



# **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

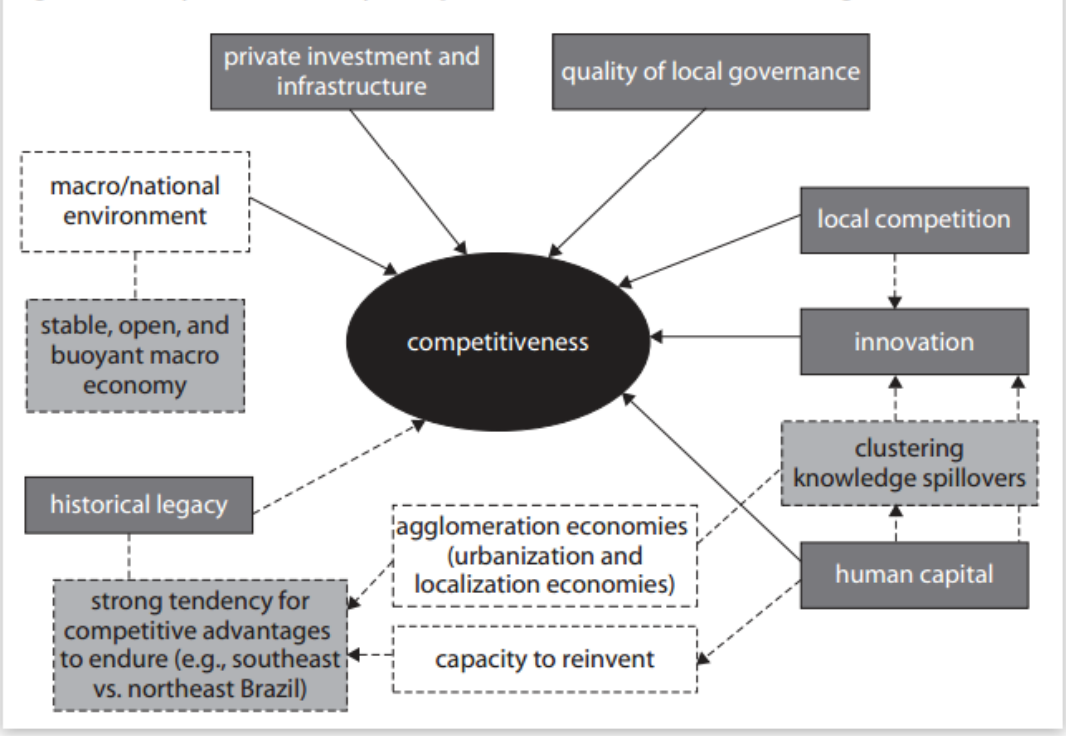


# How can we achieve this?



## Drivers of competitiveness

Figure 1. Key Drivers of City Competitiveness and Their Interlinkages



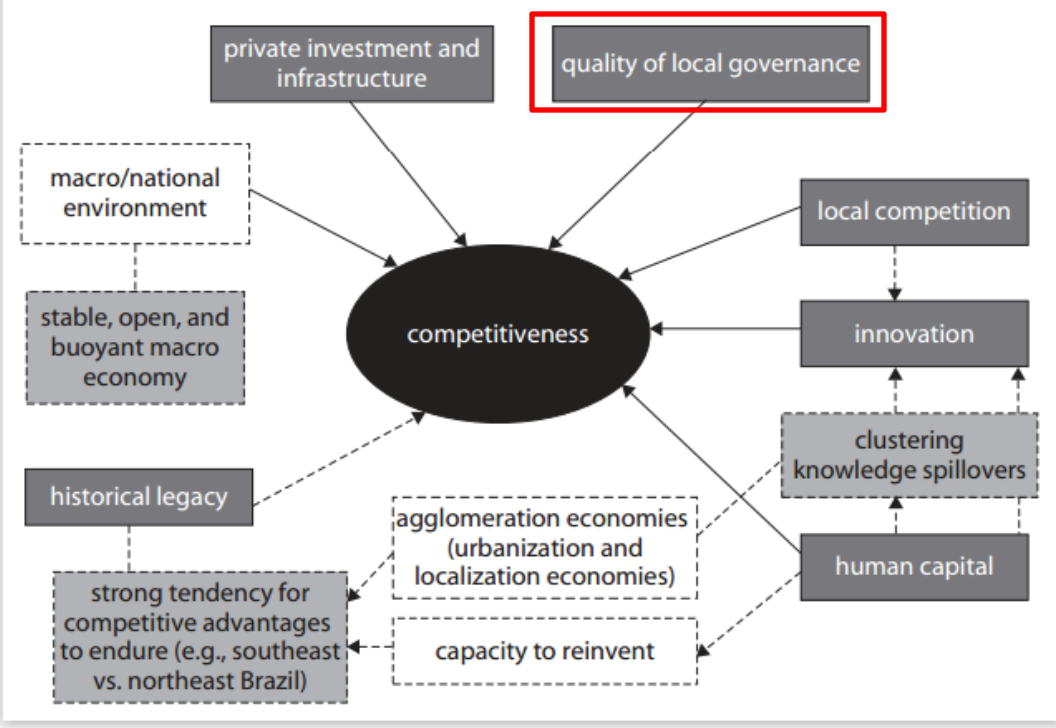
Source: Zhang, Ming (ed.). 2010. *The World Bank. Competitiveness and Growth in Brazilian Cities: Local Policies and Actions for Innovation*

# How can we achieve this?



## Drivers of competitiveness

Figure 1. Key Drivers of City Competitiveness and Their Interlinkages



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?

