

JOINT MEMORANDUM CIRCULAR NO. 2019-001
Series of 2019

The Implementing Rules and Regulations of Republic Act No. 11032 otherwise known as the “Ease of Doing Business and Efficient Government Service Delivery Act of 2018”

WHEREAS, Article II, Section 27 of the Constitution provides that the State shall maintain honesty and integrity in the public service and shall take positive and effective measures against graft and corruption;

WHEREAS, Republic Act No. 9485 otherwise known as the Anti-Red Tape Act of 2007 was enacted on June 2, 2007 to eliminate red tape and to simplify frontline service procedures, formulate service standards to observe in every transaction, and make known these standards to the client;

WHEREAS, Republic Act No. 11032 otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018 was enacted on May 28, 2018, amending Republic Act No. 9485, to provide a program for the adoption of simplified requirements and procedures that will reduce red tape and expedite business and nonbusiness related transactions in government;

WHEREAS, Section 18 of Republic Act No. 11032 sets its effectivity “...fifteen days after its publication in the Official Gazette or in two (2) newspapers of general circulation.” R.A. No. 11032 was published in two (2) newspapers of general circulation on 2 June 2018 and thus became effective on 17 June 2018;

WHEREAS, Section 30 of Republic Act No. 11032 mandates the Anti-Red Tape Authority with the Civil Service Commission (CSC), and the Department of Trade and Industry (DTI), and in coordination with the Department of Information and Communications Technology (DICT), Department of Finance (DOF), Department of the Interior and Local Government (DILG), National Economic and Development Authority (NEDA), Philippine Statistics Authority (PSA), Cooperative Development Authority (CDA), Securities and Exchange Commission (SEC), the Office of the Ombudsman, Housing and Land Use Regulatory Board (HLURB), and the Union of Local Authorities of the Philippines (ULAP) to promulgate the necessary rules and regulations within ninety (90) working days from the effectivity of Republic Act No. 11032;

NOW, THEREFORE, these Implementing Rules and Regulations (IRRs) are hereby promulgated and issued as Joint Memorandum Circular No. 2019-001 to guide all concerned departments, offices, agencies, and stakeholders, in the implementation of R.A. No. 11032.

RULE I **GENERAL PROVISIONS**

Section 1. Title

These Rules and Regulations shall be known as the Implementing Rules and Regulations of Republic Act No. 11032, otherwise known as the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018".

Section 2. Declaration of Policy

These Rules and Regulations are promulgated consistent with and in furtherance of the State policy to promote integrity and accountability in government service, to foster proper management of public affairs and public property, to establish effective practices aimed at the efficient turnaround in the delivery of government services, and the prevention of graft and corruption in government.

To maintain honesty and responsibility among public officials and employees, these Rules and Regulations hereby adopt, institutionalize and support the promotion of transparency in the transactions of the government with the public, encompassing a program for the adoption of simplified requirements and procedures aimed at the reduction of red tape and to expedite business and non-business related transactions in government.

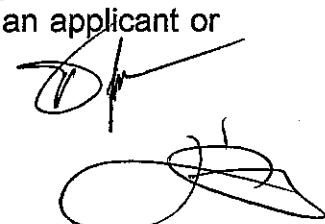
Section 3. Construction and Interpretation

These Rules and Regulations shall be construed and interpreted in light of the Declaration of Policy found in Section 2 of Republic Act No. 11032. Any doubt in the interpretation of these Rules and Regulations shall be resolved in a manner consistent with the policy of the State to promote integrity, accountability, and proper management of public affairs and public property. Doubt will be resolved in a manner that will establish effective practices, aimed at efficient turnaround of the delivery of government services and the prevention of graft and corruption in government.

Section 4. Definition of Terms

All the terms in Republic Act No. 9485, otherwise known as the "Anti-Red Tape Act of 2007", not amended or altered by the Ease of Doing Business and Efficient Government Service Delivery Act of 2018, shall retain their respective meanings in these Rules and Regulations. In addition, the term:

- a) **Act** – refers to Republic Act No. 11032, otherwise known as the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018";
- b) **Action** – refers to the written approval or disapproval made by a government office or agency on the application or request submitted by an applicant or requesting party for processing;



- c) **Agency** – is any of the various units of the Government, including a department, bureau, office, instrumentality, or government-owned and controlled corporations (GOCCs), or a local government or a distinct unit therein. This includes any department, bureau, office, commission, authority or officer of the National Government authorized by law or executive order to make rules, issue licenses, and grant rights or privileges; research institutions with respect to licensing functions; government corporations with respect to functions regulating private rights, privileges, occupations or businesses;
- d) **Applicant or Requesting Party** – with reference to the Citizen's Charter, are those who availed and will avail of the services provided by the concerned agency;
- e) **Applications or requests** – are formal requests to an authority for access to government service;
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- f) **Authority** – is the Anti-Red Tape Authority created under Section 17 of Republic Act No. 11032;
- g) **Authorization** – means a permission embodied in a document granted by an agency to a natural or juridical person who has submitted an application for government service in order to implement or sanction specific acts or to engage in a particular line of business. The authorization can take the form of a permit, a clearance, a license, a certificate of registration, accreditation, compliance, or exemption, or any similar document;
- h) **Barangay Clearance** – shall refer to any and all documents issued by the barangay with or without corresponding fees as defined in their ordinances relative to or in relation to the issuance of business permit and building permit by the city or municipality or any other permit as may be required;
- i) **Bureau** – is any principal subdivision of the department performing a single major function or closely related functions;
- j) **Business One Stop Shop (BOSS)** – a single common site or location, or a single online website or portal designated for the Business Permit and Licensing System (BPLS) of an LGU to receive and process applications, receive payments, and issue approved licenses, clearances, permits, or authorizations;
- k) **Business Permit** – is a document that must be secured from the city or municipal government, usually through its Business Permits and Licensing Office (BPMO), for a business to legally operate in the locality;

- l) **Business Registration** – refers to a set of regulatory requirements that an entrepreneur must comply with, to start operating a business entity in a city/municipality, including but not limited, to the collection or preparation of a number of documentation, submission to government authorities, approval of application submitted, and receipt of a formal certificate or certificates, licenses, permits, and similar documents which confirm the eligibility to operate as a legitimate business entity in the city or municipality;
- m) **Business-related transactions** — a set of regulatory requirements that a business entity must comply with to engage, operate or continue to operate a business, such as, but not limited to, collection or preparation of a number of documents, submission to national and local government authorities, approval of application submitted, and receipt of a formal certificate or certificates, permits, licenses which include primary and secondary, clearances and such similar authorization or documents which confer eligibility to operate, continue to operate, or to cease operation as a legitimate business;
- n) **Certificate** – is a document in which a fact is formally attested;
- o) **Certificate of Fire Incidents for Fire Insurance** – is a document issued by the Bureau of Fire Protection (BFP) to a fire victim in lieu of the Final Investigation Report (FIR) for purposes of insurance claims and for other lawful applications;
- p) **Citizen or Client** – persons or entities whose interests and values are addressed by a particular government service and, therefore, includes not only the citizens of the Republic of the Philippines, but also all the stakeholders, including but not limited to, users, beneficiaries, other government offices and agencies, and the transacting public;
- q) **Citizen's Charter** – is an official document, a service standard, or a pledge, that communicates, in simple terms, information on the services provided by the government to its citizens pursuant to Section 6 of Republic Act 11032. It describes in detail the comprehensive and uniform checklist of requirements for each type of application or request; procedure to obtain a particular service; person/s responsible for each step; maximum time to conclude the process; document/s to be presented by the applicant or requesting party, if necessary; amount of fees, if necessary; and procedure for filing complaints;
- r) **Clearance** – a formal authorization to pursue some lawful purpose;
- s) **Complete requirements** – are all the necessary or appropriate documents that are required to be submitted together with an application form by the applicant or requesting party, which fully satisfy the formal and substantive requirements of the relevant law. For processes that involve several stages

with different requirements per stage, it is complete when the applicant or requesting party has fully satisfied or submitted all the requirements necessary for each stage, as enumerated in the Citizen's Charter of the agency;

- t) **Complex transactions** — applications or requests submitted by applicants or requesting parties of a government office which necessitate evaluation in the resolution of complicated issues by an officer or employee of said government office, such transactions to be determined by the office concerned;
- u) **Compliance Cost Analysis** – is the analysis of the costs that are incurred by businesses or other parties at whom regulation may be targeted in undertaking actions necessary to comply with the regulatory requirements, as well as the costs to the government of regulatory administration and enforcement;
- v) **Concession or concession contract/agreement** – it is a contract between the government and a private individual or entity that gives the latter the right to engage in certain activities within the jurisdiction of the government, subject to certain conditions;

- w) **Council** – is the Ease of Doing Business and Anti-Red Tape Advisory Council pursuant to Section 19 of RA 11032;
- x) **Electronic Signature** – is any distinctive mark, characteristic and/or sound in electronic form, representing the identity of the person and attached to or logically associated with the electronic data message or electronic document, or any methodology or procedures employed or adopted by a person and executed or adopted by such person with the intention of authenticating or approving an electronic data message or electronic document;
- y) **Employee** - refers to a person who works for an agency and occupies a position in either the first or second level whose functions are not managerial in nature;
- z) **Final Complaint** – issued by the Authority once all investigations and processes have been completed and there is a finding by the Authority that the Formal Complaint merits the filing of proper case(s);
- aa) **Fire Safety Evaluation Clearance (FSEC)** – is a document issued by the BFP after payment of the required fees prior to the issuance of the building permit, and the balance, after final inspection and prior to the issuance of the use and occupancy permit;
- bb) **Fire Safety Inspection Certificate (FSIC)** – is a document issued by the BFP after the conduct of Fire Safety Inspection and payment of the required

fees charged by the building official, or by the Local Government, or by other government agencies concerned in the granting of pertinent permits or licenses;

- cc) **Fixer** – any individual or a group of individuals, whether or not officially involved in the operation of a government office or agency, who has/have access to people working therein, and whether or not in collusion with them, facilitates speedy completion of transactions for pecuniary gain or any other advantage or consideration.

