

Ms. Ditas Aguado-Rivera
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?

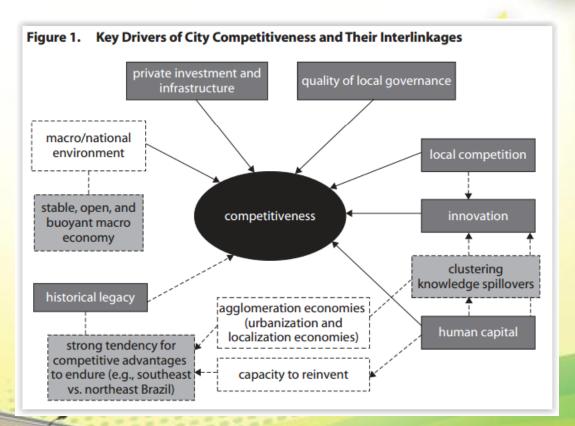
# The City's Vision



"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"

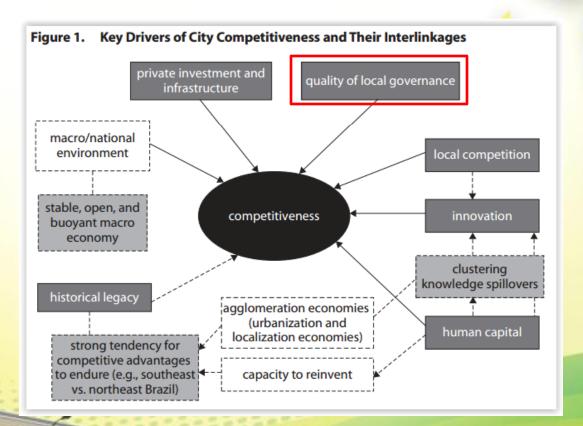


# **Drivers of competitiveness**



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

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# **Improving Quality of Local Governance**

Transparency and Accountability







# **Improving Quality of Local Governance**

Provides directions: plans and priorities



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



# **Improving Quality of Local Governance**

Business-friendly

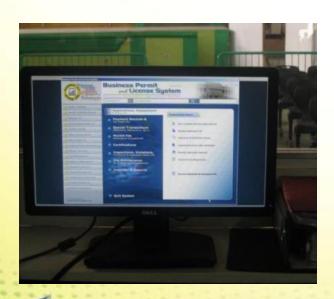






# **Improving Quality of Local Governance**

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





Ease of doing business correlated with 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

