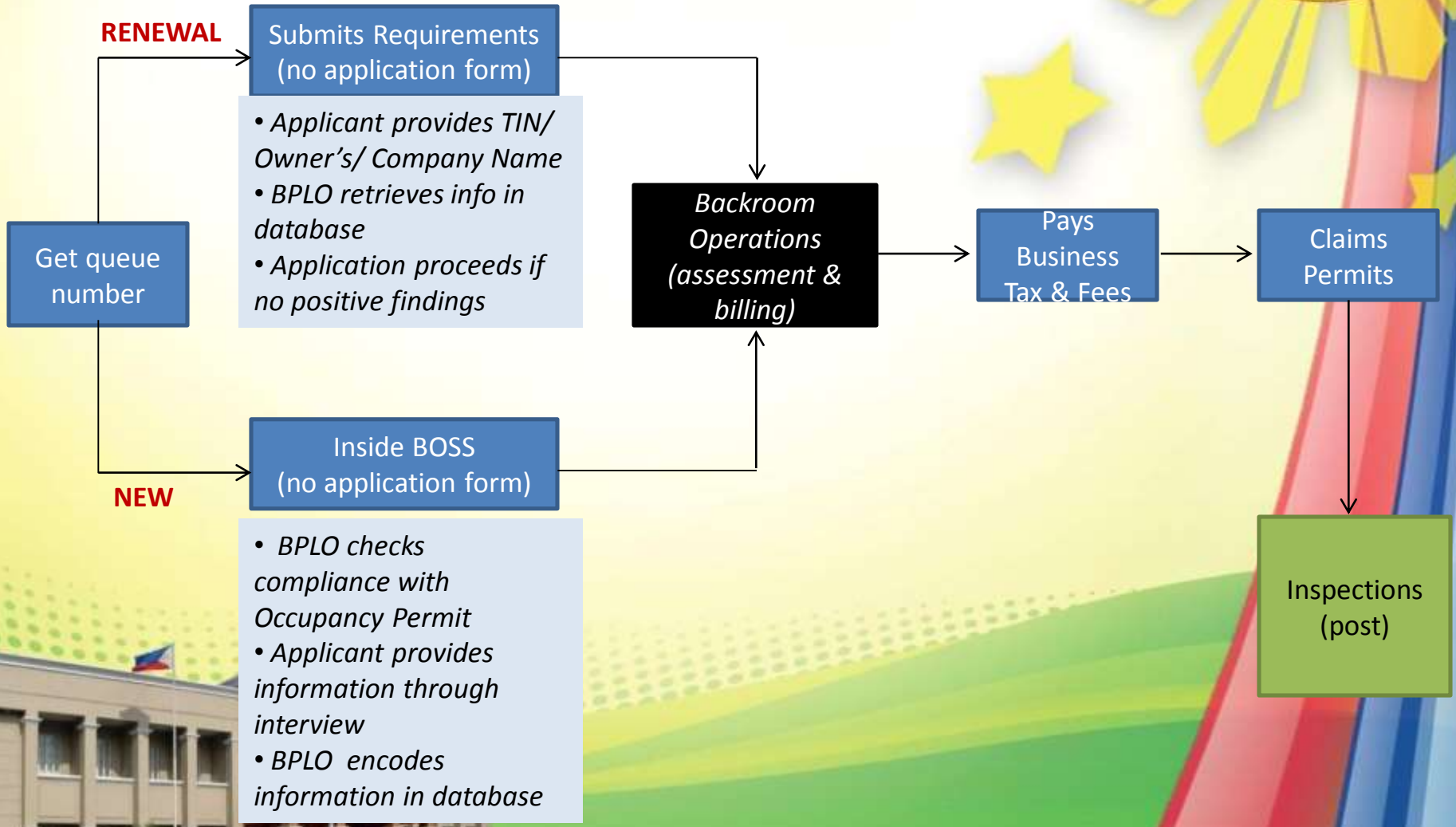


Radical changes beginning 2013



Reform Areas	Actions Taken	Now
Unified Form	Integrated fields from different departments and agencies	No more application form needed (for new and renewals); encoded in database
Requirements	Minimized (then) voluminous requirements for new applications and renewals	<u>New:</u> <ul style="list-style-type: none"> • Contract of Lease (if Lessee) • Market Clearance (Market Stall holders) <u>Renewal</u> <ul style="list-style-type: none"> • Barangay Clearance/Market Clearance (Market Stall holders) • Income Tax Return/s • Original Health Certificates
Signatories	Minimized number of signatories	2 signatures : Mayor and BPLO (electronic signature)
Steps	Minimized steps	2 steps – 1) Filing and Assessment and 2) Pay and Claim
Processing time	More efficient processing time	< 2 hours for new & renewal