Pecuniary gain or any other advantage or consideration shall include, but not be limited to the following:

- i. Receiving gifts or anything of monetary value as payment for the services rendered;
- ii. Gaining advantage in employment or promotions;
- iii. Asking for sexual favors in exchange for any request;
- iv. Securing a loan from the applicant or requesting party;

- dd) **Fixing** – refers to the act that involves undue facilitation of transactions for pecuniary gain or any other advantage or consideration;

- ee) **Formal Complaint** – is a sworn written statement charging a public officer or employee, and/or any private person found to be colluding with a public officer or employee, with a violation of this Act;

- ff) **Government-Owned or -Controlled Corporation (GOCC)** – is any agency organized as a stock or non-stock corporation, vested with functions relating to public needs whether governmental or proprietary in nature, and owned by the Government of the Republic of the Philippines directly or through its instrumentalities either wholly or, where applicable as in the case of stock corporations, to the extent of at least a majority of its outstanding capital stock, provided, however, that the term "GOCC" shall also include Government Financial Institutions (GFI) and Government Instrumentalities with Corporate Powers (GICP) or Government Corporate Entities (GCE);

- gg) **Government Service** - the process or transaction between applicants or requesting parties and government offices or agencies involving applications for any privilege, right, reward, license, clearance, permit or authorization, concession, or for any modification, renewal or extension of the enumerated applications or requests, which are acted upon in the ordinary course of business of the agency or office concerned. This includes frontline services enrolled in the existing Citizen's Charter (whether or not related to business), corresponding back-end/support services and regulatory functions related to permitting, licensing and issuance of a privilege, right, reward, clearance, authorization or concession;

- hh) **Highly technical application or transaction** –a transaction which requires the use of technical knowledge, specialized skills and/or training in the processing and/or evaluation thereof;
- ii) **Initial Complaint** – is any initial statement, in any form, including but not limited to verbal, written or electronic means, received by the Authority from the general public alleging that a public officer or employee, and/or any private person found to be colluding with a public officer or employee, for any violation related to this Act;
- jj) **Instrumentality** – is any agency of the National Government, not integrated within the department framework vested with special functions or jurisdiction by law, endowed with some if not all corporate powers, administering special funds, and enjoying operational autonomy, usually through a charter. This term includes regulatory agencies, chartered institutions, and government-owned or -controlled corporations;
- kk) **License** – is a privilege evidenced by a certificate or document to perform certain acts or a series of acts that would otherwise be unlawful. This includes the whole or any part of any agency permit, certificate, passport, clearance, approval, registration, charter, membership, statutory exemption or other form of permission, or regulation of the exercise of a right or privilege;
- ll) **Local Business Tax** – means an enforced monetary contribution, levied by the law-making body on persons and property subject to its jurisdiction for the precise purpose of supporting governmental needs which shall be paid by business entities within the first twenty (20) days of January or of each subsequent quarter;
- mm) **Local Government Units** – are political subdivisions established by or in accordance with the Constitution composed of provinces, cities, municipalities, barangays, and autonomous regions as provided by law;
- nn) **Major regulations** – are regulations that have substantial, widespread impact on the economy and/or affect a large number of businesses or communities;
- oo) **Ministerial** – is an act or duty which an officer or tribunal performs in a given state of facts, in a prescribed manner, in obedience to the mandate of a legal authority, without regard to or the exercise of his own judgment upon the propriety or impropriety of the act done. A duty is ministerial only when the discharge of the same requires neither the exercise of official discretion or judgment;
- pp) **National Government Agency (NGA)** – refers to a unit of the National Government;

- qq) **Negative List** - contains the names of establishments that have outstanding noncompliances with statutory requirements imposed by government agencies, including government-owned or controlled corporations such as the BFP, the SSS, and the Philippine Health Insurance Corporation (PHIC) and other regulatory agencies and local government departments, which will trigger an action from the LGU to inform the establishment to act on the non-compliance findings within fifteen (15) working days from receipt of notice. The negative list is usually provided by the concerned national government agencies to the city/municipality prior to the business renewal period;
- rr) **Non-business transactions** – all other government transactions not falling under Rule I, Section 4 (o) of these Rules and Regulations;
- ss) **Office** – is any major functional unit of a department or bureau including regional offices. It may also refer to any position held or occupied by individual persons, whose functions are defined by law or regulation;
- tt) **Officer** – refers to a person whose duties, not being of a clerical or manual nature, involves the exercise of discretion in the performance of the functions of the government. It includes any government employee, agent, or body having authority to do an act or perform a particular function in the exercise of governmental power;
- uu) **Permit** – is a permission evidenced by a certificate issued by the concerned government agency or instrumentality;
- vv) **Prescribed processing time** – is the period prescribed by the government agency stated in their Citizen's Charter which shall not exceed the maximum period of the three (3), seven (7), and twenty (20) working days to complete a process, as defined by Rule I, Section 4, Par. (yy) hereinafter indicated, based on the classification of transactions, unless otherwise indicated in special laws or these Rules. It shall also include the period when a transaction has been extended for justifiable reasons;
- ww) **Primary License** – is a privilege evidenced by a certificate or document issued by a licensing authority permitting an applicant or requesting party to engage, operate, or start a business;
- xx) **Privilege** – is a special right or advantage granted only to a particular person or group of people. It is a particular and peculiar benefit or advantage enjoyed by a person, company, or class, beyond the common advantages of other citizens;
- yy) **Processing time** – is the time consumed by all government offices and agencies covered under Section 3 of this Act from the acceptance of an application or request with complete requirements, accompanying

documents, and payment of fees, up to the issuance of certification or such similar documents approving or disapproving an application or request.

For processes that involve several stages, each stage shall have its own processing time. The processing time commences on the date/time that the applicant has satisfactorily completed the previous stages and all the requirements for the stage being applied for, and has paid the applicable fees, if any;

- zz) **Proportionality rules** – are rules which require the balancing of risks and benefits against costs of supervision and enforcement of the regulation;
- aaa) **Red tape** – any regulation, rule, or administrative procedure or system that is ineffective or detrimental in achieving its intended objectives and, as a result, produces slow, suboptimal, and undesirable social outcomes;
- bbb) **Regulation** – any legal instrument that gives effect to a government policy intervention and includes licensing, imposing information obligation, compliance to standards or payment of any form of fee, levy, charge or any other statutory and regulatory requirements necessary to carry out activity or modify behavior;
- ccc) **Regulatory agency** – are national government offices empowered to codify and enforce rules and regulations and impose supervision and oversight. The following are regulatory agencies: (i) Bureau of Fire Protection (BFP); (ii) Department of Trade and Industry (DTI); (iii) Food and Drug Administration (FDA); (iv) Securities and Exchange Commission (SEC); (v) Department of the Environment and Natural Resources (DENR); and (vi) such other government agencies vested with regulatory powers;
- ddd) **Regulatory Impact Assessment (RIA)** – is a tool to design and evaluate policies, laws, and regulations that are targeted, proportionate, accountable, transparent and consistent. It involves a systematic process that examines the expected consequences of a range of alternative policy options that could be used to address a particular policy problem or issue. The policy options shall include evidence-based information to decision-makers, regulators, and stakeholders.

The RIA aims to reduce unnecessary regulatory burdens and costs to enhance the quality of existing regulations and regulatory proposals;

- eee) **Report Card Survey** – refers to an evaluation tool that provides a quantitative measure of actual government service user perceptions on the quality, efficiency and adequacy of different government services, as well as a critical evaluation of the office or employee. It is an instrument that also solicits user feedback on the performance of government services, for the purpose of exacting public accountability, and when necessary, proposing

change. It shall also be used to measure management support in institutionalizing agency service delivery reforms;

- fff) **Rewards and Incentives** - a sum of money or other forms of recognition conferred to agencies, officers, and/or employees for exemplary performance and/or initiatives;
- ggg) **Right** – is a moral or legal entitlement to have or to obtain something or to act in a certain way;
- hhh) **Secondary License** – is a privilege evidenced by a certificate or document issued by a licensing authority permitting an applicant or requesting party to engage, operate or continue with the operation of a business with ancillary, incidental or additional purpose;
- iii) **Simple transactions** – applications or requests submitted by applicants or requesting parties of a government office or agency which only require ministerial actions on the part of the public officer or employee, or that which present only inconsequential issues for the resolution by an officer or employee of said government office;
- jjj) **Stage** – is a specific and distinct step in a defined work process which involves the application of special or highly technical skills, compliance with procedural requirements under special laws, or compliance with obligations pursuant to international obligations;
- kkk) **Technology-neutral platform** – means the platform should not impose preferences for or against specific kinds of technology;
- III) **Time-and-motion study** – is a tool to track the progress of customer interface, processing, queuing and waiting times, and linked processes that are within and beyond the control of the service office. It is an essential step in the process mapping of services for the formulation and/or updating of the Citizen's Charter.

The time and motion study has three stages:

- i. Planning stage. During this stage, service offices must prepare a list of services to be subjected for time and motion studies, the employee/s who will conduct the study, number of clients to be observed as subject of the study, and a time and motion checklist.
- ii. Implementation stage. During this stage, employee/s assigned to conduct the time and motion studies shall observe a transacting client from the first step up to the last step of his/her transaction,

taking note of the time when each step started and ended as well as the waiting time.

iii. Evaluation stage. During this stage, the following must be conducted:

processing of data such as variance (committed processing time in the Citizen's Charter less the actual processing time and waiting time), total waiting time, total actual processing time, step/s added or omitted, and documentary requirements added or omitted;

mmm) **Websites** – refer to a collection of interlinked Web pages that share a single domain name and provide information and services to the citizens. For the purposes of this Act, websites may also refer to web pages or sectoral pages maintained by cities and municipalities and other government agencies in the National Government Portal (www.gov.ph);

nnn) **Whole-of-Government Approach** – refers to the ability of government agencies to work together. It also refers to the change in emphasis away from structural devolution, disaggregation, and single-purpose organizations towards a more integrated approach to public service delivery characterized by seamless government transactions, integrated policy design and implementation across several agencies, inter-operability of government processes, horizontal coordination, and strengthened linkages among government units.

It also means that government systems and processes work together to provide ease of access and use by the citizens. Implementing the whole-of government approach implies a more integrated approach to public service delivery, policy making, interoperability of government processes, strengthening vertical and horizontal linkages and coordination among agencies, and clustering of basic services into government to citizens, government to businesses, and government to government, and designating points of service in accordance with the life cycle of citizens and businesses, respectively;

ooo) **Working day** – refers to a day where officers and employees are required to render work;

RULE II COVERAGE

Section 1. Coverage and Scope

The provisions of the Act and these Rules and Regulations shall apply to all government offices and agencies in the Executive Department including local government unit (LGUs), government-owned or -controlled corporations and other



government instrumentalities, located in the Philippines or abroad, that provide services covering business-related and nonbusiness transactions as defined in these Rules.