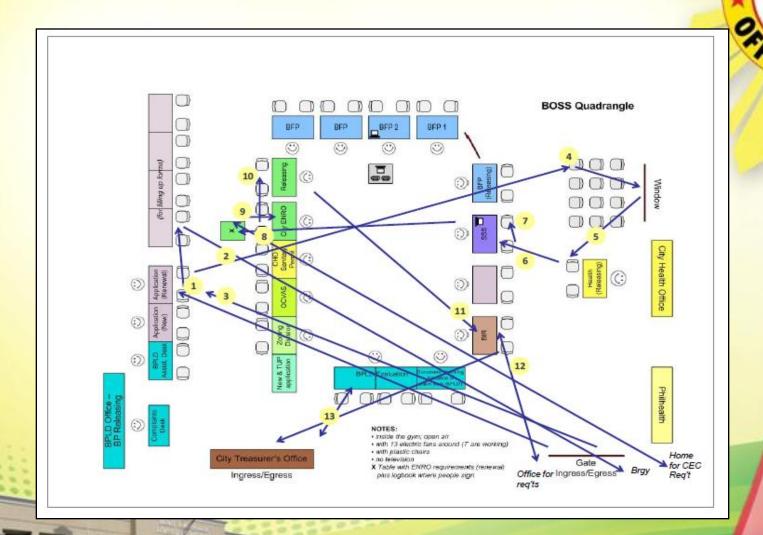


# Streamlining Business Registration





# 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"

STANGAS

# Before...







# Before...

17 Steps of Batangas City

Secure Barangay Clearance

Submit application form

Claim Sanitary Certificate

Claim SSS Certificate

Submit requirements & answer questions

Claim ENRO Certificate

Secure BIR signature

Submit documents to BPLD for validation

Get Real Property Tax Clearance

Get assessment of previous year's income

Get assessment of business tax and fees

Pay business tax and fees

Get BFP claim stub

Claim FSIC

Submit completed docs to BPLD & get claim stub

Claim sticker & signed Mayor's Permit



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

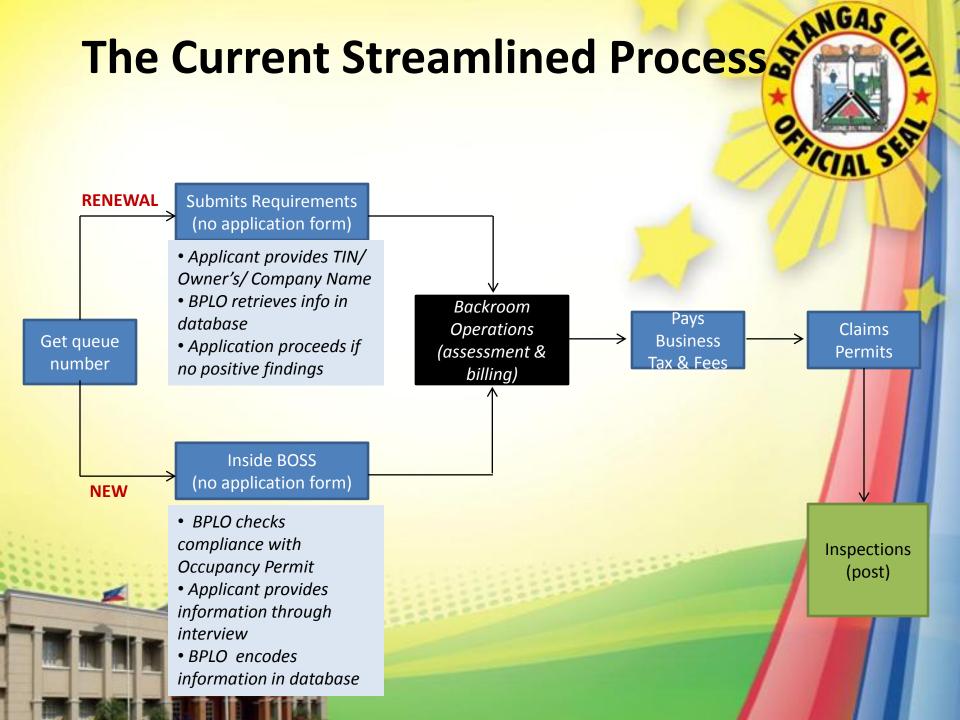
- Batangas City as one of 3 partner cities
- Streamlining BPLS as a major component
- Undertook comprehensive assessments/ diagnostics
- Facilitated peer learning (i.e. Valenzuela, Taguig, Manila, QC)