The Current Streamlined Process

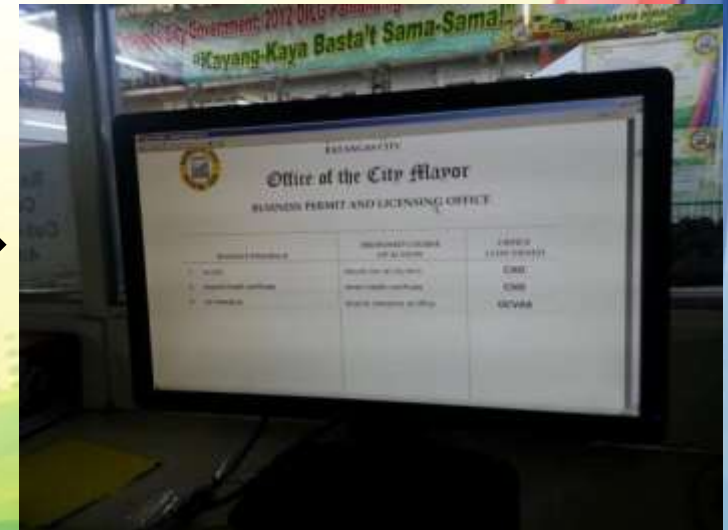
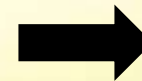
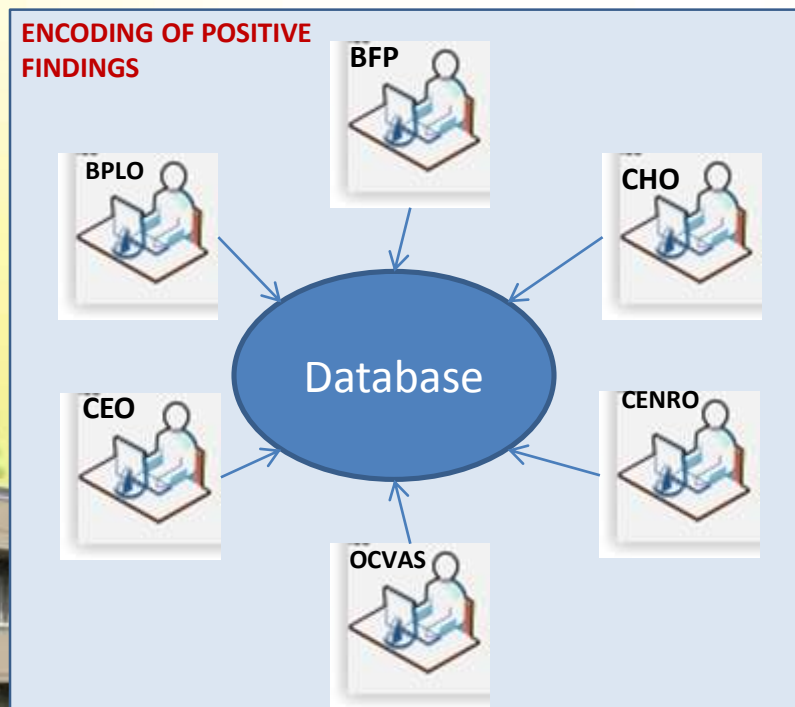




The Current Streamlined Process

Streamlining through Automation

- Centralized database for encoding business information
 - No need for application form!
- Departments and agencies encode non-compliances
 - No need for each department to check
 - Principle of 'positive findings'