The Act and these Rules and Regulations shall cover business-related and nonbusiness transactions referring to permitting, licensing, and the issuance of any privilege, right, reward, clearance, authorization, or concession, including frontline services enrolled in the existing Citizen's Charter, whether or not related to business, corresponding back-end/support services, and regulatory functions related to permitting, licensing, and the issuance of a privilege, right, reward, clearance, authorization or concession.

The initial list of all the permits, licenses, and issuances pertaining to any privilege, right, reward, clearance, authorization, or concession that shall be covered by the Act and these Rules shall be issued in accordance with Section 10 of the Act. The list may be reviewed and updated as may be necessary.

Section 2. International Laws and Agreements

The Act and these Rules and Regulations shall respect and observe international laws, rules and regulations as well as the treaties, international, or executive agreements to which the Government of the Philippines is a signatory.

RULE III REENGINEERING OF SYSTEMS AND PROCEDURES

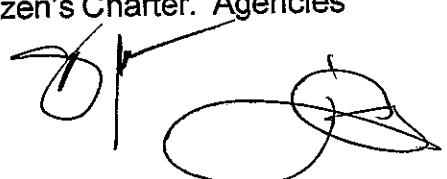
Section 1. Streamlining of Government Services

All agencies which provide government services shall undertake compliance cost analysis, conduct time and motion studies, undergo evaluation and improvement of all their government services, and reengineer the same, if deemed necessary, to reduce bureaucratic red tape and processing time, and to promote efficiency and simplicity of processes.

Each office or agency shall designate a unit to perform the above-mentioned functions, as well as other roles stated in the Act. The unit shall be charged with conducting regulatory impact assessment of their proposed regulations to establish that these do not add undue regulatory burden and cost to their respective agencies as well as applicants or requesting parties.

Section 2. Coverage and Procedures

The streamlining and process improvement of the government services shall cover Government-to-Citizens (G2C), Government-to-Businesses (G2B), and Government-to-Government (G2G) transactions as cited in the agency's Citizen's Charter. Agencies



shall submit a comprehensive list of their respective government services to the Authority, which shall include:

- a) *Steps.* For each government service, departments/agencies shall report in detail the steps necessary to complete the service/process, including a flowchart indicating the front end/back end;
- b) *Transaction Costs.* These are the costs incurred by an applicant or requesting party in the course of availing of a government service. These costs are categorized as follows:
 - i. *Primary Transaction Costs/Fees.* These are fees declared in the agency's Citizen's Charter to be paid to the agency by an applicant or requesting party for availing a government service. Examples of these fees are application fees, registration fees, etc.
 - ii. *Other Transaction Costs.* These are the other fees to be paid by an applicant or requesting party to obtain supporting information from another agency in order to secure a necessary primary information;
- c) *Substantial Compliance Costs.* These are the incremental costs, other than administrative costs, incurred by a transacting public in the course of complying with a regulation. These costs may include implementation costs, direct labor costs, overhead costs, equipment costs, material costs, and external service costs;
- d) *Number of Signatures.* Departments/Agencies shall declare the number of signatures required to complete each service/process. However, the number of signatories in any document shall be limited to a maximum of three (3) signatures which shall represent officers directly supervising the office or agency concerned;
- e) *Number of Documents.* For each government service, departments/agencies shall indicate the total number of documents necessary to complete the transaction cycle. The number of documents shall refer to the documents required from the applicant or requesting party, the type of documents, and the number of copies for each document to be used or required to complete/deliver the government service to the applicant or requesting party;

Government agencies must initiate a review for each of their government services/processes through any or all of the following:

- a) Reduction in the number of signatures to not more than three (3);
- b) Simplification of application forms or documentary requirements;



- c) Automation or computerization of the processes/services;
- d) Reduction in the processing time; and
- e) Reduction in costs

There shall also be a review of the location of the offices providing these government services and the feasibility of establishing one-stop shops.

Section 3. Adoption of Whole-of-Government Approach in Reengineering Government Services

Pursuant to the functions of the Authority in Section 17 (a) (b) and (f) of the Act to implement and oversee a national policy on anti-red tape and ease of doing business; to implement various ease of doing business and anti-red tape reform initiatives aimed at improving the ranking of the Philippines in world competitiveness surveys; and to recommend policies, processes and systems to improve regulatory management to increase the productivity, efficiency, and effectiveness of business permitting and licensing agencies, the Authority shall adopt the Whole-of-Government Approach in the streamlining of government services.

The Whole-of-Government Approach entails the review and harmonization of existing and applicable laws, regulations, issuances, and policies to make legal interpretations consistent across agencies. Inter-agency reviews shall be adopted for horizontal integration or end-to-end processing in the delivery of government services.

The reengineering process shall include an interagency review of key permitting and licensing laws, rules, and issuances, with the end in view of eliminating undue regulatory burden from the transacting public.

The Authority, in coordination with National Economic Development Authority (NEDA), Department of Budget and Management (DBM), and Civil Service Commission (CSC), shall be authorized to issue further guidelines in implementing the Whole-of-Government Approach in reengineering and streamlining government services.

Section 4. Regulatory Management System

Pursuant to the Act, the Authority shall develop and establish a Regulatory Management System (RMS) to improve regulatory management towards the improvement of regulatory quality. The RMS shall be comprised of, but not limited to, a regulatory management framework, institutional arrangements, a regulatory policy cycle, and enforcement & compliance strategies.

The Authority, by itself or in partnership with other institutions, shall provide and conduct training programs that offer tools needed to promote good regulatory

governance and to raise awareness on new disciplines and promote a new culture among regulators and regulatees. The Authority, in consultation with appropriate agencies, shall prepare regulatory management manuals for all government agencies and/or instrumentalities and LGUs. The manuals issued by the Authority shall include the proportionality rules and threshold parameters.

Section 5. Regulatory Impact Assessment (RIA)

Pursuant to the mandate of the Authority under this Act, and to ensure the compliance with the obligations set forth, the Authority requires all agencies to conduct a

Regulatory Impact Assessment (RIA) for the purpose of reviewing, simplifying, modifying, modernizing regulations, laws, issuances, and ordinances to reduce regulatory burden and cost. All agencies shall conduct a RIA for all its proposed major regulations subject to proportionality rules. It shall likewise apply to existing regulations or regulatory changes that are outdated, redundant, and adds undue regulatory burden to the transacting public.

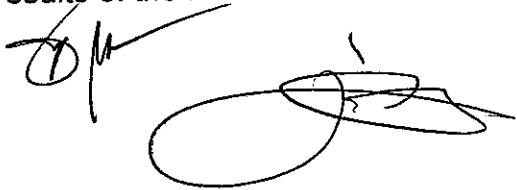
Each agency shall conduct a RIA and draft the Regulatory Impact Statement (RIS). The RIS is a document prepared by a regulatory body before a new regulation is introduced, or an existing regulation is modified or repealed. The RIS assists in decisionmaking by presenting the RIA in a clear, concise, and structured framework.

The Authority shall review the quality of a RIA in order to avoid the overlapping of regulations across agencies and to reduce regulatory burden and cost.

When necessary, a proposed regulation may undergo pilot implementation to assess regulatory impact subject to the clearance of heads of agencies.

Section 6. Notification and Regulations Review Process

- a) *Compulsory notification.* All government agencies covered under Section 3 of the Act shall notify the Authority of every formulation, modification, and repeal of regulations. The submission of an intent to formulate, modify, or repeal a regulation to the Authority by a regulatory agency shall include the rationale for the proposed and existing regulation and all the necessary documentations used in conducting the research for the proposed and existing regulation.
- b) *RIA requirement.* All government agencies covered under Section 3 of the Act shall conduct a RIA. The agencies shall conduct consultations to ensure the quality of a regulation. The regulatory agency shall properly disseminate the result of the RIA on a particular regulation as a feedback and feedforward mechanism.
- c) *Submission of RIS to the Authority.* RIS submitted by any agency shall be reviewed by the Authority. Meetings shall be organized, as deemed necessary by the Authority, for the purpose of reviewing the results of the RIA.



- d) *Approval of RIS by the Authority.* The Authority shall approve or disapprove the RIS, based on the results of the review.
- e) *Provide RIA to Congress.* The Authority, if it deems necessary, may forward the RIA and the results of its review to Congress, for appropriate action.

Section 7. Review, Impact Analysis, and Repeal of Regulations

Within six (6) months from the effectivity of the Rules, all offices, agencies, and local government units covered by Section 3 of the Act, shall review and harmonize their existing regulations relative to business-related and non-business transactions and repeal unnecessary and redundant policies to lessen regulatory burdens, subject to the corresponding guidelines issued by the Authority.

In addition, all local government units, in coordination with the DILG, shall scrutinize and classify existing ordinances according to prescribed dates of inspection for regulation purposes and those related to the issuance of business permits and licenses. The classification is intended to synchronize the periods for payment of local business taxes and for payments related to the issuance of business permits.

The Authority, *motu proprio* or upon receipt of a complaint that a regulation is outdated, redundant, or adds undue regulatory burden to the transacting public, may exercise its power of review in accordance with the Act and recommend the repeal of the reviewed law, executive issuance, and/or local ordinance, if warranted.

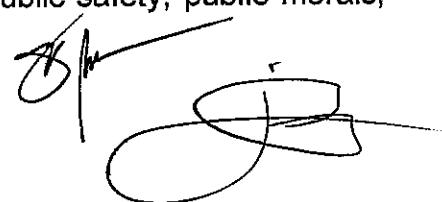
RULE IV CITIZEN'S CHARTER

Section 1. Citizen's Charter

A Citizen's Charter is an official document that communicates, in simple terms, the service standards or pledge of an agency/service office of the frontline services being provided to its citizens. It describes the step-by-step procedure for availing a particular service, the person responsible for each step, the documents needed to be submitted and the fees to be paid, if any.

The Citizen's Charter of each agency has a dual purpose – it shall be the basis for establishing accountability and for recognizing good performance to grant rewards and incentives.

Administrative and criminal liability shall arise only upon failure, without due cause, to render government service within the prescribed processing time of three (3) days for simple transactions, seven (7) days for complex transactions, and twenty (20) working days for highly technical transactions or for applications or requests involving activities which pose danger to public health, public safety, public morals, public policy, as stated in Section 9 of this Act.