## 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

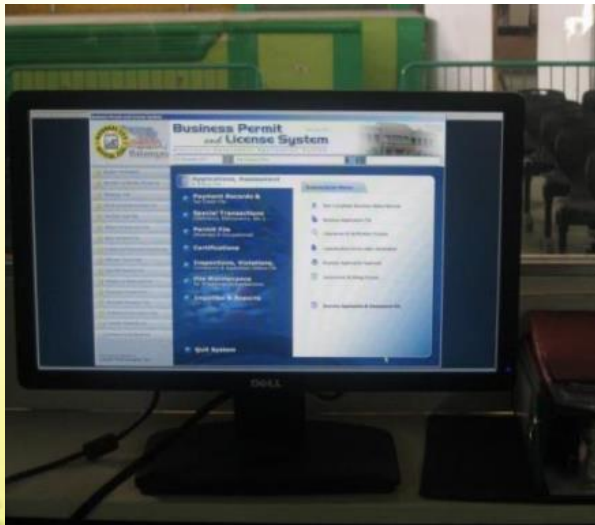


# How can we achieve this?



## Improving Quality of Local Governance

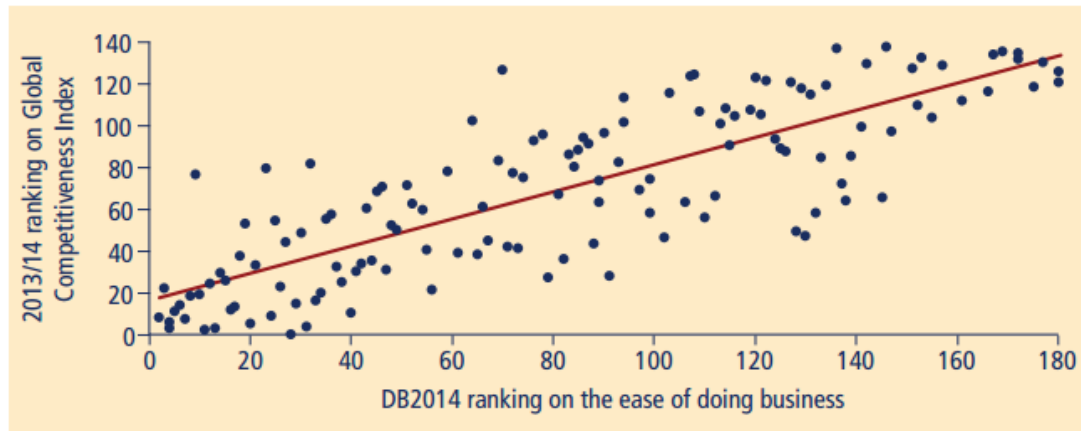
- Business-friendly: easy to register and renew permits  
It only takes 2 steps and less than 2 hours



# 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*

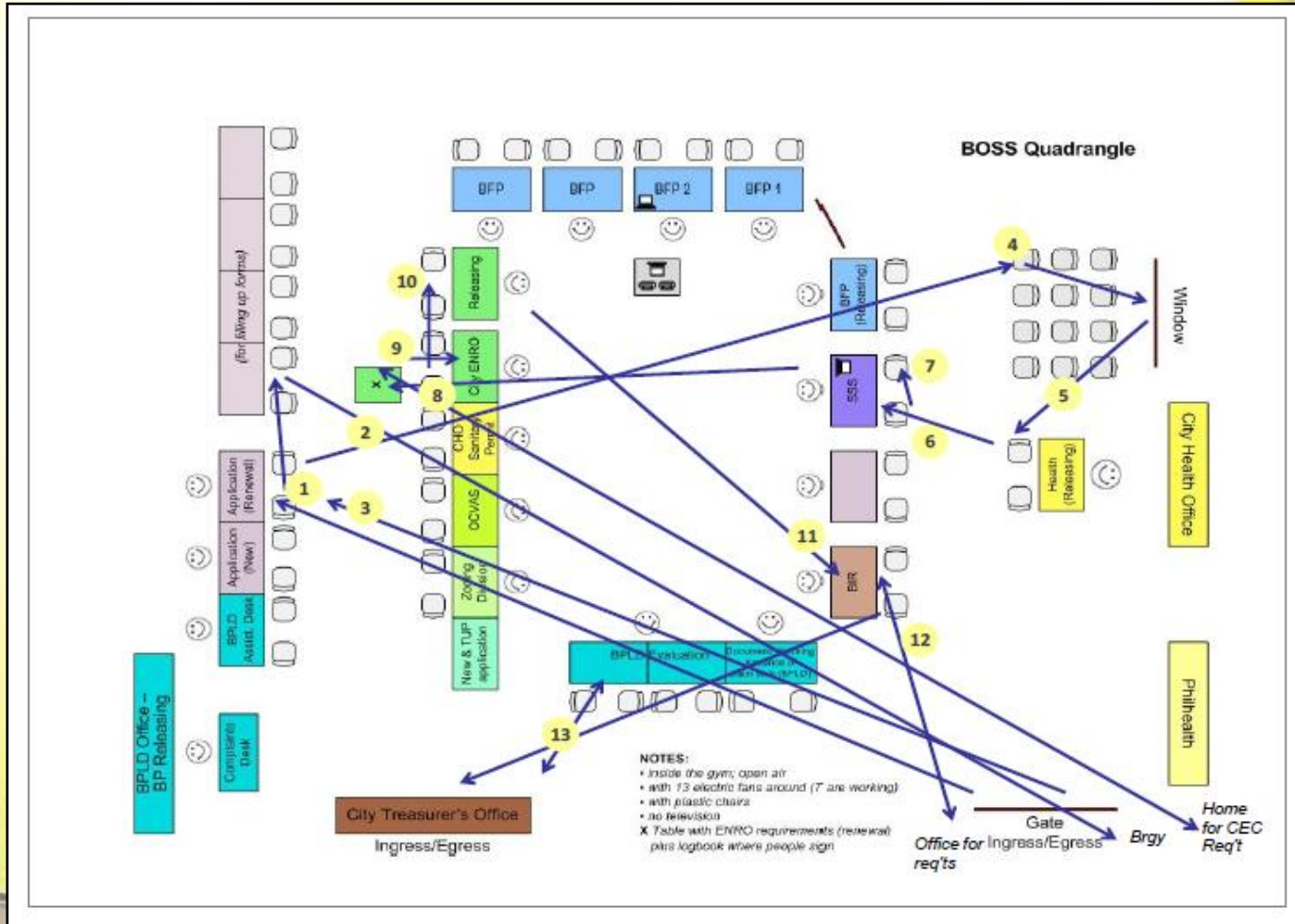




# Streamlining Business Registration



# 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"

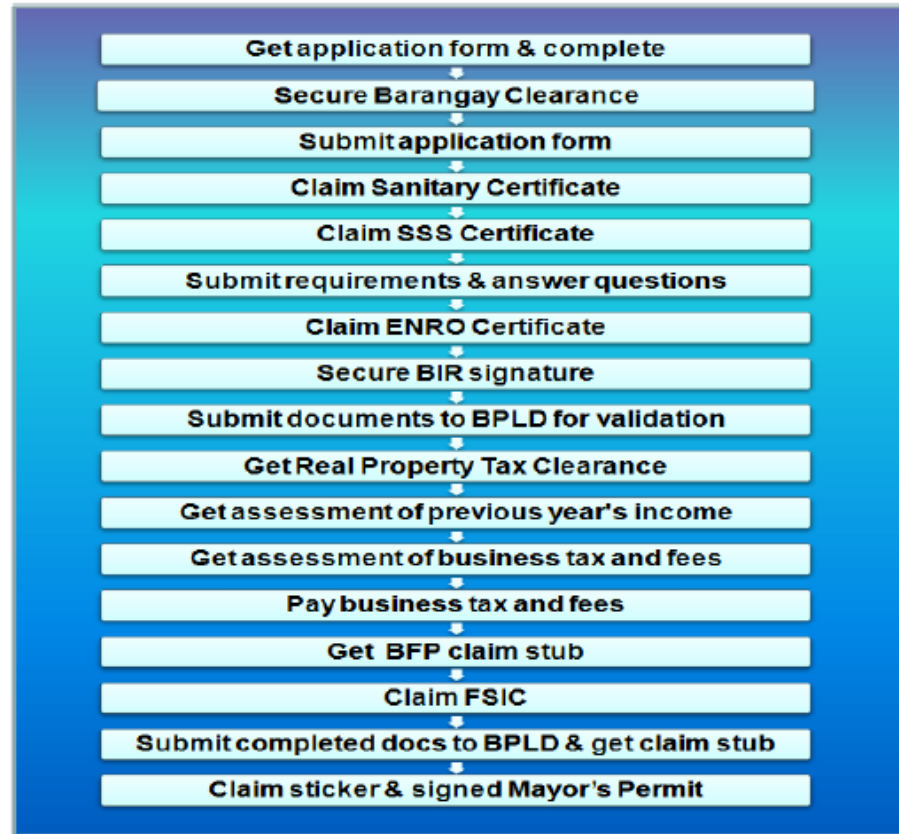
# Before...