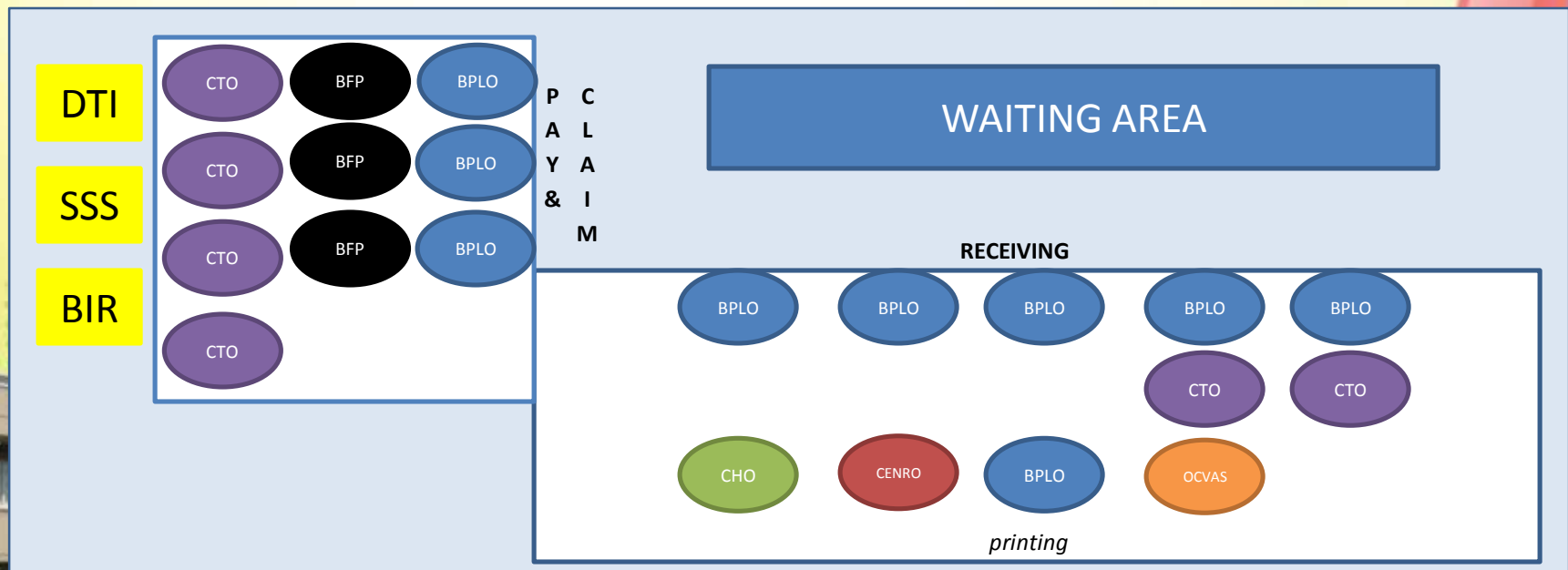




The Current Streamlined Process

Business One-Stop-Shop (BOSS) Facility

- A facility that hosts all concerned agencies under one roof for faster processing
- Seamless **backroom operations** complementing frontline services for receiving applications and issuance of permits



