

DEPARTMENT ADMINISTRATIVE ORDER NO. 12
Series of 1999

**SUBJECT: RULES AND REGULATIONS
TO IMPLEMENT EXECUTIVE ORDER NO. 20, ENTITLED
"ESTABLISHING AN INTERNATIONAL NETWORK OF
HONORARY INVESTMENT AND TRADE REPRESENTATIVES"
TO ASSIST THE DEPARTMENT OF TRADE AND INDUSTRY
IN PROMOTING THE PHILIPPINES GLOBALLY"**

WHEREAS, on September 14, 1998 Executive Order No. 20 was issued by the President of the Philippines;

WHEREAS, there is a need to provide for the rules implementing the provisions of the E.O. which, under Section 7 thereof are to be prescribed by the Secretary of Trade and Industry;

WHEREAS, there is a need to provide for the organization and the scope of functions of the Task Force on Honorary Investment and Trade Representatives created under Section 4 of the E.O., hereinafter referred to as the "Task Force";

WHEREAS, the qualifications and functions of the Honorary Investment and Trade Representatives (HITRs) and the operational details for the implementation of the E.O. should be clearly defined to attain the intent thereof.

NOW, THEREFORE, for and in consideration of the foregoing premises, the following rules and regulations are hereby prescribed to implement the intent and provisions of E.O. No. 20.

PART I

**COMPOSITION AND FUNCTIONS OF THE TASK FORCE ON
HONORARY INVESTMENT AND TRADE REPRESENTATIVES**

Section 1. COMPOSITION - The Task Force on Honorary Investment and Trade Representatives shall be composed of the following:

The Secretary of Trade and Industry	-	Chairman
The DTI Undersecretary for Industry and Investments	-	Vice Chairperson
The DTI Undersecretary for Trade Promotion	-	Vice Chairperson
The General Manager, National Development Company (NDC)	-	Vice Chairperson
A Representative from the Office of the Executive Secretary (OES)	-	Member
A Representative from the Department of Foreign Affairs (DFA)	-	Member
A Representative from the Bangko Sentral ng Pilipinas (BSP)	-	Member
A Representative from the Bureau of Immigration and Deportation (BID)	-	Member
A Governor, Board of Investments (BOI)	-	Member
The President, Philippine International Trading Corporation (PITC)	-	Member

The Coordinator, Foreign Trade Service Corps (FTSC)	-	Member
The Executive Director, Center for International Trade Expositions and Missions (CITEM)	-	Member
The Director-General, Philippine Economic Zone Authority (PEZA)	-	Member
The Executive Director, HITR Secretariat	-	Member
Three (3) Representatives from the private sector to be appointed by the DTI Secretary	-	Member

Section 2. SECRETARIAT - The Secretariat shall be headed by an Executive Director.

The Executive Director of the Secretariat shall be the Secretary of the Task Force.

Section 3. FUNCTIONS AND RESPONSIBILITIES - In general, the Task Force shall support the Honorary Investment and Trade Representatives in promoting Philippine trade and investment overseas, encourage interest on the part of overseas Filipinos and other friends of the Philippines to assist in the economic development of the country.

The Task Force shall take full and exclusive charge of organizing, monitoring, coordinating, managing, evaluating and harnessing the full potentials of the appointed Honorary Investment and Trade Representatives.

Section 4. SPECIFIC DUTIES - The following are the specific duties and responsibilities of the above officers and members:

A. The CHAIRMAN shall:

- (a) Handle the overall control, direction and supervision of the Honorary Investment and Trade Representatives and the Task Force;
- (b) Provide the President periodic reports, activities and performance of the appointed Honorary Investment and Trade Representatives;
- (c) Head the Honorary Investment and Trade Representatives evaluation panel composed of the officers and members of the Task Force;
- (d) Assign any one of the vice-chairpersons or members as chair, in his absence; and
- (e) Act as final approving authority in the recruitment and appointment of Honorary Investment and Trade Representatives.

B. The VICE CHAIRPERSONS shall:

- (a) Assist the Chairman in matters related to investment and trade;
- (b) Provide the necessary manpower, technical and other support to the Secretariat; and
- (c) Perform other functions as may be assigned by the Chairman.

C. The MEMBERS shall:

- (a) Assign/identify one (1) contact person from his/her office to provide the necessary technical and other support to the Secretariat; and
- (b) Assist and support HITR-related projects within their specific mandates.

Specifically:

C1. OFFICE OF THE EXECUTIVE SECRETARY

- (a) Set the general direction of the national government;
- (b) Provide access to the Office of the President for reportorial and coordination requirements; and
- (c) Present awards and commendations to Honorary Investment and Trade Representatives, if deemed appropriate.

C2. DEPARTMENT OF FOREIGN AFFAIRS

- (a) Extend consular assistance to Honorary Investment and Trade Representatives, if necessary;
- (b) Coordinate on trade and investment functions of Philippine Foreign Service establishments; and
- (c) Coordinate on trade and investment missions and other Foreign Service-related activities.

C3. BANGKO SENTRAL NG PILIPINAS

- (a) Provide guidance on monetary and fiscal policies.

C4. BUREAU OF IMMIGRATION AND DEPORTATION

- (a) Provide assistance in processing documents for inbound and outbound missions; and
- (b) Assist in processing travel and related immigration requirements for HITRs and other foreign visitors whose travel to the country is related to the HITR Program.

C5. BOARD OF INVESTMENTS

- (a) Provide assistance in the application of investment policies, rules and regulations;
- (b) Grant incentives to qualified HITR-assisted projects; and
- (c) Provide investment profile and brochures on the country.