# 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)

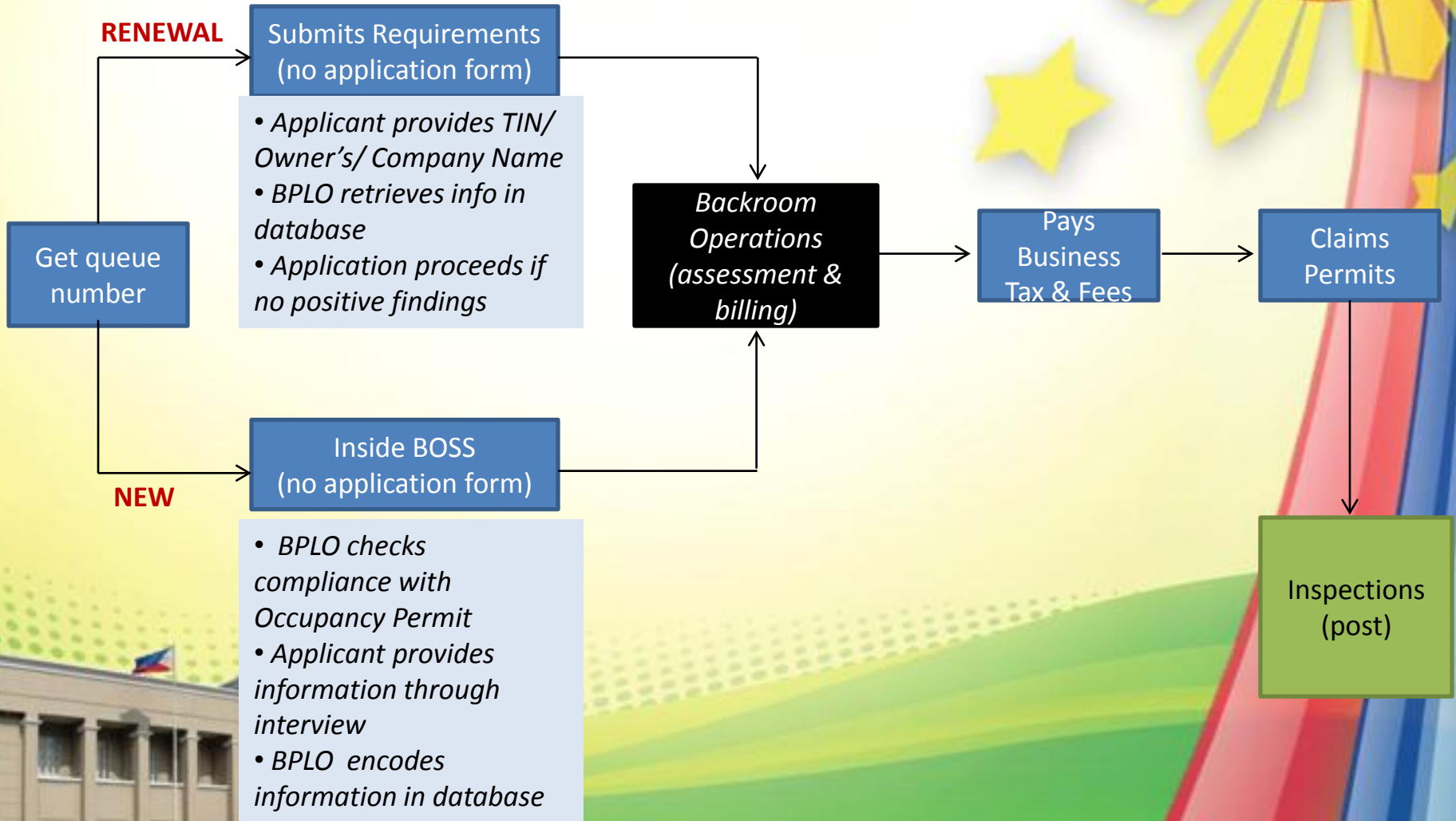


# Radical changes beginning 2013



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"> <li>• Contract of Lease (if Lessee)</li> <li>• Market Clearance (Market Stall holders)</li> </ul> <u>Renewal</u> <ul style="list-style-type: none"> <li>• Barangay Clearance/Market Clearance (Market Stall holders)</li> <li>• Income Tax Return/s</li> <li>• Original Health Certificates</li> </ul>
Signatories	Minimized number of signatories	2 signatures : Mayor and BPLO ( <b>electronic signature</b> )
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