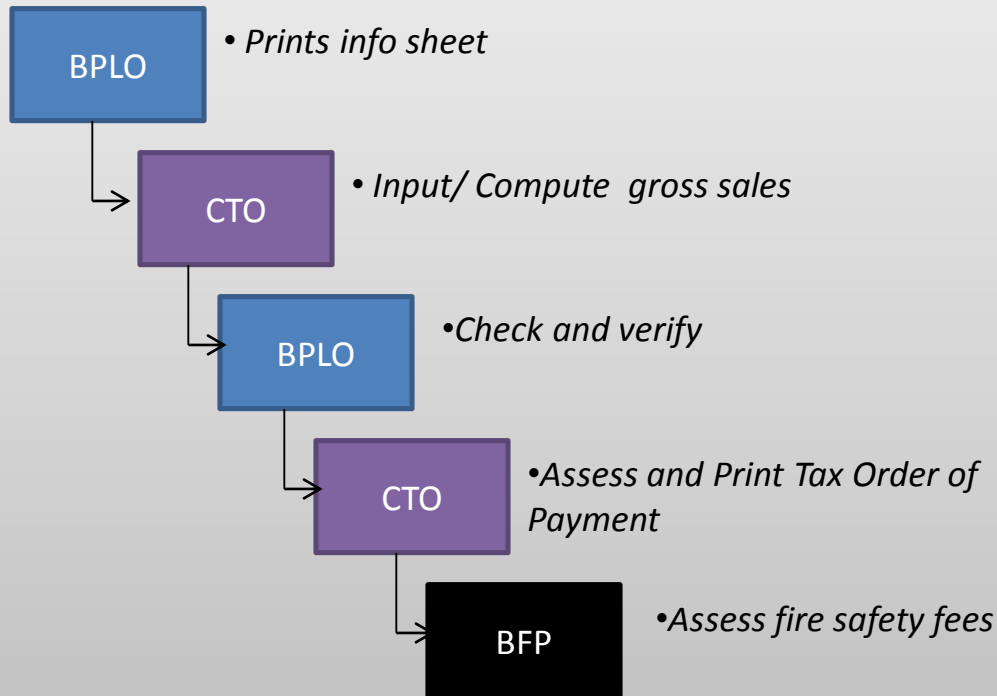


The Current Streamlined Process

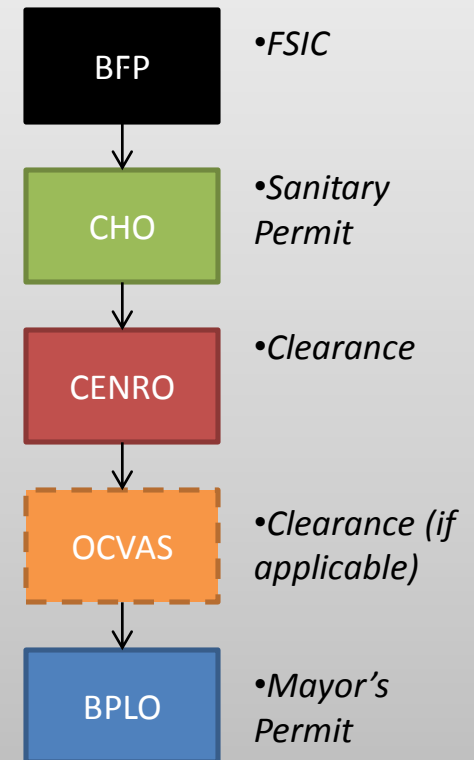
Business One-Stop-Shop (BOSS) Facility

BACKROOM OPERATIONS

Assessment & Billing



Printing



The Current Streamlined Process

Business One-Stop-Shop (BOSS) Facility

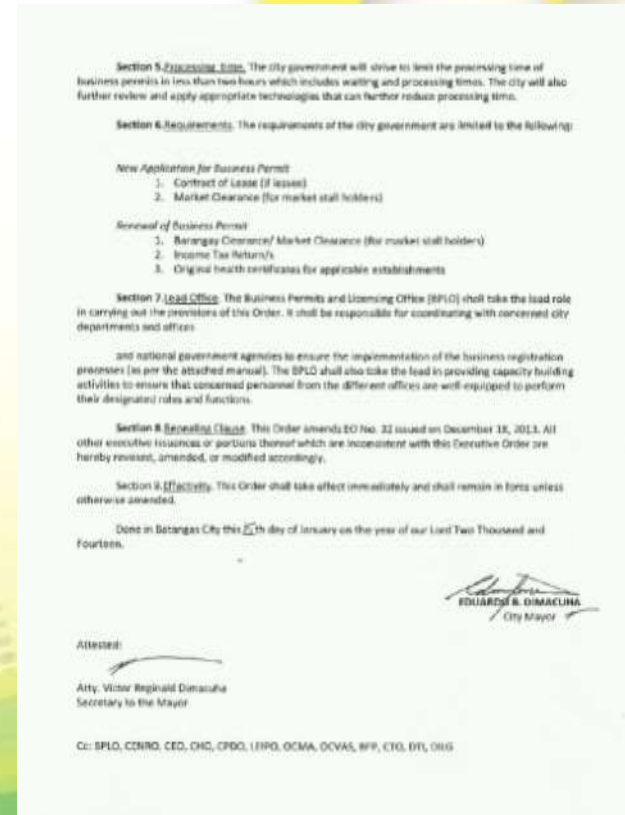
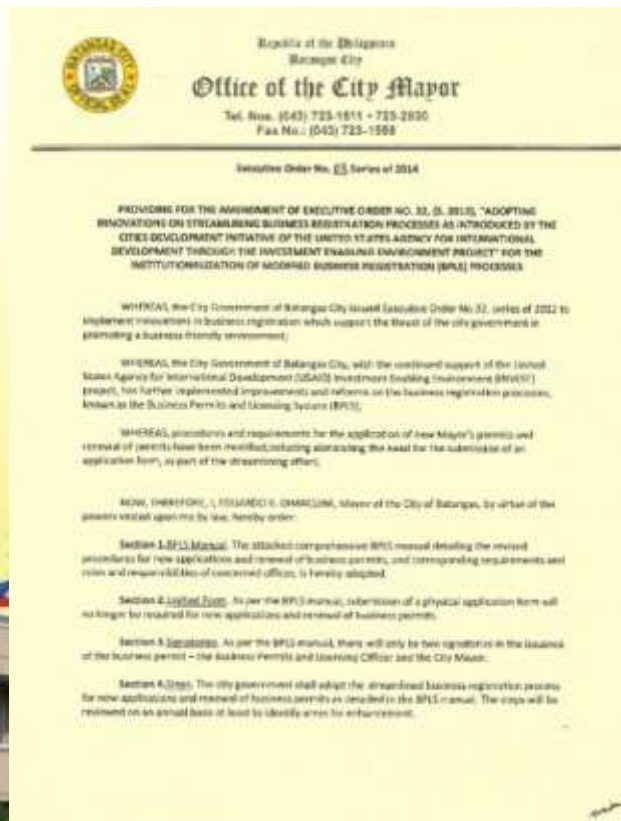




The Current Streamlined Process

Institutionalization

- BPLS processes institutionalized through EO
- Corresponding manual developed





The Current Streamlined Process

Physical Improvements

- More convenient and comfortable waiting area
- Separate Pay and Claim area



The Current Streamlined Process

Other Features

- Nuanced queuing system
 - Priority lane for Persons with Disabilities (PWDs) and Elderly
 - Allotted lanes for Multiple Transactions
- Public Assistance Desk
- Extended business renewal period From January 2-31 (as per Batangas City Revenue Code of 2009)
- Open on weekends for renewal period (beginning 2014)



Outcomes

Client Satisfaction



E. IBA PANG KOMENTO

Magpapalayo po ninyo ang ganitong sistema at
pro mas! masakit po.

E. IBA PANG KOMENTO

Customer-friendly service!

Very efficient!

Huge improvement of the business permit processing!

The permit process deserves a recognition for an
excellent service!