Section 2. Form and Content of the Citizen's Charter

The Citizen's Charter shall be in information billboards such as touchscreen interactive information kiosks, electronic billboards, posters, tarpaulins, standees, or any other readable materials that could be easily understood by the public, posted at the main entrance of offices or at the most conspicuous place, in the respective websites, and in the form of published materials written either in English, Filipino, or in the local dialect, that detail:

- a) A comprehensive and uniform checklist of requirements for each type of application or request.
 - i) The checklist of requirements must be complete, exhaustive, and specific.
 - ii) In the case of local government units, the checklist for similar transactions shall contain a uniform set of documentary requirements, based on guidelines to be issued by the Department of the Interior and Local Government (DILG) in coordination with the Authority.
- b) The procedure to obtain a particular service.
 - i) ~~For each government service, agencies shall indicate in the Citizen's Charter the steps necessary to complete the process. Agencies shall further submit to the Authority a step-by-step process, including the duration of the action per step.~~
- c) The person/s responsible for each step.
 - i) The agency shall make available to the public the list of assigned personnel who will be responsible for each step. If the Citizen's Charter is in the form of an interactive or an electronic billboard, the names of the personnel and/or their official designation shall be identified.
- d) The maximum time to conclude the process.
 - i) The maximum time to conclude the process shall be expressed in working days, hours, or minutes.
- e) The document/s to be presented by the applicant or requesting party.
 - i) Agencies shall indicate where each documentary requirement can be requested. If the documentary requirement is not internal to the agency, agencies shall indicate the type of copy (i.e., certified true copy, original or photocopy) and the number of copies needed;
- f) The amount of fees and where the payment shall be given; and

g) The procedure for filing complaints in relation to the application or request.

- i) The names and contact numbers of heads of offices involved in the processing of the application or request and the contact information of the Presidential Complaints Center, Complaints Action Center of the Authority, *Contact Center ng Bayan* (CCB), and the feedback facility of the CSC, where applicants or requesting parties can provide feedback on quality of government service, shall be included.

Section 3. Responsibilities of Government Agencies

a) Set up the most current and updated service standards.

To promote efficiency and to streamline the delivery of government services, agencies shall identify and indicate all government services offered by them. Each agency shall adopt an improved processing time, which shall be posted in their Citizen's Charter.

Each agency shall classify their processes or services into simple, complex, and highly technical transactions, and must submit the same to the Authority based on the criteria provided. Those activities which pose a danger to public health, public safety, public morals, or public policy shall in no case be processed longer than twenty (20) working days, or as determined by the government agency and instrumentality concerned, whichever is shorter.

Specific transactions, processes, services or activities that agencies fail to include and classify shall be interpreted by the Authority as simple transactions without prejudice on the part of the agency to ask for reconsideration.

Should there be any update, the head of agency shall ensure that an updated Citizen's Charter is posted not later than March 31st of each year.

b) Develop and foster client feedback mechanism and client satisfaction measurement.

All agencies shall embed feedback mechanisms and client satisfaction measurement in their process improvement efforts. The agency shall report to the Authority the results of the Client Satisfaction Survey for each service based on the guidelines to be issued by the Authority.

c) Monitor and periodically review the Citizen's Charter.

Each agency shall regularly review their Citizen's Charter. In particular, the agency shall review their procedure/steps, time, documentary requirements, and fees.

- d) Submission of a new Citizen's Charter by government agencies.

All agencies shall submit to the Authority within ninety (90) working days from the effectiveness of these Rules and Regulations or from the issuance of a new Citizen's Charter template by the Authority, a new Citizen's Charter based on the requirements of the Act, whichever comes first.

Section 4. Accountability of the Head of Agency or Office

The head of office or agency shall ensure compliance in the preparation of their respective Citizen's Charter pursuant to the provisions of the Act and these Rules.

Section 5. Responsibilities of the Authority

The Authority shall have the following responsibilities in relation to the Citizen's Charter:

- a) Upon effectiveness of these Rules, the Authority shall issue a template of the updated Citizen's Charter, taking into account the most effective way of informing the public;
- b) Within the same period, the Authority shall issue the criteria for simple, complex, and highly technical transactions;
- c) The Authority shall monitor and review the submitted Citizen's Charter by each agency and the implementation of the same.

RULE V ZERO-CONTACT POLICY

Section 1. Zero-Contact Policy

All government agencies including local government units (LGUs) shall adopt a zero-contact policy. Public officials and employees shall limit interactions with an applicant or requesting party to the preliminary assessment and evaluation of sufficiency of submitted requirements of an application or request, unless such interaction is strictly necessary for the processing of the request or application.

Transparency shall be observed in general by public officials and employees to encourage the honest and efficient delivery of government services and discourage wrong perceptions of graft and corruption.

For the effective implementation of the "zero-contact policy," electronic submission of applications, requests and/or payments is preferred, where available. The government official or employee shall communicate with the applicant through e-

mail, any other electronic means of communication or the websites of the government agencies concerned, whenever practicable. For this reason, the Department of Information and Communications Technology (DICT) shall launch a web-based software enabled business registration system, through which all government transactions with the public shall be coursed.

Section 2. Interactions that are Strictly Necessary

These interactions are considered strictly necessary and are exceptions to the zero-contact policy:

- a) **Payment of application and other fees.** In case the government agency or office does not have an electronic/online payment facility or the applicant or requesting party prefers over-the-counter payment, interactions between the government official or employee and the applicant shall be allowed, provided that payment shall be made in the Cashier's Office and that an Official Receipt (OR) shall be issued immediately; and
- b) **For complex and/or highly technical transactions.** An interaction shall be considered strictly necessary when an inspection, training or meeting with the applicant is an integral part of the application process for a complex or highly technical transaction, or when such interaction was done upon the written request of the applicant. Such inspection, training or meeting may be recorded with the prior consent of the applicant and shall be properly documented through various means such as, but not limited to, recording the minutes of the meeting and signing of an attendance sheet.

Section 3. Business Registration System

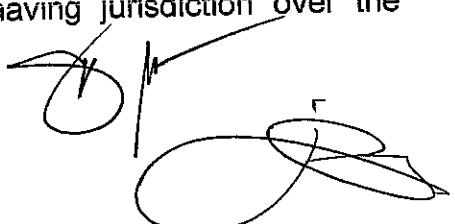
The DICT shall, within one (1) year from the effectivity of these Rules, create a web-based software enabled business registration system that is acceptable to the public. All transactions shall thereafter be coursed through such business registration system.

RULE VI

ACCOUNTABILITY OF HEADS OF OFFICES AND AGENCIES

Section 1. Responsibility of Heads of Offices and Agencies

The head of the office or agency shall be primarily responsible for the implementation of the Act, including these and other Rules and Regulations, and shall be held accountable to the public in rendering fast, efficient, convenient, and reliable service. All transactions and processes are deemed to have been made with the permission or clearance from the highest authority having jurisdiction over the government office or agency concerned.



Any other violations by the head of office or agency of the Act and these Rules shall subject them to administrative sanctions in accordance with the relevant administrative and civil service rules and regulations, where applicable.

Failure by the heads of offices and agencies to comply with the provisions of the Act and these Rules shall render them liable to being charged in accordance with existing laws or rules before the appropriate forum.

In furtherance of their responsibility to render fast, efficient, convenient, and reliable service and the declared policy of the Act, all heads of agencies shall implement a zero back log program within twelve (12) months from the effectivity of the IRR.

RULE VII **ACCESSING GOVERNMENT SERVICES**

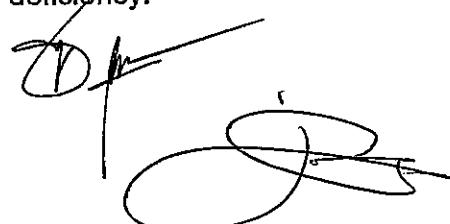
Section 1. Accessing Government Services

In order to provide an effective delivery of government services, government officers and employees are expected to adopt and implement the provisions of these Rules and other rules that may be issued in the future which aim to further improve the systems and processes of government agencies. These include accepting, processing, approving, or denying of applications/requests.

Section 2. Acceptance of Applications and Requests

- a) All responsible officers or employees shall accept written applications, requests, and/or documents being submitted by applicants or requesting parties of the offices or agencies, subject to the succeeding provisions hereof.
- b) The receiving officer or employee shall preliminarily assess the completeness of the application or request and its supporting documents vis-à-vis the checklist of requirements of the agency to ensure a more expeditious action on the application or request. They shall immediately inform the applicant or requesting party of any deficiency in the accompanying requirements, which shall be limited to those enumerated in the Citizen's Charter. In informing the applicant or requesting party of the deficiency, the receiving officer or employee shall already identify or enumerate all the missing requirements to make it easier for the requesting party to complete their application or request.

The government office or agency shall not process deficient or incomplete applications or requests, and shall only process an application or request if it is complete. In case the application or request is deficient, the processing time as provided under the Act and these Rules shall only commence once the applicant or requesting party has rectified the deficiency.



For processes that involve several stages with corresponding prescribed requirements, the processing time for each stage commences on the date/time that the applicant has satisfactorily completed the requirements for the previous stage and has submitted all the requirements for the subsequent stage being applied for.

- b) The receiving officer or employee shall assign a unique identification number to an application or request, which shall serve as the identifying number for all subsequent transactions between the government and the applicant or requesting party regarding the subject application or request.
- c) The receiving officer or employee shall issue to the applicant an acknowledgement receipt signifying acceptance of a complete application or request, containing the unique identification number stamped therein as reference for all subsequent transactions, the seal of the agency, the name of the responsible officer or employee, his/her unit and designation, and the date and time of receipt of such request or application.

For online application or request, the agency shall provide a response containing the unique identification number as reference for all subsequent transactions, the seal of the agency, the name of the responsible officer or employee, his/her unit and designation, and the date and time of receipt of such request or application.

Section 3. Action of Offices

- a) All applications or requests for government service submitted shall be acted upon by the assigned officer or employee within the prescribed processing time stated in the Citizen's Charter which shall not be longer than three (3) working days in the case of simple transactions and seven (7) working days in the case of complex transactions from the date the request or complete application or request was received.

For applications or requests involving activities which pose danger to public health, public safety, public morals, public policy, and highly technical transactions, the prescribed processing time shall in no case be longer than twenty (20) working days or as determined by the government agency or instrumentality concerned, whichever is shorter.

- b) The maximum time prescribed in Section 9 (b) (1) of the Act may be extended only once for the same number of days, which shall be indicated in the Citizen's Charter.
 - i. Prior to the lapse of the processing time, the office or agency concerned shall notify the applicant or requesting party in writing of the reason for the extension and final date of release of the

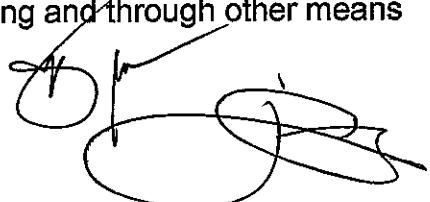
government service/s requested. Such written notification shall be signed by the applicant to serve as proof of notice. The signature of the applicants or requesting parties may be in the form of electronic signatures or scanned signatures.