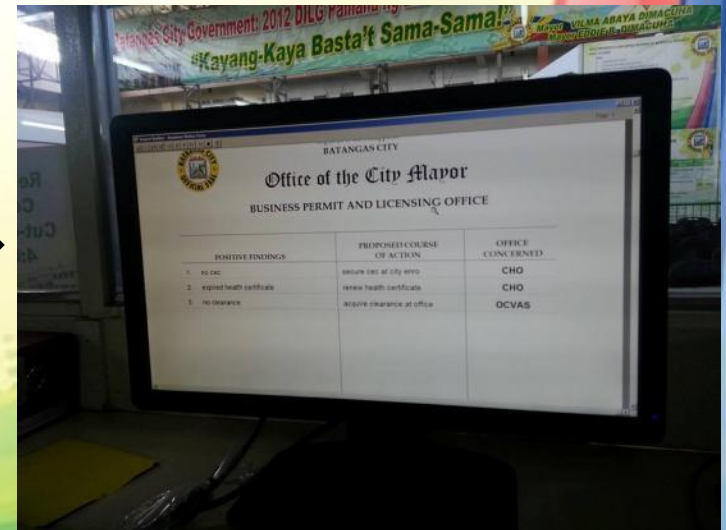
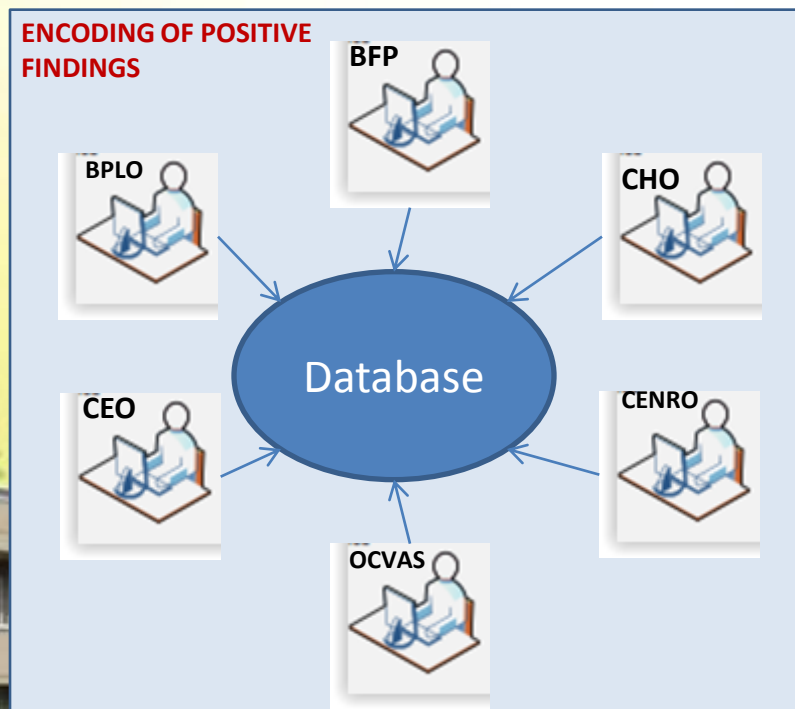