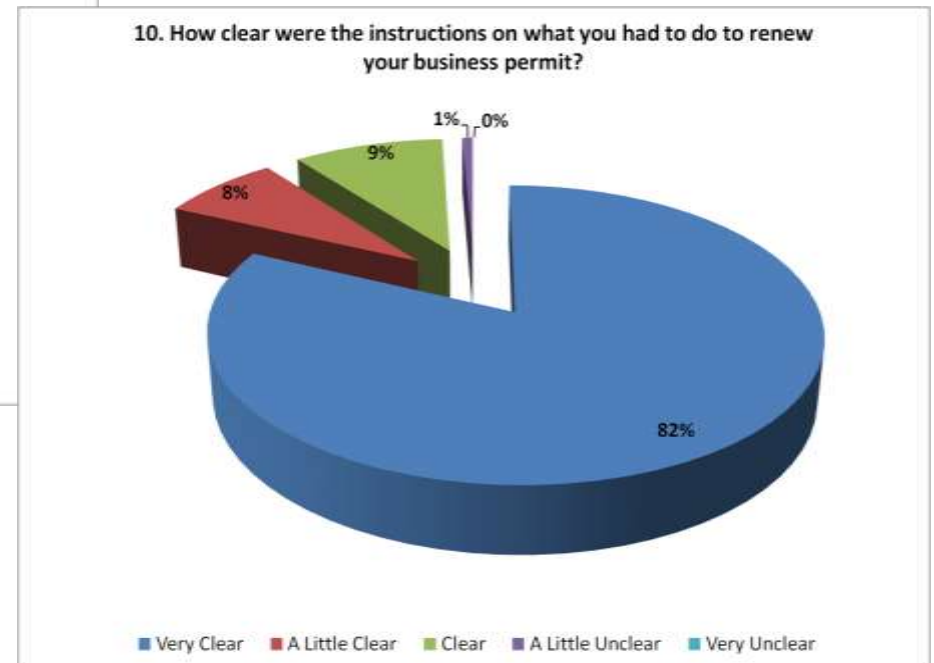
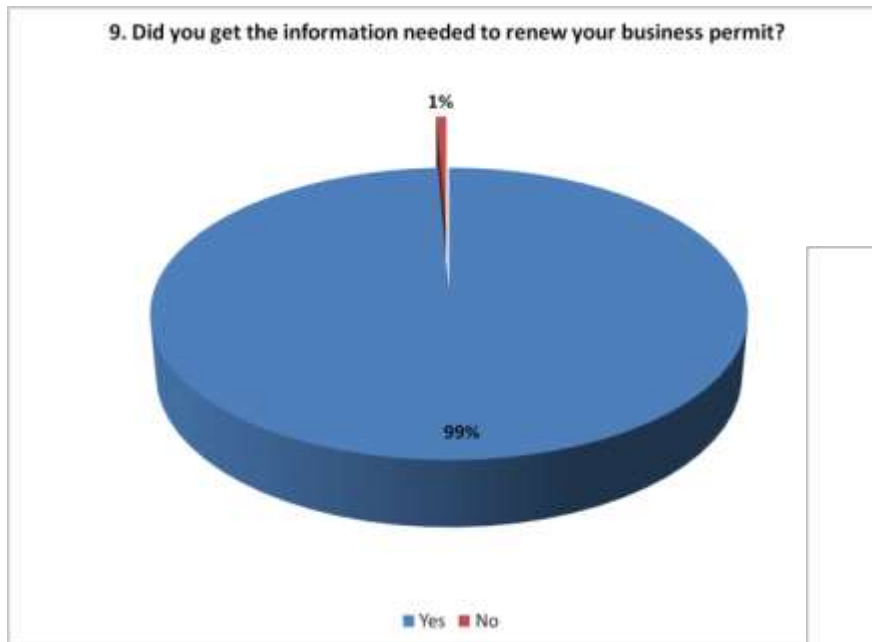
Congratulations!

What used to take several days to complete
was done in less than 2 hours!