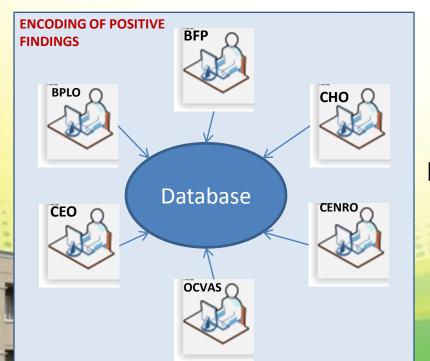
# Radical changes beginning 2013

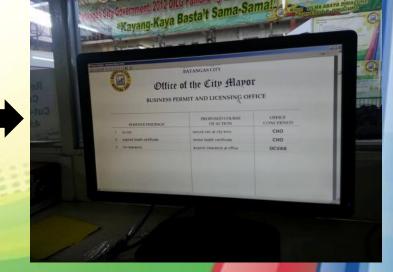
	Reform Areas	Actions Taken	Now
	Unified Form	Integrated fields from different departments and agencies	No more application form needed (for new and renewals); encoded in database
	Require ments	Minimized (then) voluminous requirements for new applications and renewals	<ul> <li>New:</li> <li>Contract of Lease (if Lessee)</li> <li>Market Clearance (Market Stall holders)</li> <li>Renewal</li> <li>Barangay Clearance/Market Clearance (Market Stall holders)</li> <li>Income Tax Return/s</li> <li>Original Health Certificates</li> </ul>
Š	Signatories	Minimized number of signatories	2 signatures : Mayor and BPLO (electronic signature)
9	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



# **Streamlining through Automation**

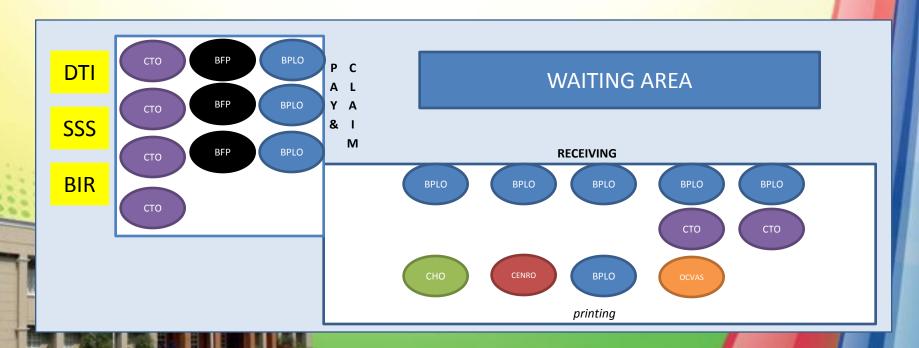
- Centralized database for encoding business information
  - No need for application form!
- Departments and agencies encode non-compliances
  - No need for each department to check
  - Principle of 'positive findings'





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

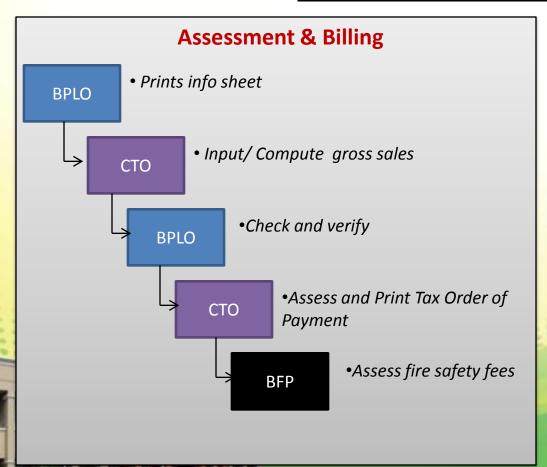
- A facility that hosts all concerned agencies under one roof for faster processing
- Seamless backroom operations complementing frontline services for receiving applications and issuance of permits