# The Current Streamlined Process

## 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'

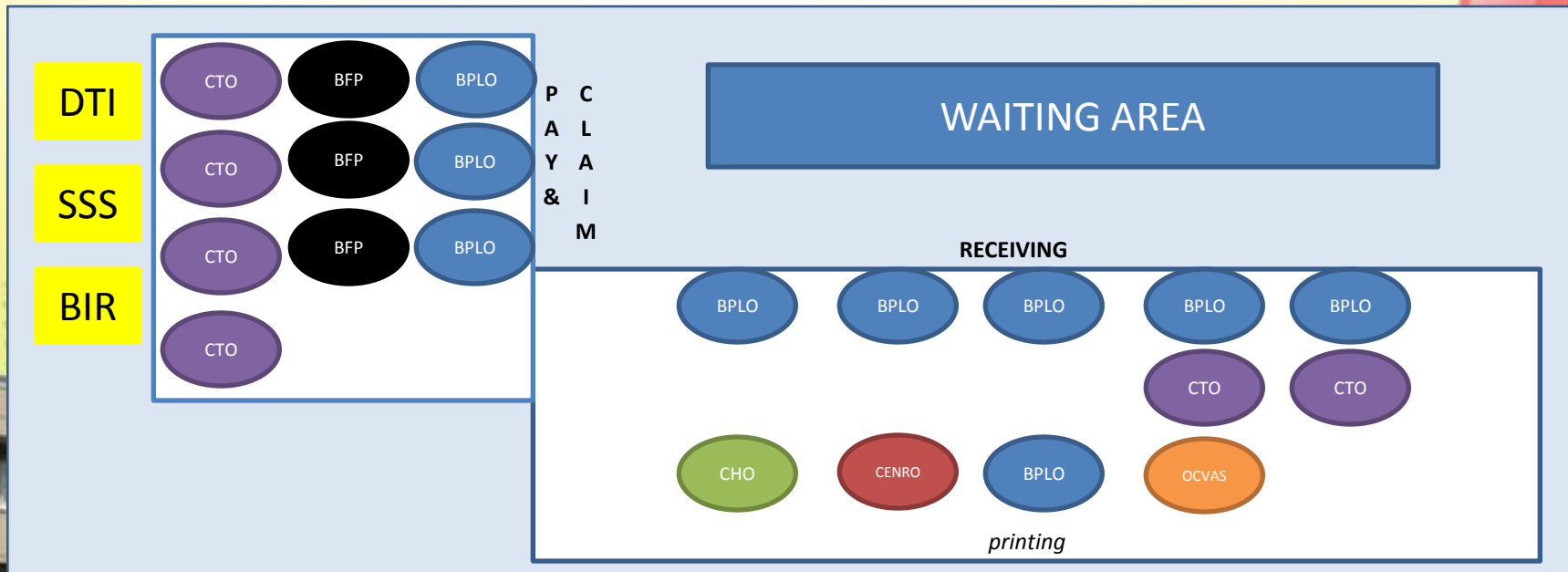




# The Current Streamlined Process

## 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



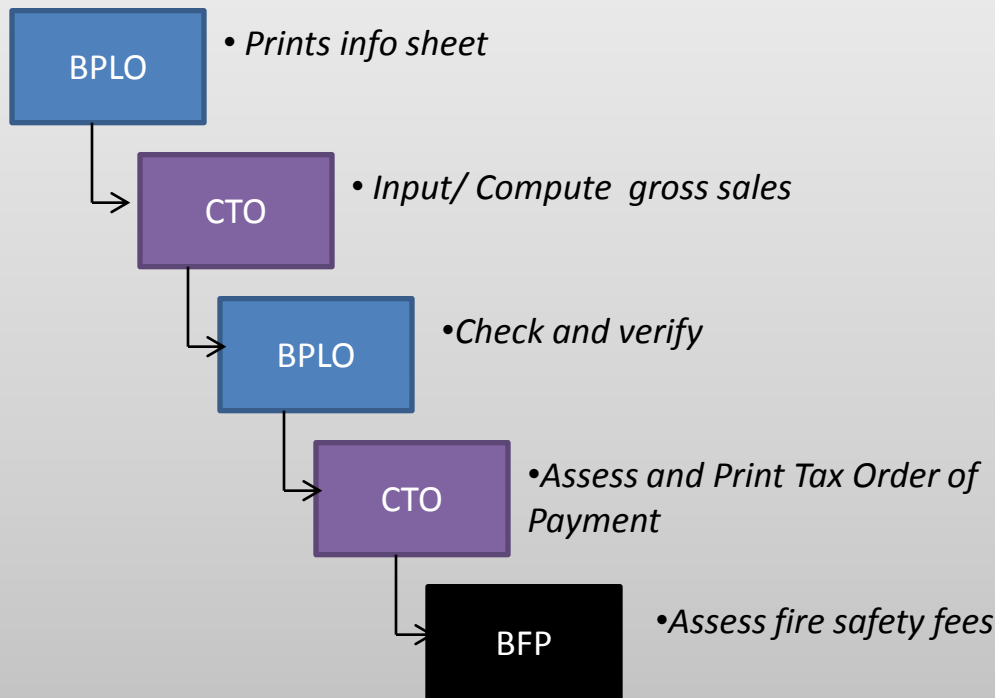


# The Current Streamlined Process

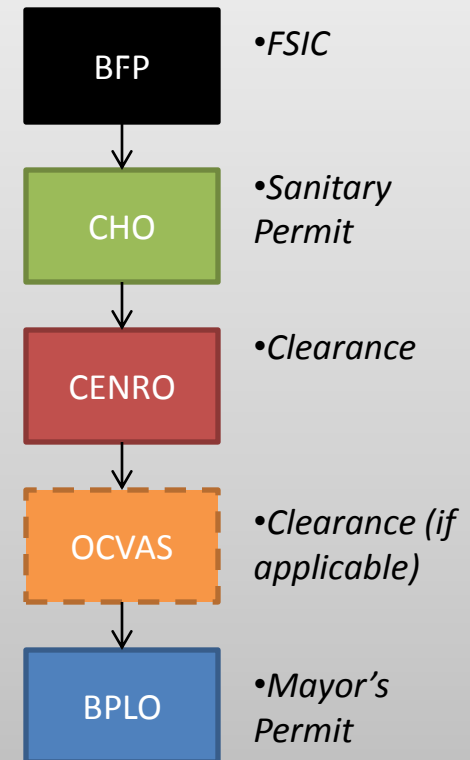
## Business One-Stop-Shop (BOSS) Facility

### BACKROOM OPERATIONS

#### Assessment & Billing



#### Printing



# The Current Streamlined Process

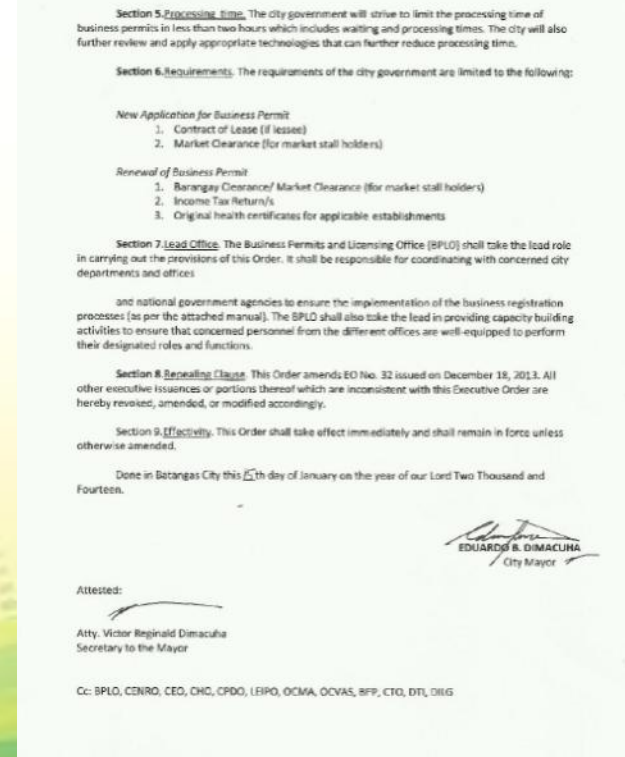
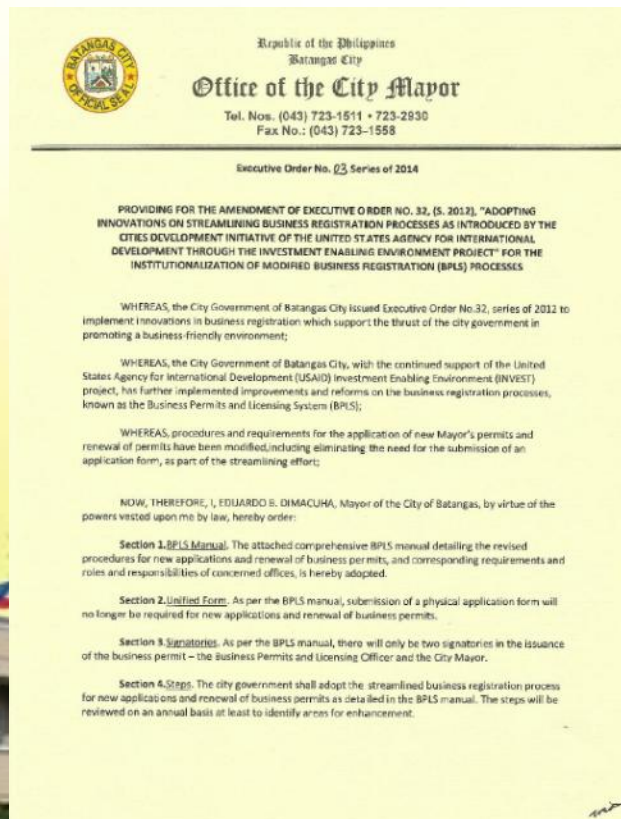
## Business One-Stop-Shop (BOSS) Facility



# 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 gamitong sistema at  
pro pros! salamat po.

### E. IBA PANG KOMENTO

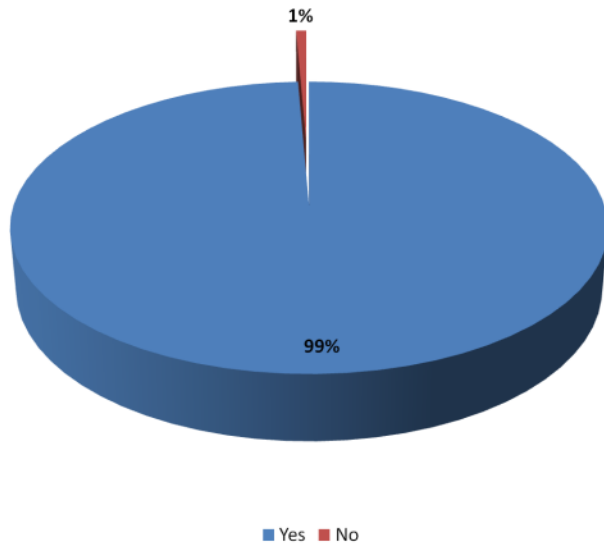
Customer-friendly service!  
Very efficient!  
Huge improvement of the business permit processing!  
The permit process deserves a recognition for an  
excellent service!  
Congratulations!  
What used to take several days to complete  
was done in less than 2 hours!