- ii. In the event that securing a written notification and acknowledgment from the applicant is not feasible, the government officer or employee must exhaust all means of communication available including, but not limited to, electronic mail and/or SMS (short message service) to ensure that the applicant or the requesting party is properly notified. The government officer or employee who used such means of communication must be able to show proof of such action.
- c) In case of highly technical transactions that involve activities such as, but not limited to, research, field trials, scientific methodology, inter-government actions, the government agency or office may apply the multi stage system subject to the approval of the Authority, provided that the total processing time for all concerned agencies or offices shall not exceed forty (40) days.

Government agencies and offices, with an approved multi-stage system by the Authority, that receive an application or transaction requiring permits from other government agencies or offices, shall process such application without awaiting the action of the latter agency. The agency or office shall act on the presumption that the relevant permit from other government agencies had already been issued.

The presumption of prior approval shall be disputable and subject to postaudit confirmation. In case of failure during post-audit, the issued permit/license shall be revoked.

- d) If the application or request for license, clearance, permit, certification or authorization shall require the approval of the local Sangguniang Bayan, Sangguniang Panlungsod, or the Sangguniang Panlalawigan, as the case may be, the Sanggunian concerned shall be given a period of forty-five (45) working days to act on the application or request, which can be extended for another twenty (20) working days. If the local Sanggunian concerned has denied the application or request, the reason for the denial, as well as the remedial measures that may be taken by the applicant shall be cited by the concerned Sanggunian.
- e) In cases where the cause of delay is due to force majeure or natural or man-made disasters, which result to damage or destruction of documents, and/or system failure of the computerized or automatic processing, the prescribed processing times mandated in this Act shall be suspended and appropriate adjustments shall be made. The responsible government official or employee shall notify the applicant or requesting party in writing and through other means



of communication of the suspension of the processing time without any delay. In addition, in case of system failure of computerized or automatic processing, the head of agency shall certify to such fact, which shall be posted in a conspicuous place and manner within the premises of the government agency or office.

- f) No application or request shall be returned to the applicant or requesting party without appropriate action. The appropriate action is either to approve or disapprove / deny the application or request for access to government service.
 - i. In case an application or request is disapproved, the officer or employee who rendered the decision shall send such notice under these rules to the applicant or requesting party within the prescribed processing time, stating therein the reason for the disapproval.
 - ii. A finding by a competent authority of a violation of any or other laws by the applicant or requesting party shall constitute a valid ground for its disapproval, without prejudice to other grounds provided in this Act or other pertinent laws.

Section 4. Denial of Request for Access to Government Service

Any denial of request for access to government service shall be fully explained in writing by the officer who denied the request, stating the name of the person making the denial and the grounds upon which such denial is based. The grounds for the denial must be fair, just, and reasonable. Any denial of the application or request must have the approval of the immediate supervisor of the employee or officer who denied the application or request.

Section 5. Limitation of Signatories

The number of signatories in any document shall be limited to a maximum of three (3) signatures, which shall represent officers directly supervising the office or agency concerned and are responsible for the issuance of the document (any privilege, right, reward, license, clearance, permit or authorization, concession). The

signatures refer to the "full signature" of the officers whose approval is necessary for the issuance or release of the document. Initials of other officers or employees should not be affixed to the document to be released or issued.

In case the authorized signatory is on official business or official leave, an alternate shall be designated as signatory. Electronic signatures or pre-signed license, clearance, permit, certification, or authorization with adequate security and control mechanism may be used, provided that the relevant laws and the rules and regulations to be issued by DICT regarding electronic signatures shall be observed.

Within ninety (90) working days from the effectivity of these Rules, the head of government office or agency shall issue and submit an appropriate inter-office memorandum to the Authority, enumerating the list of authorized or regular signatory for each privilege, right, license, clearance, permit or authorization, concession or such other document issued by the agency or office. Moreover, the appropriate inter-office memorandum shall also stipulate the agency rules on proper delegation of the authority to sign in the absence of the regular signatory, following such standards:

- a) If there is only one official next in rank, he/she shall automatically be the signatory;
- b) If there are two or more officials next in rank, the appropriate inter-office memorandum shall prescribe the order of priority among the officials next in rank within the same organizational unit; or
- c) If there is no official next in rank present and available, the head of the department, office or agency shall designate an officer-in-charge from among those next lower in rank in the same organizational unit.

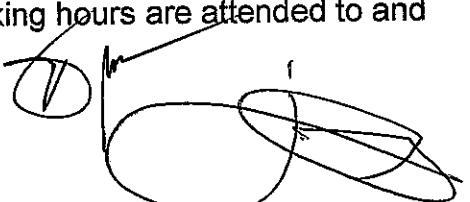
Section 6. Electronic Versions of Licenses, Permits, Certifications or Authorizations

All agencies covered under Section 3 of the Act shall, when applicable, develop electronic versions of licenses, clearances, permits, certifications or authorizations with the same level of authority as that of the signed hard copy, which may be printed by the applicants or requesting parties in the convenience of their offices.

The Authority and the DICT, in coordination with concerned agencies, shall issue the operational policies and technical procedure on these electronic versions for the guidance of concerned NGAs and LGUs.

Section 7. Adoption of Working Schedules to Serve Clients

Heads of offices and agencies which render government services shall adopt appropriate working schedules to ensure that all applicants or requesting parties who are within their premises prior to the end of official working hours are attended to and



served even during lunch break and after regular working hours. Heads of agencies shall set these guidelines by issuing an appropriate order to this effect.

To ensure prompt and efficient issuance of permits and licenses, offices and agencies may consider providing frontline services beyond the core government working hours. The offices must at all times be complemented with adequate staff by adopting mechanisms such as rotation system among office personnel, sliding flexi-time, reliever system especially in peak times of the transaction, or providing skeletal workforce during lunch and coffee breaks. The public must be informed of the work schedule of the offices.

The heads of offices and agencies shall inform the CSC on the adoption of such working schedules.

In the event of work suspension and/or changes in working schedules due to official reasons, government office system downtime or other unexpected circumstances which affect working schedules within the office or agency, the public shall be duly informed.

In the exigency of service in times of natural calamities, peak season, multitude number of applications, and other analogous cases, government offices and agencies may be allowed to extend working hours to attend to applicants.

To ensure the uninterrupted delivery of frontline services, the heads of offices and agencies shall adopt the appropriate mechanisms upon the effectivity of these Rules.

Section 8. Identification Card

All employees transacting with the public shall be provided with an official identification card, which shall be visibly worn during office hours. The identification cards must include the full name of the employee, the employee's position title, name of office, and the office seal or logo. The information on the identification card must be readable, such that the officials and employees concerned can be easily identified by the applicant or requesting party. For agencies where an identification card is not used the officers and employees must wear name plates or other means of identification.

Section 9. Establishment of Public Assistance and Complaints Desk

Each agency shall establish a public assistance or complaints desk which shall be set-up to, among others, effectively receive feedback and monitor customer satisfaction, in a conspicuous area at their official place of business, where an officer or employee knowledgeable in frontline services shall at all times be available for consultation and advice. The desk shall be attended to even during break time. Special lanes shall be provided for the personal transactions of senior citizens, pregnant women and persons with disabilities.

The office or agency shall institute hotline numbers, short message service, information communication technology, or other mechanisms by which the clients may adequately express their complaints, comments, or suggestions.

RULE VIII
**AUTOMATIC APPROVAL OR AUTOMATIC EXTENSION OF LICENSE, PERMIT,
CERTIFICATION AND AUTHORIZATION**

Section 1. When shall Automatic Approval of an Original Application or Request be Granted:

- a) The existence of the following conditions shall warrant the automatic approval of an original application or request:
 - i) If a government office or agency fails to approve or disapprove an original application or request for the issuance of license, permit, certification, or authorization within the prescribed processing time;
 - ii) When all the required documents have been submitted; and
 - iii) When all the required fees and charges have been paid.

The acknowledgement receipt together with the official receipt for payment of the fees shall constitute proof of approval, having the same force and effect of a license clearance, permit, certification, or authorization subject to Section 4 hereof.

- b) In cases of agencies performing quasi-judicial functions, automatic approval shall only apply to issuance of a license, clearance, permit, certification, or authorization.

Section 2. When shall Automatic Extension or Renewal of a License, Clearance, Permit, Certification or Authorization shall be deemed extended:

If a government office or agency fails to act upon an application or request for renewal of a license, clearance, permit, certification, or authorization subject for renewal within the prescribed processing time, the application shall be deemed extended subject to Section 4 hereof.

Section 3. When Automatic Extension or Renewal is Not Applicable

Automatic extension or renewal shall not apply to licenses, clearances, permits, certifications, or authorizations that have already expired at the time of the submission of application or request.

Section 4. Issuance of Order for Automatic Approval, Extension, or Renewal of License, Clearance, Permit, Certification, or Authorization

Upon complaint together with the presentation of the acknowledgement receipt and/or the official receipt, upon due investigation and verification that the applicant has indeed fully submitted all necessary documents and paid all the required fees, the Authority shall issue a declaration of completeness and order the concerned office or agency to issue the approval, extension, and/or renewal of the license, clearance, permit, certification, or authorization which is deemed automatically approved as provided by Sec. 10 of the Act.

RULE IX

STREAMLINED PROCEDURES FOR THE ISSUANCE OF LOCAL BUSINESS LICENSES, CLEARANCES, PERMITS, CERTIFICATIONS OR AUTHORIZATIONS

Section 1. Issuance of a Joint Memorandum Circular

Within three (3) months from the effectivity of these Rules, the Authority, together with the DILG, DICT, and DTI shall issue a Joint Memorandum Circular (JMC) to further implement Section 11 of the Act. Thereafter, the LGUs through their Local Sanggunian shall issue the appropriate order or ordinance to adopt the Joint Memorandum Circular, for proper implementation of the streamlined procedures for the issuance of business licenses, barangay clearances, permits, or authorizations.

