



JOINT DILG – DTI DEPARTMENT ADMINISTRATIVE ORDER No. 10-07,
Series of 2010

**SUBJECT: GUIDELINES IN IMPLEMENTING THE NATIONWIDE UPSCALING OF REFORMS IN
PROCESSING BUSINESS PERMITS AND LICENSES IN ALL CITIES AND
MUNICIPALITIES IN THE PHILIPPINES**

1.0 DECLARATION OF POLICY

Pursuant to Republic Act No. 9485, otherwise known as the Anti-Red Tape Act (ARTA), all government instrumentalities are mandated to provide efficient delivery of services to the public by reducing bureaucratic red tape and preventing graft and corruption, and providing penalties thereof. In Compliance with this Act, the government set standards for processing business permits and licenses issued by cities and municipalities aimed at improving efficiency in the business registration system and reducing the cost of doing business in the country. This is expected to bring in more investments nationally and locally, which are important in attaining local economic development and high economic growth in the country.

2.0 ROLE OF GOVERNMENT

The government shall ensure that the provisions of Republic Act No. 9485 are implemented in all transactions of government with the public including those pertaining to the business registration processes in the country. In relation to this, the government shall oversee the implementation of service standards in processing business permits nationwide including securing support from the local governments, private businesses, development partners and other stakeholders for its promotion. Such role is critical in reducing the cost of doing business and improving the competitiveness of the country.

3.0 OBJECTIVES

This JDAO is issued to clarify the roles and responsibilities of the Department of the Interior and Local Government (DILG) and the Department of Trade and Industry (DTI) in implementing Joint Memorandum Circular No. 01, series of 2010, which provides the guidelines in implementing the standards in processing business permits and licences in cities and municipalities.

4.0 SCOPE

This JDAO shall apply to DILG and DTI and [to other agencies involved in the implementing reforms in business permits and licenses].

5.0 DEFINITION OF TERMS

For purposes of this JDAO, the following terms are defined:

5.1 Business Permit and Licensing System (BPLS) - refers to the procedures followed by cities and municipalities in processing business permits (more commonly known as Mayor's Permit) which must be secured by businessmen to operate legally in a locality.

5.2 Business One-Stop-Shop (BOSS) – refers to an arrangement where a single common site or location is designated for all concerned agencies in the BPLS system to receive and process applications for business registration thru a streamlined system.

6.0 IMPLEMENTATION MECHANISMS

6.1 BPLS Oversight Committee

6.1.1 A BPLS Oversight Committee shall be organized by the DILG and the DTI to provide the policy direction in the nationwide upscaling of the BPLS reforms. The oversight committee shall have the following functions:

- a. To oversee the implementation of the nationwide implementation of the BPLS streamlining reforms, particularly the service standards on BPLS;
- b. To mobilize resources for the implementation of the various components of the BPLS reforms;
- c. To coordinate the various initiatives of government, the private sector and the development community on BPLS reforms;
- d. To assist government in BPLS reforms related to the operations of National Government agencies, e.g. Securities and Exchange Commission (SEC), Social Security Service (SSS), Philhealth, Bureau of Fire;
- e. To assist government in building the capacity of local governments in implementing BPLS reforms;
- f. To ensure that BPLS reforms are aligned with other reforms for enhancing the competitiveness of the Philippines in general and local governments in particular.

6.1.2 The BPLS Oversight Committee shall be composed of DTI and DILG as Co-Chairs, concerned government agencies such as the National Computer Center (NCC), private business groups and the development partners who have provided funding support to the BPLS project. Both DTI and DILG will provide the secretariat support to the Committee.

6.1.3 A parallel committee, the BPLS Coordination Committee, shall be organized at the regional or provincial levels, as necessary, to manage the BPLS capacity building programs and the implementation of BPLS reforms.

6.2 Department of the Interior and Local Government

6.2.1 The DILG, together with the DTI, shall provide the overall policy direction in the upscaling of the BPLS reforms nationwide and in coordinating the requirements for BPLS streamlining in LGUs among its regional, local government operations officers, its bureaus and attached agencies. It shall co-chair the BPLS Oversight Committee which will provide the overall policy direction in the nationwide up scaling of the BPLS Reforms.

6.1.1 The DILG, thru Local Government Academy (LGA), shall act as the overall coordinator of the nationwide streamlining of BPLS of LGUs. As coordinator, LGA shall:

- a. Manage the capacity building program for LGUs on the streamlining of BPLS;
- b. Coordinate official development assistance (ODA) on BPLS;
- c. Develop and manage the website portal on BPLS which will provide online coaching or helpline on BPLS to LGUs who are streamlining their BPLS according to the standards;
- d. Set-up a monitoring system for tracking the progress of target LGUs in reforming their BPLS.