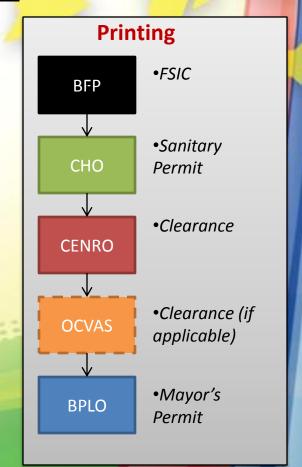


# **Business One-Stop-Shop (BOSS) Facility**

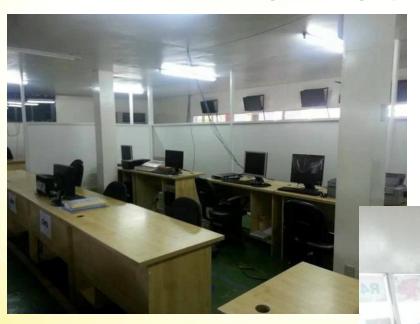


#### **BACKROOM OPERATIONS**





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





#### Institutionalization

- BPLS processes institutionalized through EO
- Corresponding manual developed





Republic of the Philippines Batangas City

Office of the City Mayor

Tel. Nos. (043) 723-1511 • 723-2930 Fax No.: (043) 723-1558

Executive Order No. <u>Q3</u> Series of 2014

PROVIDING FOR THE AMENDMENT OF EXECUTIVE ORDER NO. 32, 5, 3012, "ADOPTING NONOVATIONS ON STREAMLINING BUSINESS REGISTRATION PROCESSES AS INTRODUCED BY THE CITIES DOVICE/OPMENT INITIATIVE OF THE UNITED STATES ABONY FOR INTERNATIONAL DEVELOPMENT THROUGH THE INVESTMENT ENABLING ENVIRONMENT PROJECT FOR THE INSTITUTIONALIZATION OF MODIFIED BUSINESS REGISTRATION (BEST) PROJECTS.

WHEREAS, the City Government of Satangas City Issued Executive Order No.32, series of 2012 to implement innovations in business registration which support the thrust of the city government in promoting a business friendly environment;

WHEREAS, the City Government of Batangas City, with the continued support of the United States Agency for International Development (USAID) investment Enabling Environment (INVEST) project, has further implemented improvements and reforms on the business registration processes, known as the Business Permits and Licensing, System (BPLS):

WHEREAS, procedures and requirements for the application of new Mayor's permits and renewal of permits have been modified, including eliminating the need for the submission of an application form, as part of the streamlining effort:

NOW, THEREFORE, I, EDIJARDO B. DIMACUHA, Mayor of the City of Batangas, by virtue of the powers vested upon me by law, hereby order:

Section 1.8PIS <u>Manual</u>. The attached comprehensive BPLS manual detailing the revised procedures for new applications and renewal of business per mits, and corresponding requirements and roles and responsibilities of concerned offices, is breeby adopted.

Section 2.Unified Form. As per the BPLS manual, submission of a physical application form will no longer be required for new applications and renewal of business permits.

Section 8. <u>Sunatories</u>. As per the BPLS manual, there will only be two signatories in the issuance of the business permit – the Business Permits and Licensing Officer and the City Mayor.

Section 4.Steps. The city government shall adopt the streamlined business registration process for new applications and renewal of business permits as detailed in the BFLS manual. The steps will be reviewed on an annual basis at least to identify acres for enhancement. Section 5.2 rocessine. time. The city government will strive to limit the processing time of business permits in less than two hours which includes waiting and processing times. The city will also further review and apply appropriate technologies that can further reduce processing time.

Section 6.Requirements. The requirements of the city government are limited to the following:

New Application for Business Permit

- 1. Contract of Lease (if lessee)
- 2. Market Clearance (for market stall holders)

enewal of Business Permit

- 1. Barangay Clearance/ Market Clearance (for market stall holders)
- 2. Income Tax Return/s
- Original health certificates for applicable establishments

Section 7.<u>Lead Office</u>. The Business Permits and Licensing Office (BPLO) shall take the lead role in carrying out the provisions of this Order. It shall be responsible for coordinating with concerned city departments and offices.

and national government agencies to ensure the implementation of the business registration processes (as per the stateder manual). The BPLO shall also take the lead in providing capacity building activities to ensure that concerned personnel from the different offices are well-equipped to perform their designated relea and functions.

Section 8. <u>Reneating Clause</u>. This Order amends EO No. 32 issued on December 18, 2013. All other executive issuances or portions thereof which are inconsistent with this Executive Order are hereby reviseed, amended, or modified accordingly.

Section 9.<u>Effectivity</u>. This Order shall take effect immediately and shall remain in force unless therwise amended.

Done in Batangas City this <u>E</u>th day of January on the year of our Lord Two Thousand and Fourteen.