# Outcomes

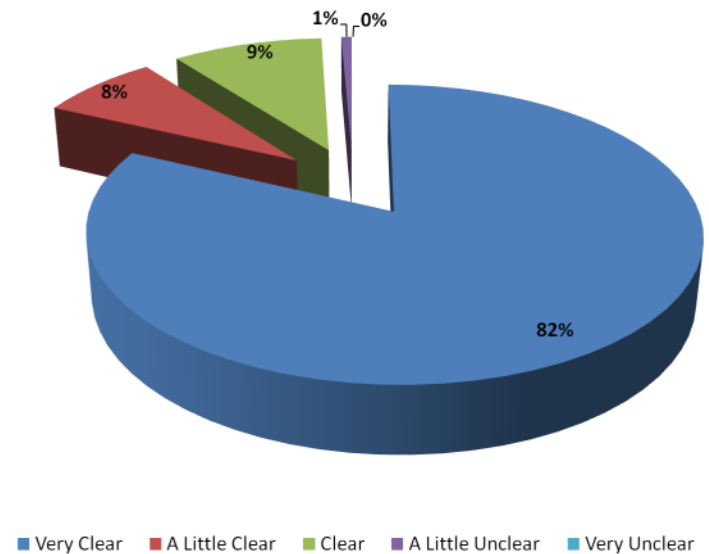
## Client Satisfaction

- INVEST 2014 Exit Interviews (n = 300)

9. Did you get the information needed to renew your business permit?



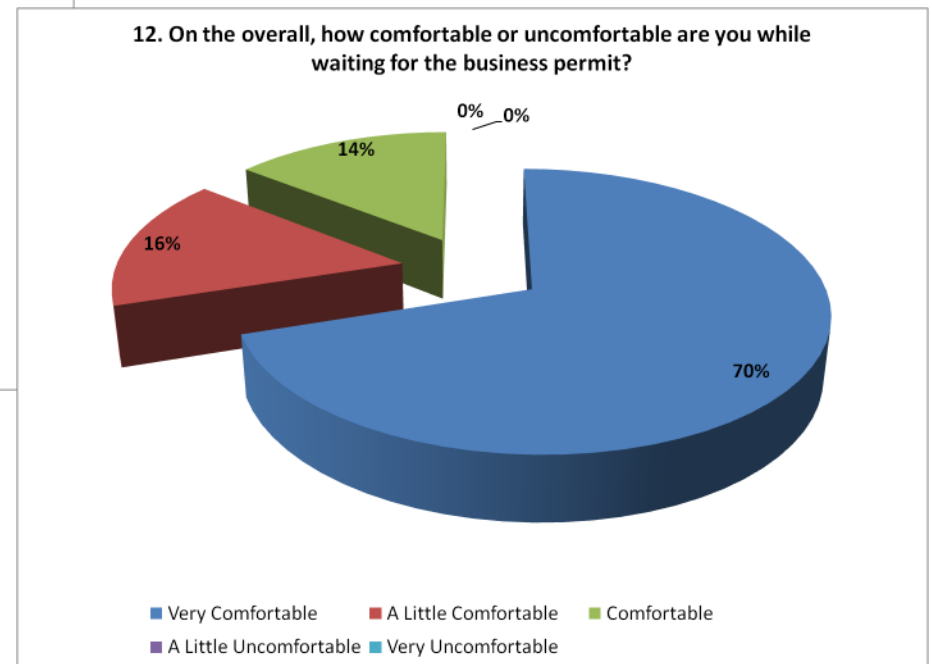
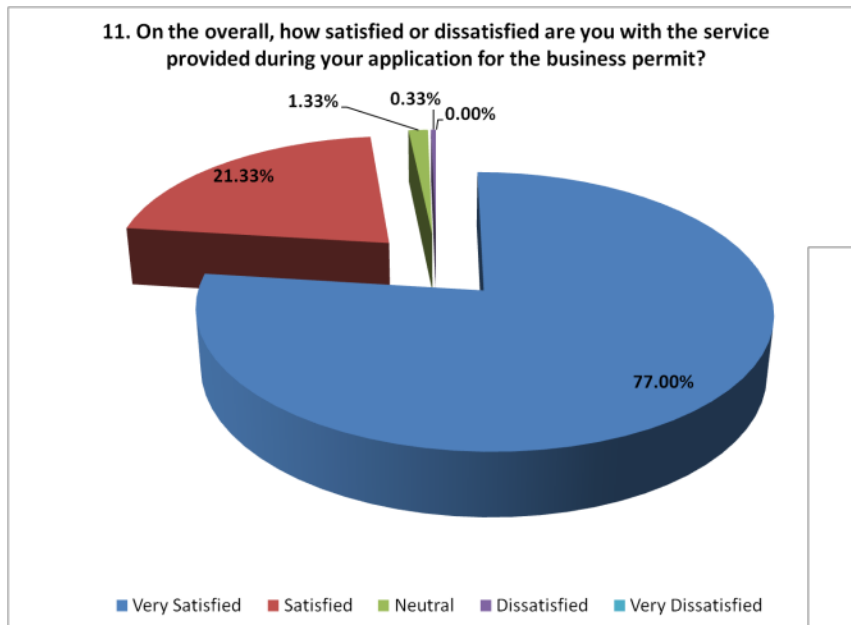
10. How clear were the instructions on what you had to do to renew your business permit?