Outcomes

Client Satisfaction

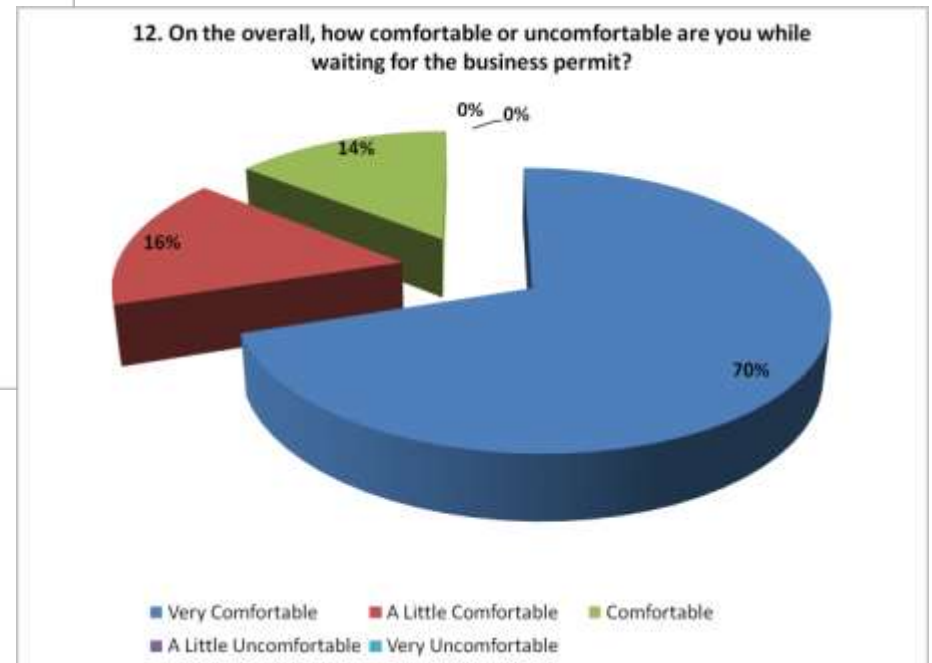
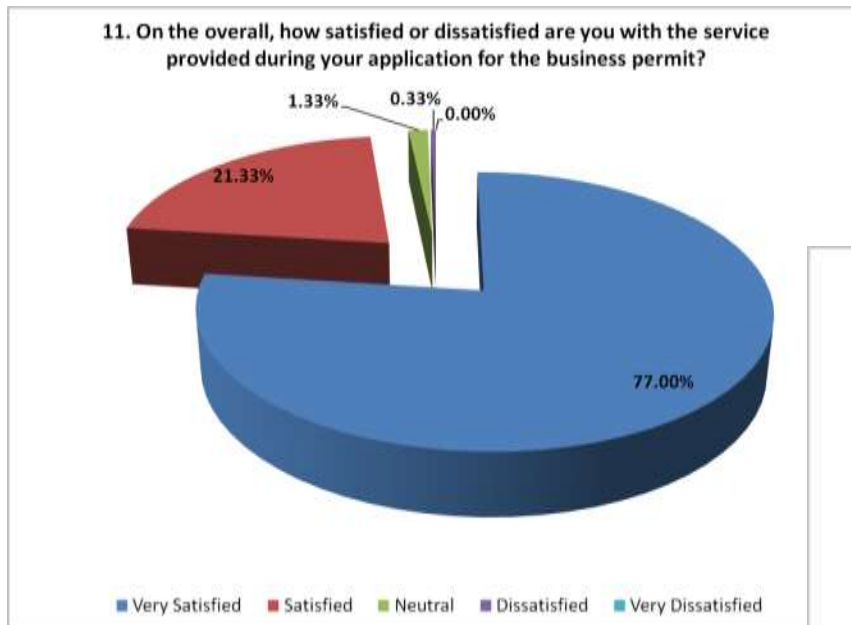
- INVEST 2014 Exit Interviews (n = 300)



Outcomes

Client Satisfaction

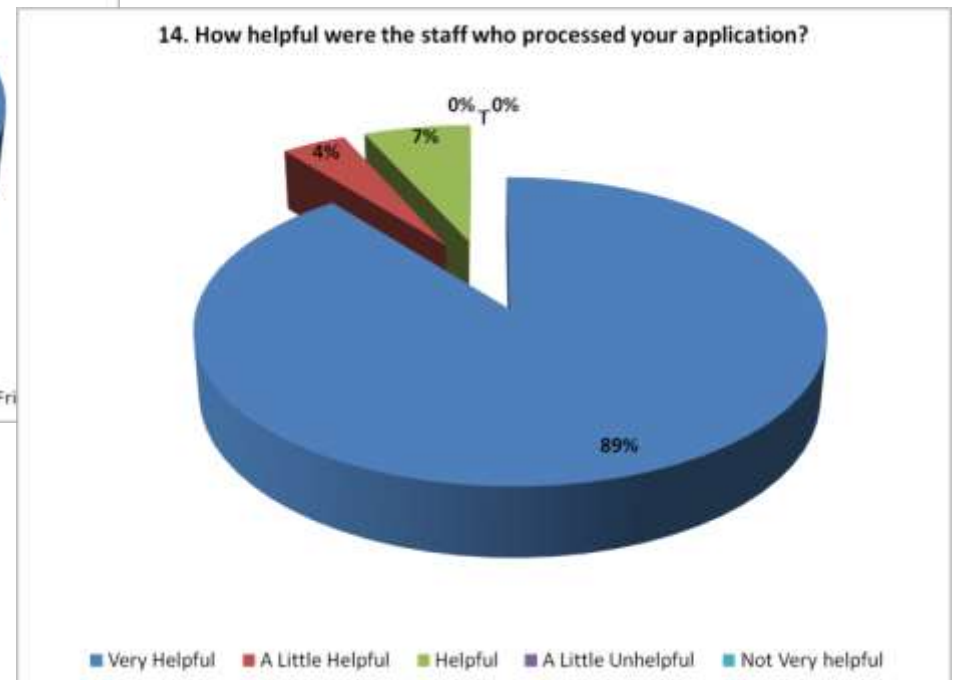
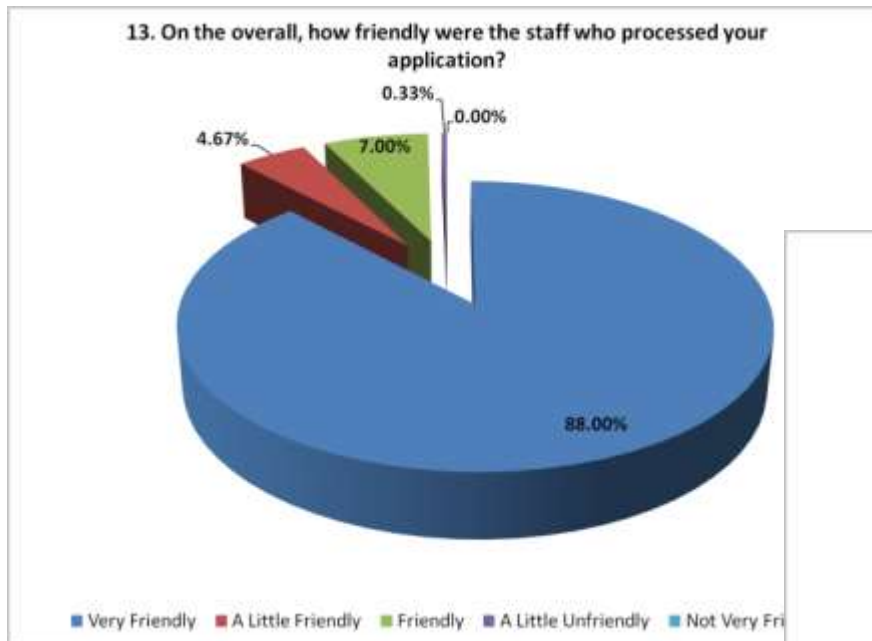
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Outcomes