EDUARDO B. DIMACUHA

Attested:

Atty. Victor Reginald Dimacuha Secretary to the Mayor

Cc: BPLO, CENRO, CEO, CHO, CPDO, LEIPO, OCMA, OCVAS, BFP, CTO, DTI, DILG

# **Physical Improvements**

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



#### **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)





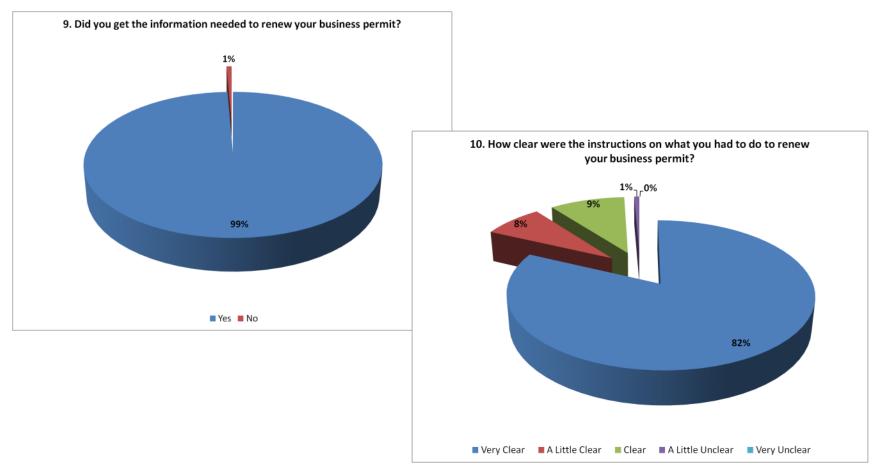
# **Client Satisfaction**



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E. IBA PANG KOMENTO
- Cucomer-friendly service!
The permet process deserves a recognition for an igns.
Tycellens georice!
What used to take several days to complete.  Was done in Jess May 2 hours!

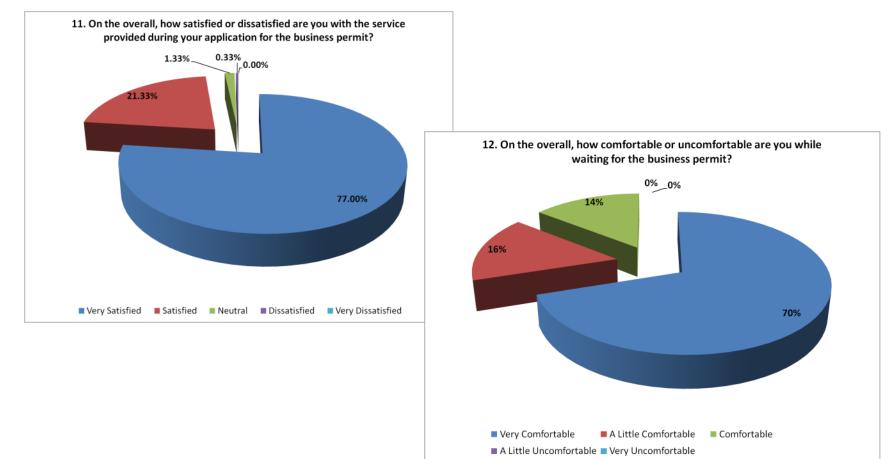
#### **Client Satisfaction**

• INVEST 2014 Exit Interviews (n = 300)