Section 2. Single or Unified Business Application Form

- a) A Single or Unified Business Application Form is a single common document used by a business owner in applying for business permit in the city/municipality, that contains the information and approvals needed to complete the registration process and facilitates exchange of information among city/municipality and NGAs.
- b) This single or unified business application form shall be used in processing new applications for business permits and business renewals which consolidates all the information of the applicant or requesting party needed by various local government departments, such as, but not limited to, the local taxes and clearances, building clearance, sanitary permit, zoning clearance, and other specific local government unit requirements, as the case may be, including the fire safety inspection certificate from the Bureau of Fire Protection (BFP).
- c) The Authority, in coordination with concerned agencies, shall develop the single or unified business application form and this shall be made available online using technology-neutral platforms such as, but not limited to, the Central Business Portal or the city/municipality's website and various channels for dissemination. The single or unified business application form shall be in

"fillable format", which can be filled up electronically and/or printed for submission.

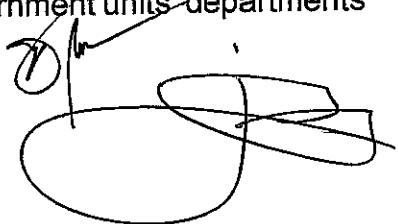
- d) Hard copies of the unified forms shall be made available at all times in designated areas of the concerned office and/or agency, in all Negosyo Centers and in the offices of local government units.
- e) The Authority, in coordination with the concerned agencies, shall be responsible for regularly updating and maintaining the unified business application form.
- f) The DICT shall issue the guidelines on the process flow of filing applications or requests through the Central Business Portal, and its acceptance, processing and feedback mechanism by concerned agencies.

Section 3. Establishment of a Business One Stop Shop (BOSS) - Negosyo Center

- a) A one-stop business facilitation service, hereinafter referred to as the business one stop shop, shall be established within the cities/municipalities' Negosyo Center as provided for under Republic Act No. 10644, otherwise known as the "Go Negosyo Act".
- b) Negosyo Centers are convergence points for the NGAs, LGUs, and the private sector to promote ease of doing business, and ensure access to services for Micro, Small, and Medium Enterprises (MSMEs) within their jurisdiction.
- c) In case there is no Negosyo Center in the city/municipality, Section 3 of RA 10644 and its IRR (DTI Department Administrative Order No. 14-5, series of 2014) specifically Section 5, Rule 3 mandates that in applicable area, the existing SME Centers and National Economic Research and Business Assistance Center (NERBAC), administered by the DTI in provinces, cities and municipalities, if any, may be converted to Negosyo Center. Existing Regional NERBACs or SME Centers may be utilized as Negosyo Center for the Provinces and Cities where they are physically located.

In the absence of Regional NERBACs or SME Centers, a business one stop shop shall be established by the concerned LGU within a designated area in its city/municipality hall.

- d) The business one stop shop shall serve as the city/municipality's business permitting and licensing system to receive and process manual and/or electronic submission of application for license, clearance, permit or authorization.
- e) There shall be a queuing mechanism in the business one stop shop to better manage the flow of applications among the local government units' departments



receiving and processing applications. The Joint Memorandum Circular shall also include a standard queuing system, which shall be applied by all LGUs.

- f) LGUs shall implement colocation of the treasurer's office, assessor's office, business permits and licensing office, zoning office, including the BFP, and other relevant city/municipality offices/departments, among others, engaged in starting a business, dealing with construction permits, and such other pertinent services as may be offered to the public.

Section 4. Electronic BOSS

- a) Within a period of three (3) years upon the effectivity of the Act, all cities and municipalities are mandated to automate their business permitting and licensing system or set up an electronic business one stop shop for more efficient business registration processes.
- b) Cities/Municipalities with electronic BOSS shall develop electronic versions of licenses, clearances, permits, certifications or authorizations with the same level of authority and containing the electronic signature of the authorized officer/s and seal of the agency or LGU, which may be printed by businesses in the convenience of their offices.
- c) The DICT, DTI, and DILG shall issue a joint operational guideline on the provision of technical assistance in the planning and implementation of the eBusiness Permit Licensing System.
- d) Provincial governments are encouraged to assist 5th and 6th class municipalities in the implementation of this section.

Section 5. New Business Registration and Applications for Renewal

The requirements for the business registration and renewal, in addition to the application form, shall be enumerated in the JMC and shall be uniform to all LGUs.

Section 6. Issuance of Other Permits/Clearances Together with the Business Permit

To lessen the transaction requirements, other local clearances such as, but not limited to, sanitary permits, environmental and agricultural clearances shall be issued together with the business permit, subject to post-audit by the concerned LGU.

Section 7. Validity Period of Business Permits

Business permits shall be valid for a period of one (1) year. The city or municipality may have the option to renew business permits within the first month of the year or on the anniversary date of the issuance of the business permit. The city or

municipality, through their local Sanggunian, shall enact an ordinance on what option to be applied and this shall be posted at the most conspicuous place of the city or municipality, in their websites, or other form of published materials.

Section 8. Expiration of Validity Period

Upon the expiration of the one (1) year validity period as stated in the preceding section, applicants for renewal not included in the negative list provided by any regulatory office or agency shall be allowed to renew their business permit upon payment of applicable fees as may be imposed by the City or Municipal government. The regulatory offices or agencies shall submit their respective negative lists to the LGUs on a regular basis as may be required, but no later than the first of December every year, in order to give the LGUs reasonable time to evaluate the businesses applying for renewal of their business permits during renewal period.

Section 9. Initial Post-Audit for New Registrants

Initial post-audit for new registrants shall be conducted by the LGU within a period not exceeding three (3) months from the date of registration, unless otherwise provided by the regulatory agency.

Section 10. Barangay Clearances and Permits

Barangay clearances and permits related to doing business shall be applied, issued, and collected at the city/municipality in accordance with the prescribed processing time of the Act: Provided, that the share in the collections shall be remitted to the respective barangays.

The remittance of the barangay's share in the collections shall be made not later than seven (7) working days following the end of the month when the collection was made. Remittance of the above-mentioned share in the collections to the Barangay shall be obligatory and withholding of the same shall render the erring official or employee administratively liable under existing laws, rules, and regulations.

Section 11. LGU as Collecting Agent

- a) For one-time assessment of business-related fees for Business Permit, LGUs may be designated to assess "the ordinary" fire safety inspection fees (FSIF), provided that the BFP is able to check the accuracy of the computation and to certify the tax order of payment.
- b) For one-time payment of business-related fees, the BFP may allow the designation of city or municipality as collecting agents for the FSIF provided that the remittance of the said fee to the BFP shall be made not later than two (2) days after the transaction is made. The BFP is not precluded from collecting

additional fees required after their assessment, subject to existing laws and regulations.

- c) The LGU and the BFP, thru the local fire marshal, may enter into a Memorandum of Agreement giving authority to local government officers for collection and automatic remittance of applicable fees.

Section 12. Issuance of Clearances under the Fire Code of the Philippines

The issuance of Fire Safety Evaluation Clearance (FSEC) and Fire Safety Inspection Certificate (FSIC) shall in no case be longer than seven (7) working days, nonextendible.

The Certification of Fire incident for Fire Insurance purposes shall in no case be issued longer than twenty (20) working days, and may be extended only once for another twenty (20) working days.

Section 13. Fire Safety Evaluation Clearance (FSEC)

The clearance is issued upon determination that the design, plans and specification of buildings, structures or facilities to be constructed/modified/renovated/ altered are in accordance with the provisions of the Fire Code of the Philippines and its IRR.

Section 14. Fire Safety Inspection Certificate (FSIC)

After construction/ renovation/ modification or alteration and prior to the issuance of the occupancy permit by the Building Official, the City/Municipal Fire Marshal, having jurisdiction, shall inspect the premises, which is usually part of the Joint Inspection Team being promoted in the JMC on Construction Permits, and issue the necessary FSIC upon determination that the required fire safety construction are in place, and fire protective and/or warning system are properly installed in accordance with the approved plans and specifications.

Section 15. Certification of Fire Incidents for Fire Insurance

BFP may issue a certification to the fire victim in lieu of the Final Investigation Report (FIR) for purposes of insurance claims and for other lawful applications.

Section 16. FSIC for New Business Permit Application

For new business permit application, the FSIC issued during the occupancy permit stage shall be considered as sufficient basis for the issuance of FSIC for business permit.

Section 17. FSIC for Renewal of Business Permit

The BFP shall, within three (3) working days from application for renewal of business permit, present the FSIC to the city/municipality, either thru the copy of the FSIC or the negative list.

The BFP shall provide the city/municipality a negative list for purposes of renewal of business permits which shall be made the basis for the automatic renewal of business permit by the city/municipality. A business entity not included in the negative list as provided by the BFP shall be deemed to have a valid FSIC, therefore, registered without prejudice to temporary or permanent closure for non-compliance to regulatory rules of the BFP.

The business entity shall inform the BFP and submit the necessary documentary requirements if renovations, modifications or any form of alterations are made to the original building structure at least thirty (30) working days before the expiration of the business permit.

In case the BFP fails to furnish the city/municipality with an FSIC or to inform through the negative list within the abovementioned time of three (3) working days, the business entity shall be deemed to have a temporary valid FSIC and, therefore, shall serve as the basis for the automatic renewal of the business permit.

Section 18. Violations and Penalty for BFP Officials or Employees

Any BFP official or employee who performs the following acts shall be liable:

- a) Sell any brand of fire extinguishers and other fire safety equipment to any applicant or requesting party or business entity;
- b) Offer to sell any brand of fire extinguishers and other fire safety equipment to any applicant or requesting party or business entity; or
- c) Recommend specific brands of fire extinguishers and other fire safety equipment to any applicant or requesting party or business entity.

“Recommend” shall mean anything that the BFP or its personnel might or would do to indorse, suggest, and propose any brand or convincing another to buy the product of a certain individual, person or corporation selling fire extinguisher and other fire safety equipment. The recommendation shall be viewed in the context of convincing another to buy the product. However, for advice given by the BFP or any of its personnel in their professional capacity without the purpose of convincing another to buy the product, that advice shall not be considered as recommendation.

The following acts can qualify as "recommend" but shall not be limited to the following:

- i. Endorsing, suggesting or proposing a particular merchant or person/sales agent selling fire extinguisher or fire safety equipment;
- ii. Giving the contact number or business card of any merchant or person/sales agent selling fire extinguisher;
- iii. Accompanying any applicant or client to any merchant or person selling fire extinguisher or fire safety equipment;
- iv. Prohibiting or discouraging any applicant or client from buying a fire extinguisher from a particular merchant.