C6. NATIONAL DEVELOPMENT COMPANY

- (a) Provide information and guidance on possible investment ventures; and
- (b) Provide logistical support to the Secretariat.

C7. PHILIPPINE INTERNATIONAL TRADING CORPORATION

- (a) Broker and/or coordinate implementation of actual trading transactions resulting from referrals and inquiries sent by the HITRs;
- (b) Assist in packaging and developing joint venture and investment projects; and
- (c) Provide logistical support to the Secretariat.

C8. FOREIGN TRADE SERVICE CORPS

- (a) Coordinate with and provide assistance to HITRs, if necessary;
- (b) Provide assistance in the location and identification of possible HITRs;
- (c) Assist in providing background information on prospective HITRs; and
- (d) Assist in providing commercial intelligence.

C9. CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS

- (a) Assist in attending to inbound and outbound trade missions and expositions;
- (b) Supply promotional materials e.g. brochures, posters and other related information; and
- (c) Provide information on local active manufacturers and buyers.

C10. PHILIPPINE ECONOMIC ZONE AUTHORITY

- (a) Provide relevant information and necessary assistance in the promotion of PEZA's special economic zones as attractive location for foreign investors to put up their export manufacturing plants;
- (b) Guide investors in their application for PEZA registration; and
- (c) Provide competitive investment incentives to investors.

C11. PRIVATE SECTOR

- (a) Facilitate linkages with the private sector.

D. SECRETARIAT

- (a) The Secretariat shall provide the Honorary Investment and Trade Representatives with assistance and available information necessary for the furtherance of their functions;
- (b) Shall be the central coordinating body for all communications and missions involving Honorary Investment and Trade Representatives;
- (c) Shall report to the Chairman and keep him and the members of the Task Force informed of the activities of the Honorary Investment and Trade Representatives through periodic reports;
- (d) Shall keep record of all documents and information related to the activities of the Honorary Investment and Trade Representatives; and
- (e) Shall perform other functions as may be assigned by the Chairman.

PART II

APPOINTMENT, QUALIFICATIONS, DUTIES AND RESPONSIBILITIES OF THE HONORARY INVESTMENT AND TRADE REPRESENTATIVES

Section 5. QUALIFICATIONS - The Philippine Honorary Investment and Trade Representative, who may not necessarily be a Filipino citizen, but someone who possesses a genuine and sincere desire to assist in the economic development of the Philippines, shall be appointed on the basis of the following criteria:

- (a) Personal and professional reputation with verifiable track record of business and economic achievements, such as:
 - A successful business entrepreneur
 - A corporate executive of a reputable foreign enterprise
 - A former expatriate in the Philippines
 - A Filipino professional/businessman residing abroad
 - A former diplomat assigned in Manila
 - An executive in overseas branches/subsidiaries of Philippine firms
 - A major shareholder of large business overseas
 - A former CEO who still wields a considerable influence in his business field
- (b) An active member of international business and civic organizations such as a bilateral and multi-lateral council, Chamber of Commerce, Rotary International, Lions International, etc.
- (c) Willing to commit his time and resources toward accomplishing his responsibilities as Honorary Investment and Trade Representative of the Philippine government.

Section 6. TERMS OF APPOINTMENT - The appointment of Honorary Investment and Trade Representatives shall be governed by the following terms and conditions:

- (a) The term shall be for one (1) year. Renewal thereof shall be subject to the satisfactory performance in terms of actual investments brought into the Philippines on their own initiative and/or development/expansion of market for Philippine goods and services;
- (b) Shall receive no salary, remuneration, per diem, bonus, honorarium, commission, fee, reimbursement, or expense, but only a token of P1.00 per annum from the Philippine government;
- (c) Shall not be involved in illegal activities;
- (d) Shall not be limited to a specific area of operation;
- (e) Shall not be entitled to diplomatic and consular privileges;
- (f) Shall have no power to bind the Philippine government and the DTI Secretary in any contract, commitment or course of action without written approval from the Secretary of Trade and Industry; and

Section 7. FUNCTIONS - The functions of the Honorary Investment and Trade Representatives shall be, but not limited to, the following:

- (a) Promote the Philippine economic interests worldwide;
- (b) Identify business opportunities for the Philippines;
- (c) Increase the market for Philippine products and services abroad;
- (d) Generate additional foreign investments into the Philippines;
- (e) Report to, coordinate and work with the DTI Secretary through the HITR Secretariat.

PART III

MISCELLANEOUS PROVISIONS

Section 8. MEETINGS - The Task Force shall meet bi-monthly on the last Thursday of the month. The officers and members shall be notified of such meeting by the Secretariat.

Special meetings may be called by the Chairman motu proprio or upon recommendation by the majority of the members in cases where immediate attention by the Task Force is necessary.

Section 9. REVOCATION OF APPOINTMENT - The appointment of an Honorary Investment and Trade Representative may be revoked by the Secretary of Trade and Industry anytime upon showing that the Representative no longer possesses the qualifications outlined in Section 5 hereof, or he/she has violated the terms and conditions of his/her appointment or failed to do the functions required of him/her pursuant to Sections 6 and 7 above, respectively.

Section 10. EFFECTIVITY - These implementing rules and regulations shall take effect fifteen (15) days after their publication in a newspaper of general circulation.

Makati City, 27 October 1999


JOSE TRINIDAD PARDO
Secretary
Department of Trade and Industry
JTP

Recommended by:

Luis R. Bantista