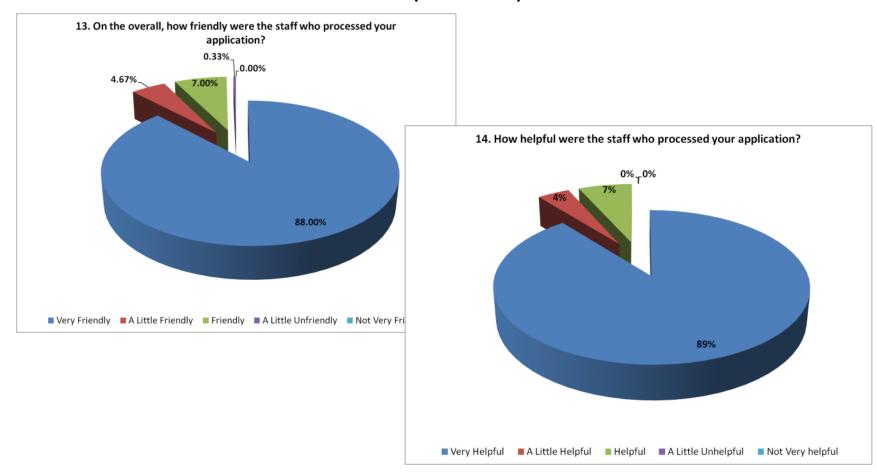
#### **Client Satisfaction**

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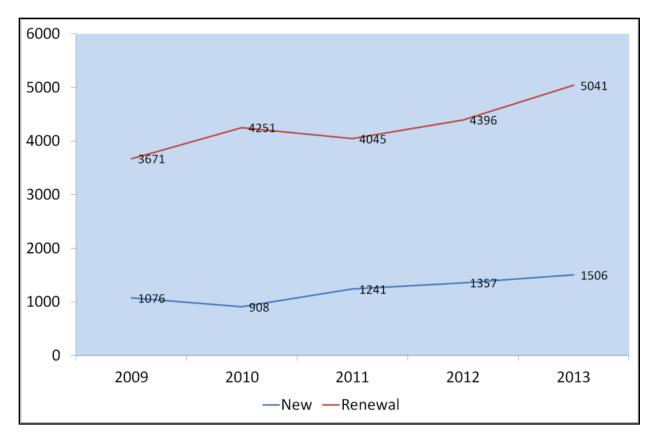
#### **Client Satisfaction**

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#### **Client Satisfaction**

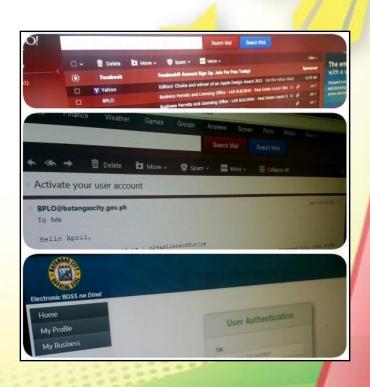
Increased applications



\*not necessarily attributable to streamlining efforts

# **Online Business Permit Renewal (pilot)**



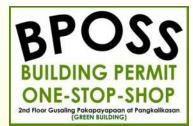




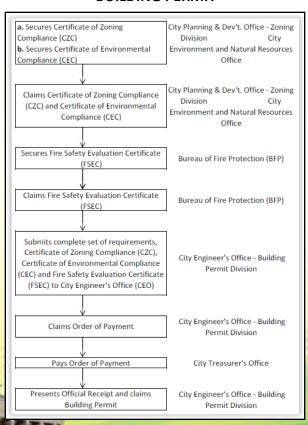
Mobile payment for business permits (April 2014)



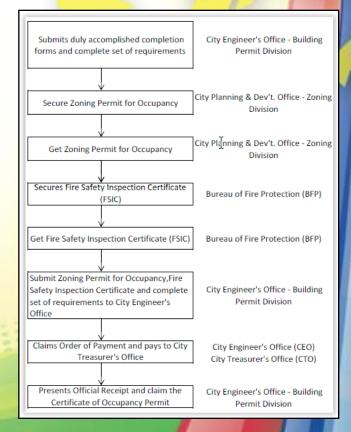
# **Building/Occupancy Permit One-Stop-Shop**



#### **BUILDING PERMIT**



#### **OCCUPANCY PERMIT**



**Business-Friendly Joint Inspection Teams** 

Compliance (Pre-business)

Safety (Business)

Disclosure and Revenue (Business)





# Thank you!

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business@batangascity.gov.ph

Ditas Aguado-Rivera <u>ditas.rivera@batangascity.gov.ph</u>

#### **Batangas City Business Registration**

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