Violation of any of the abovementioned acts shall be punishable by imprisonment of one (1) year to six (6) years and a penalty of not less than Five Hundred Thousand Pesos (Php 500,000.00), but not more than Two Million Pesos (Php 2,000,000.00)

Section 19. Co-Location of Local BFP with the BPLO

The BFP shall co-locate with the business one stop shop or in an appropriate area designated by the city/municipality within its premises to assess and collect the fire safety inspection fees.

The co-location system shall be year-round for all cities and/or during the business permit renewal period for all municipalities. The BFP shall designate a Fire Code Fees Assessor and Fire Code Fees Collecting Agent in the BPLO. The BFP shall coordinate with the Local Chief Executive and BPLO for the accommodation of their personnel.

Section 20. Online Electronic Mechanism

Within six (6) months from the effectivity of these Rules, the BFP shall have an online or electronic mechanism in assessing fees, collecting/accepting payments, and sharing/exchange of other relevant data on business permit processing with LGUs and other agencies.

RULE X **INTERCONNECTIVITY INFRASTRUCTURE DEVELOPMENT**

Section 1. Action of Offices

The maximum period for the processing, approval, renewal, and/or extension of licenses, clearances, permits, certifications or authorizations for the installation and operation of telecommunication, broadcast towers, facilities, equipment, and service by the barangay, LGUs and NGAs shall be seven (7) working days each.

The maximum periods provided in this section may be extended only once for the same period, provided, that appropriate notices referred to in Rule VII of these Rules are given to the applicant or requestor prior to the lapse of the original period.

Section 2. Application Deemed Approved

If the granting authority or officer of an agency fails to approve or disapprove an application for a license, clearance, permit, certifications or authorization within the prescribed processing time stated in the preceding section, said application shall be deemed approved subject to Rule VIII hereof.

When the approval of the appropriate local legislative body is necessary, a nonextendible period of twenty (20) working days is prescribed instead of the periods mentioned in the preceding section.

Section 3. Review and Repeal of Outdated, Redundant, and Unnecessary Licenses, Clearances, Permits, Certifications, or Authorizations

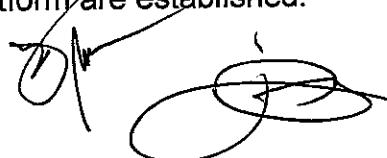
Within three (3) months from the effectivity of these Rules, the Authority, in coordination with DICT, shall review and recommend the repeal of outdated, redundant, and unnecessary licenses, clearances, permits, certifications or authorizations being required by NGAs, LGUs, and private entities.

During this review, repeal, and streamlining of processes, the Authority shall adopt the whole of government approach in order to have an integrated approach to public service delivery characterized by seamless government transactions across several agencies, inter-operability of government processes, horizontal coordination, and strengthened linkages among government units.

The review shall also cover the rationalization of post-construction fees, including but not limited to tower fees, pole construction fees, and excavation fees, which are being made a pre-requisite for renewal of licenses.

Section 4. Technical Standards and Operating Guidelines

The DICT shall issue the technical standards and operating guidelines to ensure that appropriate equipment, connectivity, and ICT platform are established.



RULE XI
ANTI-RED TAPE UNIT, AUTHORITY, AND COUNCIL

Section 1. CSC Anti-Red Tape Unit

The CSC shall maintain an anti-red tape unit, not lower than a division, in its central and regional offices, which shall have the following functions:

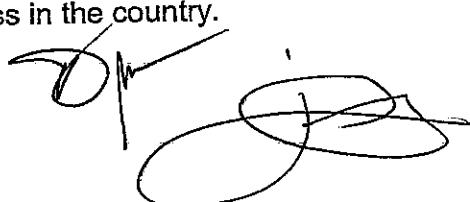
- a) Serve as the focal office for service delivery initiatives in the civil service;
- b) Provide assistance on the conduct of the Report Card Survey (RCS);
- c) Coordinate with the Authority relative to the implementation of the Act;
- d) Receive, analyze, and utilize RCS results from the Authority, and recommend enhancements on service delivery improvement in the civil service;
- e) Receive and review service delivery-related feedback from CSC stakeholders and interested parties;
- f) Cascade information and updates on programs and activities related to the Act to CSC stakeholders and interested parties;
- g) Establish partnerships with key implementers/government agencies, national and international institutions to ensure effective implementation of CSC's roles as stated in the Act; and
- h) Perform other CSC-approved roles in relation to the implementation of the Act.

Section 2. Complaints before the CSC Anti-Red Tape Unit

The CSC shall receive, review, hear, and decide on complaints on erring government employees and officials and non-compliance with the provisions of the Act and subject to the existing civil service laws, rules and regulations.

Section 3. Mandate of the Anti-Red Tape Authority

The Anti-Red Tape Authority is mandated to administer and implement the Act and its implementing rules and regulations, and to monitor and ensure compliance with the national policy on anti-red tape and ease of doing business in the country.



Section 4. Powers and Functions

The Authority shall have the following powers and functions:

- (a) Implement and oversee a national policy on anti-red tape and ease of doing business;
- (b) Implement various ease of doing business and anti-red tape reform initiatives aimed at improving the ranking of the Philippines;
- (c) Monitor and evaluate the compliance of agencies covered under Section 3 of this Act, and issue notice of warning to erring and/or noncomplying government employees or officials;
- (d) Initiate investigation, *motu proprio* or upon receipt of a complaint, refer the same to the appropriate agency, or file cases for violations of this Act;
- (e) Assist complainants in filing necessary cases with the CSC, the Ombudsman, and other appropriate courts, as the case may be;
- (f) Recommend policies, processes, and systems to improve regulatory management to increase the productivity, efficiency, and effectiveness of business permitting and licensing agencies;
- (g) Review proposed major regulations of government agencies, using submitted regulatory impact assessments, subject to proportionality rules to be determined by the Authority;
- (h) Conduct regulatory management training programs to capacitate NGAs and LGUs to comply with sound regulatory management practices;
- (i) Prepare, in consultation with the appropriate agencies, regulatory management manuals for all government agencies and/or instrumentalities and LGUs;
- (j) Provide technical assistance and advisory opinions in the review of proposed national or local legislation, regulations or procedures;
- (k) Ensure the dissemination of and public access to information on regulatory management system and changes in laws and regulations relevant to the public by establishing the Philippine Business Regulations Information System;
- (l) Enlist the assistance of the CSC, DTI, and other government agencies (including law enforcement agencies) in the implementation of its powers and functions provided for in this Act including acquisition of documents

pertinent to an investigation, or to participate in or conduct the investigation, subject to the submission of a verified written report to the Authority; and

(m) Perform such acts as may be necessary to attain the objectives of the Act.

Section 5. Organizational Structure of the Authority

- a) The Authority shall be under the Office of the President as an attached agency.
- b) The Authority shall be headed by a Director General, who shall be appointed by the President of the Philippines and whose tenure shall be coterminous with the latter. The Director General shall enjoy the benefits, privileges, and emoluments equivalent to the rank of a Secretary.
- c) The Director General shall be assisted by three (3) Deputy Directors General (DDGs), who are career officials as defined in existing laws, rules, and regulations. One shall be responsible for Legal matters, another for Operations, while the third shall be responsible for Administration and Finance. The Deputy Directors General shall likewise be appointed by the President of the Philippines and shall enjoy the benefits, privileges, and emoluments equivalent to the rank of Undersecretary.

The Director General, in consultation with the CSC, DTI, and DBM shall determine the organizational structures including regional or field offices, qualification standards, staffing pattern, and compensation, which shall be implemented within one (1) year upon the effectivity of this Act. The organizational structure must be in accordance with the civil service law, rules, and regulations.

- d) In absence of regional or field offices, the Authority may deputize the regional personnel of DTI to perform its powers and functions.

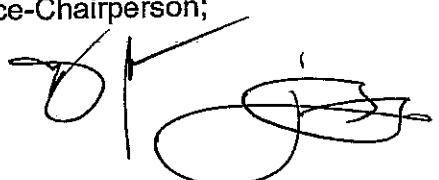
Section 6. Mandate of the Ease of Doing Business and Anti-Red Tape Advisory Council

The Council shall be the policy and advisory body of the Authority. The Council shall formulate policies and programs that will continuously enhance and improve the country's competitiveness and ease of doing business.

Section 7. Composition of the Council

The Ease of Doing Business and Anti-Red Tape Advisory Council shall be composed of the following:

1. Secretary of the DTI as Chairperson;
2. Director General of the Authority as Vice-Chairperson;
3. Secretary of the DICT;



4. Secretary of the DILG;
5. Secretary of the Department of Finance (DOF); and
6. Two (2) representatives from the private sector.

The department secretaries may designate their representatives, who shall sit in a permanent capacity, with no less than Undersecretary in rank, and their acts shall be considered the acts of their principals. The official designation signed by the department secretary concerned shall be submitted to the Authority within fifteen (15) days after the effectivity of the IRR.

The private sector representatives shall be appointed by the President of the Philippines for a term of three (3) years, and may be reappointed only once, from the nominees submitted by reputable business groups or associations.

The Authority shall serve as Secretariat to the Council to be headed by its Deputy Director General for Operations.

Section 8. Powers and Functions

The Council shall have the following powers and functions:

- a) Plan, draft, and propose a national policy on ease of doing business and anti-red tape;
- b) Recommend policies, processes, and systems to improve regulatory management and increase the productivity, efficiency, and effectiveness of permitting and licensing agencies;
- c) Design and identify systems that will continuously enhance and improve the delivery of services in government and ease of doing business in the country;
- d) Authorize the creation or appointment of specific working groups or taskforces in aid of the implementation of this Act;
- e) Propose legislation, amendments or modifications to Philippine laws related to anti-red tape and ease of doing business;
- f) Periodically review and assess the country's competitiveness performance, challenges, and issues;
- g) Provide technical assistance and advisory opinions in the review of proposed national or local legislation, regulations, or procedures;

- h) Recommend to the Authority the issuance of the appropriate measures to promote transparency and efficiency in business practices and delivery of services in government; and
- i) Perform such other functions as may be necessary or as may be directed by the President of the Philippines for the successful implementation of the objectives of the Act.

RULE XII REPORT CARD SURVEY

Section 1. Report Card Survey for Government Services

All offices and agencies providing government services shall be subjected to a Report Card Survey to be initiated by the Authority, in coordination with the Civil Service Commission (CSC), and the Philippine Statistics Authority (PSA), which shall be used to obtain feedback on the following:

- a) Compliance with the provisions in the Citizen's Charter, of the Act and its Rules; and
- b) Agency performance.