Client Satisfaction

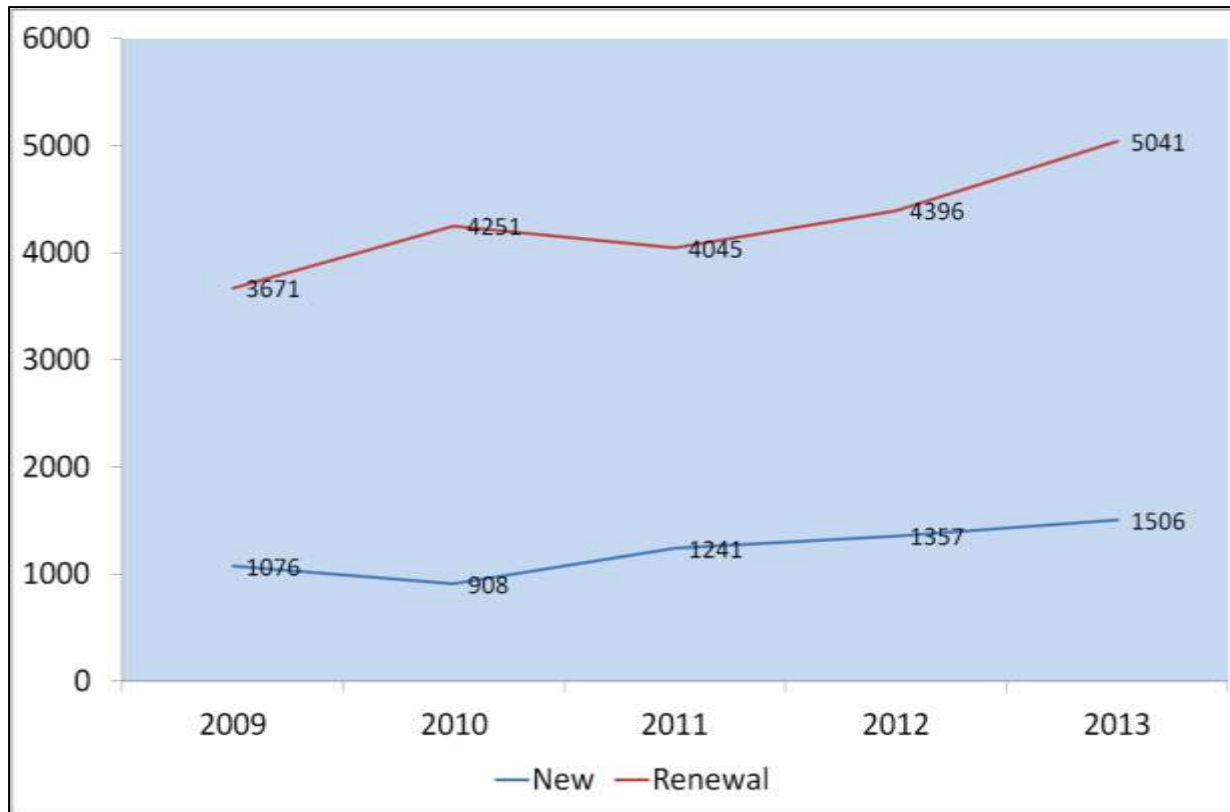
- INVEST 2014 Exit Interviews (n = 300)