# Outcomes

## Client Satisfaction

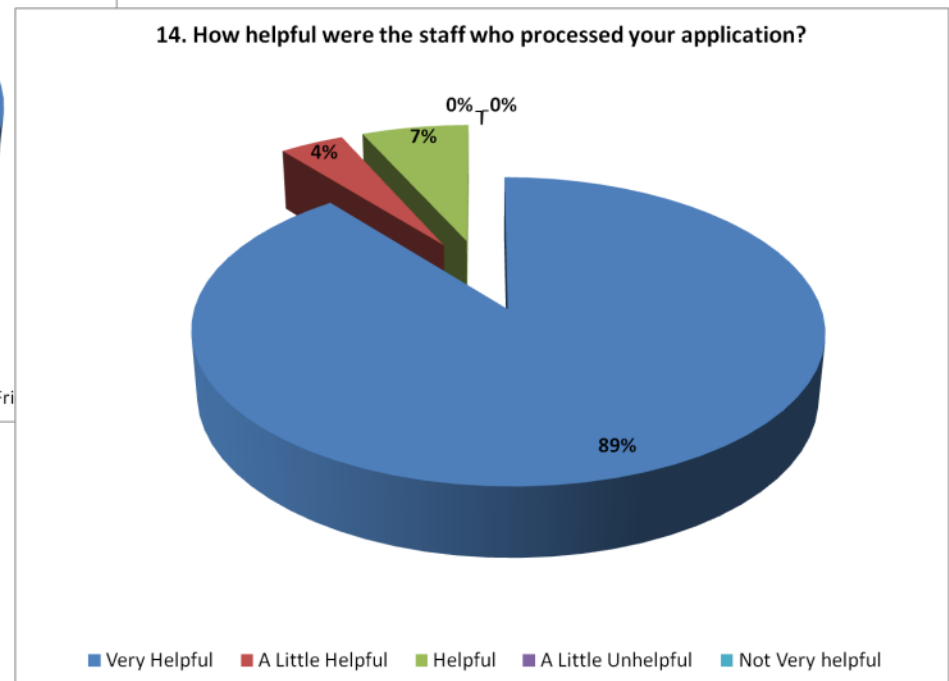
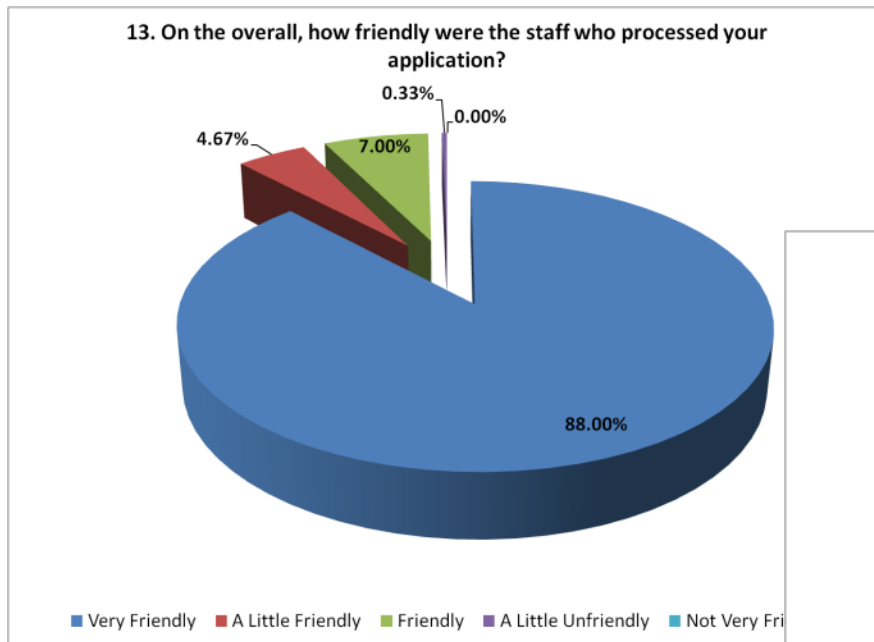
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# Outcomes

## Client Satisfaction

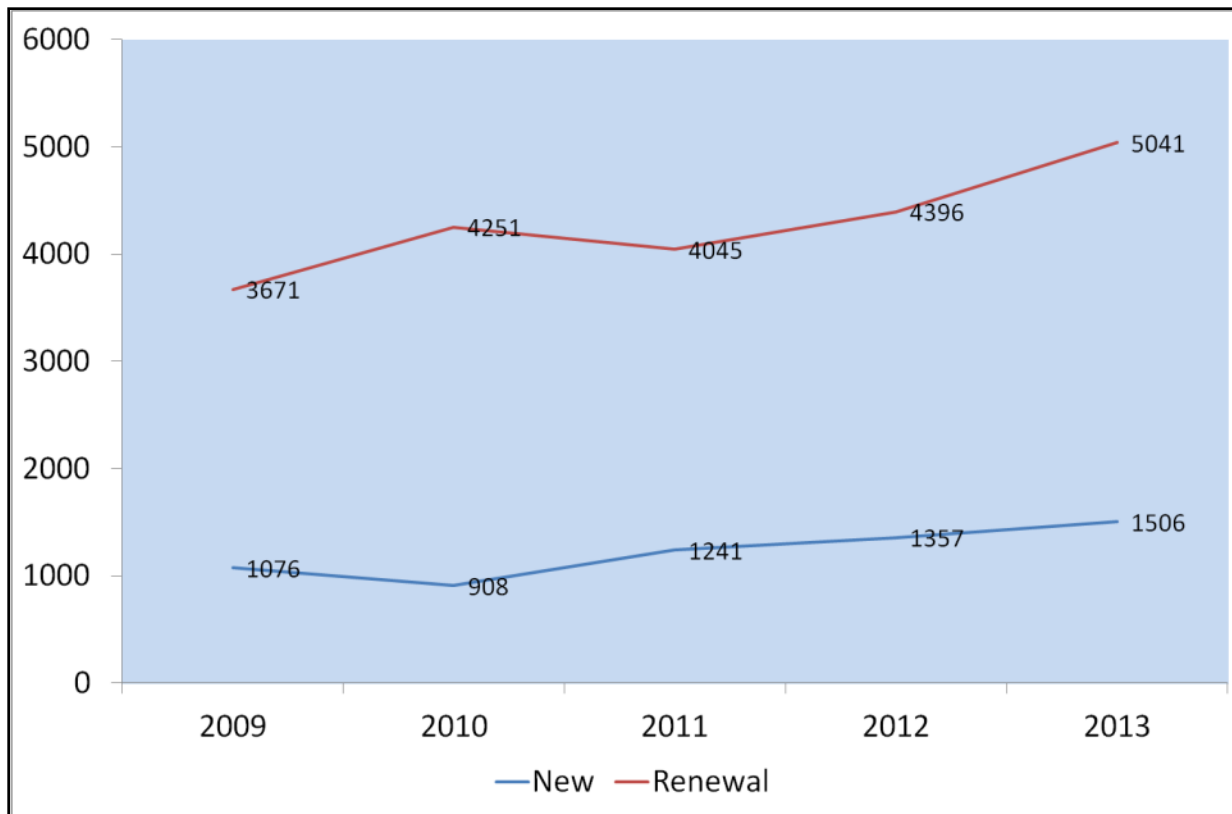
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# Outcomes

## Client Satisfaction

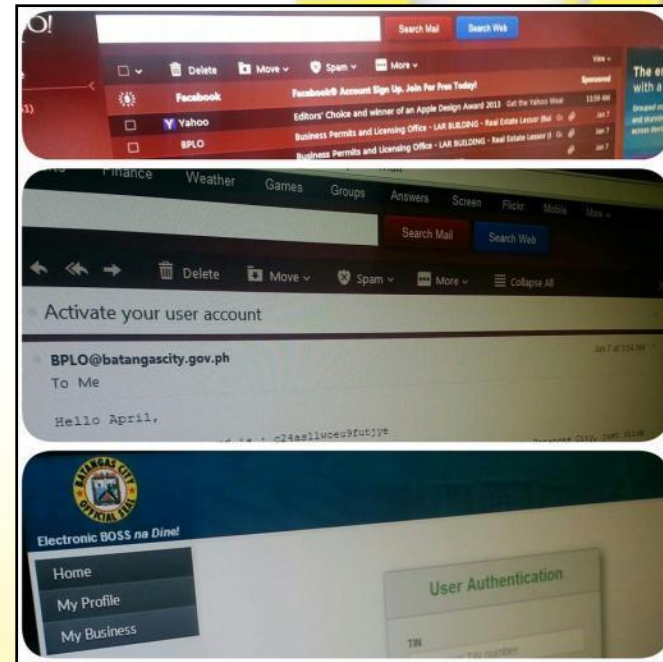
- Increased applications



*\*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 \*I37# gamit ang Globe o TM.