6.1.2 The DILG regional offices shall undertake the following functions in relation to the BPLS project:

- a. Organize a regional BPLS Coordination Committee, together with the regional offices of the DTI, to oversee the implementation of the BPLS project at the local level, with membership coming from concerned government agencies, local chambers and other stakeholders;
- b. Coordinate with the DILG Provincial Offices and the local government operations officers (LGOOs) in providing capacity building for the LGUs together with the DTI regional and provincial offices and take responsibility for monitoring the implementation of BPLS reform projects in the region; and
- c. Get the commitment of the Local Chief Executives in the targeted LGUs especially the Mayor, Vice Mayor and the Business Permits and Licensing Officer, to undertake the BPLS reforms possibly through a Memorandum of Agreement (MOA);
- d. Organize the Business Permits and Licensing Officers of cities and municipalities in their respective regions into a network similar to the League of Local Development and Planning Officers and the Philippine Association of Treasurers and Assessors;

- e. Enjoin the academic and research institutions in the region to assist in capacitating LGUs to comply with the BPLS standards;
- f. Regularly report to the DILG Undersecretary for Local Government and the LGA on the progress of the BPLS project in their respective regions.

6.1.3 The DILG, as Co-Convener of the Working Group on Decentralization and Local Government under the Philippine Development Forum, shall promote the BPLS project and take responsibility in enjoining the development community to support the project.

6.2 Department of Trade and Industry

6.2.1 The DTI, together with the DILG, shall be responsible for providing policy direction in the implementation of the BPLS reform project nationwide, in coordinating the requirements for BPLS streamlining in LGUs among its regional and provincial offices and in setting up a monitoring system for tracking the progress of LGs in reforming their BPLS. It shall co-chair the BPLS Oversight Committee which will provide the overall policy direction in the nationwide up scaling of the BPLS Reforms.

6.2.2 Considering its mandate to promote investments and enhance competitiveness both at national and local levels, the DTI shall be responsible for identifying the priority LGUs that will be included in the BPLS program and in annually evaluating the list, together with the DILG, based on the sector priorities of the government and other criteria that will be deemed necessary.

6.2.3 Consistent with the framework for public-private sector partnership (PPP), the DTI shall be responsible for enjoining private sector participation and support in the BPLS streamlining project both at the national and local levels.

6.2.4 The DTI will work with the cities and municipalities which have undertaken BPLS reforms in electronically their business registration processes with the Philippine Business Registry.

6.2.5 The DTI regional offices shall undertake the following functions in relation to the BPLS project:

- a. Organize a regional BPLS Coordination Committee, together with the regional offices of the DILG, to oversee the implementation of the BPLS project at the local level, with membership coming from concerned government agencies, local chambers and other stakeholders;

- b. Coordinate with the DTI and DILG provincial offices in providing capacity building for the LGUs; and
- c. Regularly report to the DTI Office of Policy Research on the progress of the BPLS implementation at the local level.
- d. Setting up the National Economic Research and Business Action Center (NERBAC) to assist the businessmen in complying with the requirements of National Government Agencies related to business registration processes.

6.2.6 The DTI, as Co-Convener of the Working Group on Growth and Investment Climate under the Philippine Development Forum, shall promote the BPLS project and take responsibility in enjoining the development community to support the project.

6.3 Local Government Units (Cities and Municipalities)

6.3.1 The LGUs shall ensure that all components of the BPLS reforms, namely, process re-engineering, BPLS computerization, improvements in customer relation when facing business applicants and BPLS institutionalization are undertaken as part of the streamlining of BPLS, consistent with the spirit of the ARTA.

6.3.2 The LGUs, represented by the Local Chief Executive/Mayor, shall coordinate with DILG and the DTI in the implementation of BPLS reforms and shall ensure:

- (a) organize Technical Working Groups (TWGs) to oversee the implementation of the streamlined BPLS;
- (b) participation of LGU representatives in all BPLS reform activities that are initiated by the DILG and DTI at the LGU level;
- (c) the preparation and implementation of the requisite orders, ordinances and directives relative to the BPLS reform;
- (d) that the enabling environment for BPLS reforms are in place, namely, the legal framework, the budget and logistical support necessary in instituting BPLS reform standards to include, but not limited, to manpower, creation of the one-stop-shops, organization and activities of joint inspection teams (JIT) and performance of information and education campaigns (IEC).

8. SEPARABILITY CLAUSE

If any clause, sentence or provision of this Joint Department Administrative Order shall be found invalid or unconstitutional, the remaining parts shall not be affected and shall continue to be in full force and effect.

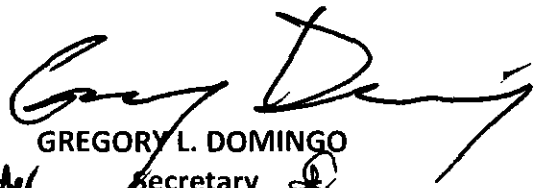
9. EFFECTIVITY

This Joint Department Administrative Order shall take effect immediately.

Issued this 6th day of August 2010 in Metro Manila, Republic of the Philippines.


JESSE M. ROBREDO
Secretary

Department of the Interior and Local Government


GREGORY L. DOMINGO
Secretary

Department of Trade and Industry