Outcomes

Client Satisfaction

- Increased applications

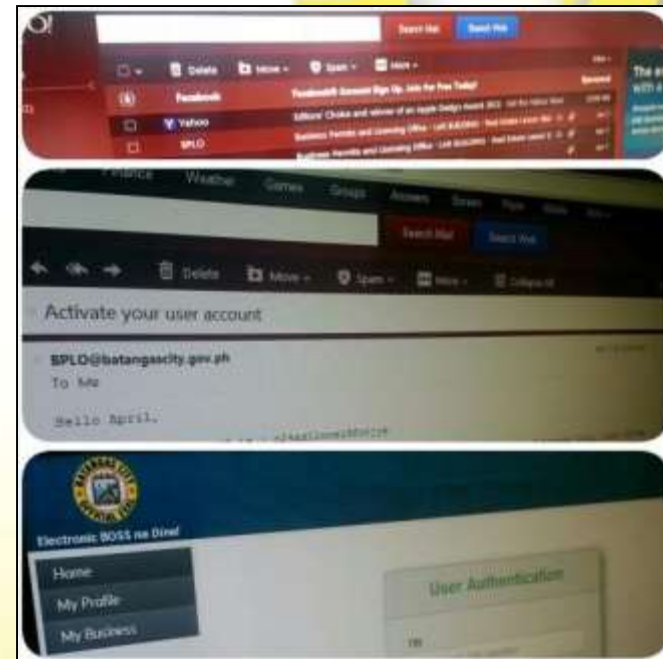


**not necessarily attributable to streamlining efforts*

Recent Innovations



Online Business Permit Renewal (pilot)



Recent Innovations

Mobile payment for business permits (April 2014)



USAID
FROM THE AMERICAN PEOPLE

Magbabayad ka ga ng Business Permit?

Pwede nang magbayad gamit ang iyong cellphone!

Madaling gamitin! **Matipid!** **Sigurado!**

I-dial ang *137# gamit ang Globe o TM.

Mobile Money
Pera anytime, anywhere.

A smartphone displaying a large yellow Philippine Peso symbol (₱) on its screen, surrounded by floating banknotes.

Ala Eh! Tingnan mo are...
Mas pinadali, mas pinabilis ang pagbabayad ng business permit dine sa Batangas City!
Hindi na kailangan pumila pa!

Madaling Gamitin **Matipid** **Sigurado**

Mag-register sa GCash gamit ang inyong Globe/TM SIM
I-dial ang *143# for FREE, pilin ang GCash at I-select ang Register*.

Magbayad ng Batangas Business permit gamit ang GCash for FREE**

Step 1: I-dial ang *137# for FREE at pilin ang Batangas City
Step 2: I-select ang Business Permit.
Step 3: I-enter ang mga detalye at sundan ang mga instruction.

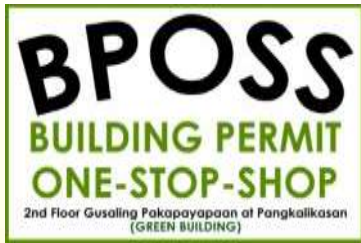
*Mabatayanggamit ka ng SMS kung successful ang iyong transaction.
**Until September 2014 only.

Creating a Wonderful World

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Recent Innovations

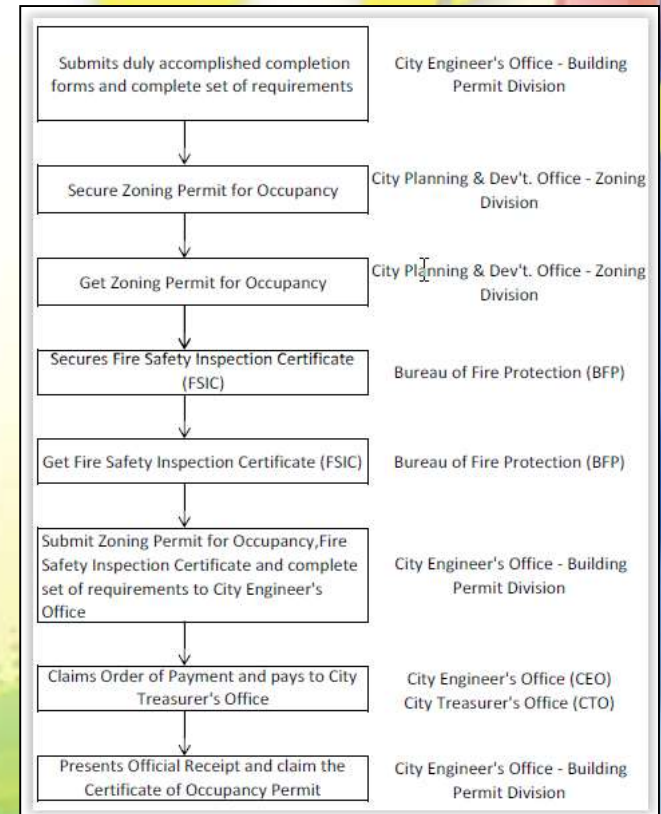
Building/ Occupancy Permit One-Stop-Shop



BUILDING PERMIT



OCCUPANCY PERMIT



Recent Innovations

Business-Friendly Joint Inspection Teams





Thank you!

Erick Sanohan

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Batangas City Business Registration

Providing total quality service in a professional manner and business-friendly environment to people seeking permits