**Mobile Money**  
Pera anytime, anywhere.

A smartphone displaying the Mobile Money logo, which is a stylized 'P' with a peso symbol.

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, piliin 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 piliin ang Batangas City  
Step 2: I-select ang Business Permit.  
Step 3: I-enter ang mga detalye at sundan ang mga instruction.

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

Creating a Wonderful World

A woman in a floral top and black skirt is smiling while holding a smartphone. The background shows a cityscape with buildings and a road.

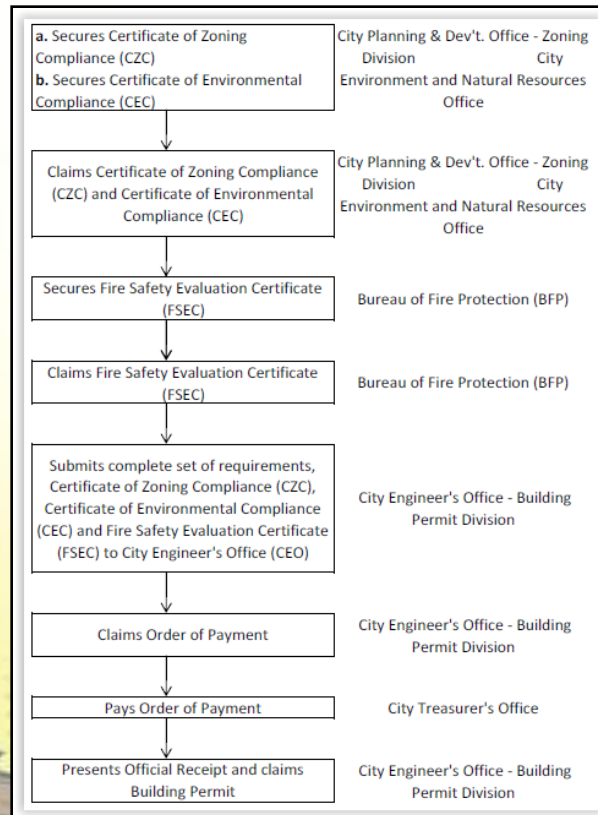
# Recent Innovations



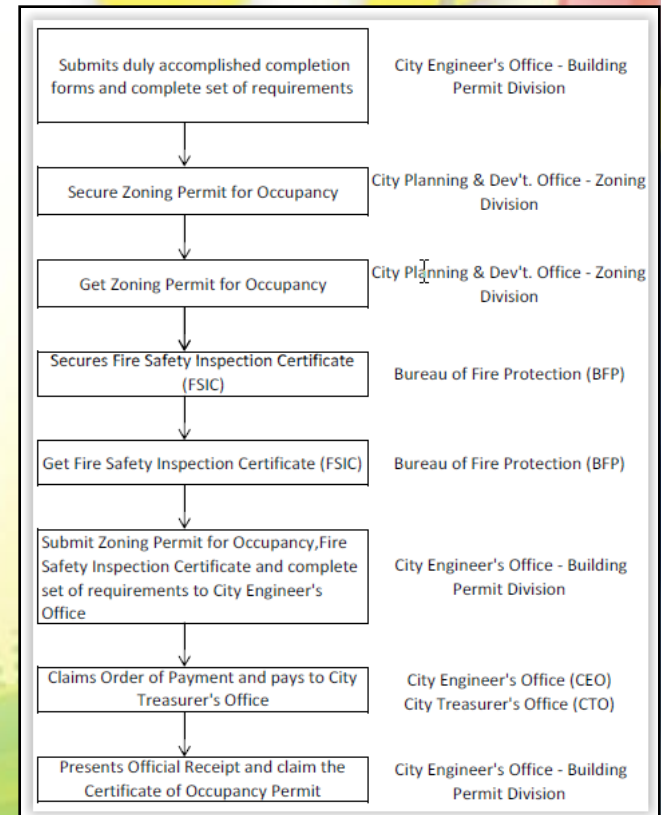
## Building/ Occupancy Permit One-Stop-Shop



### BUILDING PERMIT

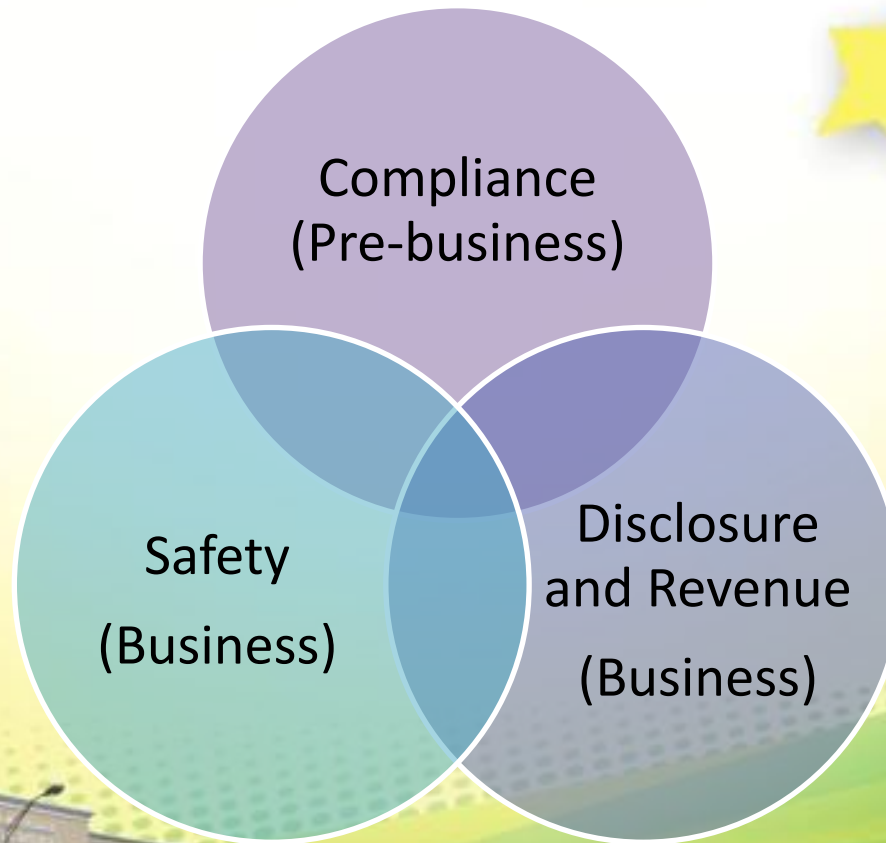


### OCCUPANCY PERMIT



# Recent Innovations

## Business-Friendly Joint Inspection Teams





# Thank you!

**Erick Sanohan**

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[business@batangascity.gov.ph](mailto:business@batangascity.gov.ph)

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**Batangas City Business Registration**

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