Section 2. Report Card Survey as a Tool

The Report Card Survey shall be a holistic tool that will measure effectiveness of the Citizen's Charter in reducing regulatory burdens and the impact of the human resource systems and programs in delivering efficient government service. It shall be used to obtain information and/or estimates of hidden costs incurred by applicants or requesting parties to access government services which may include, but is not limited to, bribes and payment to fixers.

Section 3. Monitoring and Evaluation Plan

The Report Card Survey shall be part of the Monitoring and Evaluation Plan of all agencies. Results of the survey shall also be incorporated in their annual reports.

Section 4. Report Card Survey Results

The result of the survey shall also become the basis for the grant of agency, local, national, and international awards, recognition and incentives for excellent delivery of services in all government agencies.

A handwritten signature in black ink, appearing to be "D. Geronimo".

RULE XIII
VIOLATIONS, JURISDICTION, PENALTIES, AND IMMUNITY

Section 1. Violations under the Act

The following shall constitute violations of the Act and these Rules and Regulations:

- a) Refusal to accept application or request with complete requirements being submitted by an applicant or requesting party without due cause;
- b) Imposition of additional requirements other than those listed in the Citizen's Charter;
- c) Imposition of additional costs not reflected in the Citizen's Charter;
- d) Failure to give the applicant or requesting party a written notice on the disapproval of an application or request;
- e) Failure to render government services within the prescribed processing time on any application and/or request without due cause;
- f) Failure to attend to applicants or requesting parties who are within the premises of the office or agency concerned prior to the end of official working hours and during lunch break;
- g) Failure or refusal to issue official receipts; and
- h) Fixing and/or collusion with fixers in consideration of economic and/or other gain or advantage.

Section 2. Penalty for the First Offense

Administrative liability with six (6) months suspension: Provided, however, that in the case of fixing and/or collusion with fixers under Section 21 (h), the penalty and liability under Section 22 (b) of the Act shall apply.

Section 3. Penalty for the Second Offense

Administrative liability and criminal liability of dismissal from the service, perpetual disqualification from holding public office and forfeiture of retirement benefits and imprisonment of one (1) year to six (6) years with a fine of not less than Five Hundred Thousand Pesos (P500,000.00) but not more than Two Million Pesos (P2,000,000.00).

Dismissal from service shall include accessory penalties such as, but not limited to, perpetual disqualification from holding public office and forfeiture of retirement benefits, except terminal leave benefits and personal contributions to retirement benefits systems such as the Government Service Insurance System (GSIS), Retirement and Benefits Administration Service (RBAS), or other equivalent retirement benefits system.

Criminal liability shall also be incurred through the commission of bribery, extortion, or when the violation was done deliberately and maliciously to solicit favor in cash or in kind. In such cases, the pertinent provisions of the Revised Penal Code and other special laws shall apply.

Section 4. Cumulative Nature of Offenses

The cumulative reckoning of offenses shall be based on the nature of the prohibited act or omission, such that:

- a) If the same prohibited act or omission is committed more than once, the first act or omission shall constitute the first offense, the second act or omission shall be deemed the second offense, and so forth; and
- b) If different prohibited acts and omissions are committed more than once, all such acts and omissions shall be considered first offense.

Section 5. Penalty for Fixing

In case of fixing and/or collusion with fixers under Section 21 (h) of the Act, the penalty provided for the Second Offense shall be imposed.

Section 6. Administrative Liability in Relation to Other Charges

The finding of administrative liability under the Act shall not be a bar to the filing of criminal, civil, or other related charges under existing laws arising from the same act or omission enumerated in Section 21 of the Act. Moreover, discharge from administrative liability shall not be a bar to civil or criminal prosecution, and the dismissal of the administrative complaint will not necessarily result in the dismissal of the civil or criminal complaint filed.

In such cases, the pertinent provisions of the Revised Penal Code and other pertinent laws, rules or regulations, shall apply.

Section 7. Immunity or Discharge of Co-Respondent/Accused to be a Witness

Any public official or employee or any person having been charged with another offense under the Act and who voluntarily gives information pertaining to an investigation or who willingly testifies therefore, shall be exempt from prosecution in

the case/s where his/her information and testimony are given. The discharge may be granted and directed by the investigating body or court upon the application or petition of any of the respondent/accused-informant and before the termination of the investigation when the following circumstances exist:

- (a) There is absolute necessity for the testimony of the respondent/accused-informant whose discharge is requested;
- (b) There is no other direct evidence available for the proper prosecution of the offense committed, except the testimony of said respondent/accused-informant;
- (c) The testimony of said respondent/accused-informant can be substantially corroborated in its material points;
- (d) The respondent/accused-informant has not been previously convicted of a crime involving moral turpitude; and
- (e) Said respondent/accused-informant does not appear to be the most guilty.

Evidence adduced in support of the discharge shall automatically form part of the records of the investigation. Should the investigating body or court deny the motion or request for discharge as a witness, his/her sworn statement shall be inadmissible as evidence.

RULE XIV COMMENCEMENT OF ACTIONS, EVALUATION, AND INVESTIGATION

Section 1. How Commenced

The Authority, *motu proprio*, or upon complaint received or obtained in any form, including electronic means, shall take cognizance of and initiate the investigation of cases.

Referral by other agencies shall, upon appropriate verification/investigation, be treated as Authority-initiated action.

The Authority shall record the complaint and docket the same and conduct an evaluation to determine whether the complaint falls within the scope of the Act and its Rules.

Section 2. Complaint

The complainant may file with the Authority either an Initial Complaint or a Formal Complaint.

A Formal Complaint is a written statement, subscribed, and sworn to by the complainant, and is substantiated by sufficient evidence. All other complaints are considered as initial complaints.

a) Initial Complaint

- i) The Complaint, as far as practicable, shall indicate in a concise manner the following:
 - (1) Full name, address, and contact details of the complainant,
 - (2) Details of the acts complained of,
 - (3) Person(s) charged,
 - (4) Name of agency of the person(s) charged, if applicable, and
 - (5) Evidence of such violation.
- ii) Complaints which do not disclose the identity of the complainant will be acted upon and treated as an anonymous complaint to be given due course by the Authority. Provided, the complaint provides the details required under Rule XIV, Section 2(a)(i)(2-5) of these Rules.
- iii) The Complainant may exhaust all means of verbal, written, and electronic communication available in filing the Initial Complaint to the Authority.

b) Formal Complaint

- i) The Complaint shall be in writing, subscribed, and sworn to by the complainant and shall set forth in a concise manner the following:
 - (1) Full name and address of the complainant,
 - (2) Full name(s) and address of the person complained of as well as his/her position and office,
 - (3) A narration of the relevant and material facts which shows the acts or omissions allegedly committed,
 - (4) Certified true copies of documentary evidence and affidavits of his/her witnesses, if any, and
 - (5) Certification or statement of non-forum shopping.

It must be signed by the party or his/her authorized representative, if any.

Section 3. Evaluation

If, upon evaluation, it is established that the Initial or Formal Complaint is valid such that it falls within the scope of the Act or its Rules, the Authority shall commence the investigation of the said complaint.

However, if the Initial or Formal Complaint does not fall within the scope of the Act or its rules, the Authority shall refer or endorse the said complaint to the relevant government agency or disciplining authority for appropriate action.

Section 4. Investigation

If, upon evaluation of the Initial Complaint, there is a finding by the Authority that there exists a probable violation of this Act or these Rules, the complainant or the Authority, in *motu proprio* or anonymous complaints cases, shall execute a Formal Complaint.

Upon execution or the submission of a valid Formal Complaint by the complainant, which shall be furnished to the person/s complained of, the Authority shall conduct an investigation.

Investigation by the Authority may be conducted in any of the following manner:
a) requiring the submission of counter affidavit or comment and/or other documents from the person complained of within seven (7) working days from receipt of the Formal Complaint; b) ex-parte evaluation of the records; or c) clarificatory meeting with the parties to discuss the merits of the case.

When the complaint is initiated by the Authority *motu proprio*, it or its authorized representative shall issue a show-cause order directing the person/s complained of to explain within the same period why no administrative or criminal case should be filed against said person/s. The failure to submit a comment/counter-affidavit/explanation shall be considered a waiver thereof and the investigation may be completed without the counter-affidavit/comment/explanation.

If a *prima facie* case is established after investigation, the Authority shall issue a Final Complaint, directing the filing of the appropriate case/s against the person/s complained of with the Office of the President (OP), CSC, the Ombudsman and other appropriate courts, as the case may be.

The filing of the appropriate case(s) may be done by the Authority, *motu proprio*, or it may assist the complainant in doing so. The Authority may recommend the filing of a formal charge, and that, the person(s) complained of be placed under preventive suspension.

The appropriate disciplining authority may deputize to the Authority the conduct of preliminary investigation and/or formal investigation of a case and may recommend the imposition of the appropriate penalty and/or preventive suspension, if warranted.

Section 5. Determination of Facts

The investigation includes, but is not limited to, examination of documents submitted by the complainant, witnesses, and the person complained of, gathering of documentary evidence including documents readily available from other government



offices and agencies, and interview of witnesses, for the purpose of determining the facts to build an administrative or criminal case.

Section 6. Guidelines for Investigation and Handling of Complaints

The Authority shall issue further guidelines in the investigation, including the procedure or process flow in handling complaints.

RULE XV TRANSITORY PROVISIONS

Section 1. Temporary Secretariat

The DTI-Competitiveness Bureau (DTI-CB) shall serve as temporary secretariat of the Authority and Council until such time that the organizational structure and personnel complement of the Authority have been determined and filled up.

Section 2. Organizational Structure and Personnel Complement of the Authority

~~The Director General of the Authority, in consultation with the CSC, DTI, and DBM,~~ shall determine the organizational structure and complement of the Authority.

The staff of the DTI-Competitiveness Bureau whether in a permanent, temporary, substitute, coterminous, contractual, or casual in employment status shall have the option to be absorbed or to be laterally transferred to the Authority without diminution of their rank, position, salaries, and other emoluments, subject to existing laws, regulations, and procedures.

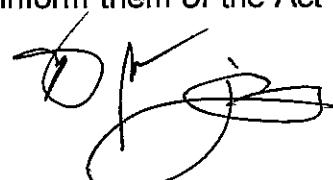
Section 3. Regulatory Management Programs and Anti-Red Tape Initiatives

All regulatory management programs and anti-red tape initiatives across government agencies shall be gathered by the Authority.

The DTI, Cooperative Development Authority (CDA), Department of Finance (DOF), Development Academy of the Philippines (DAP), and National Economic Development Authority (NEDA) shall submit to the Authority a report on the status of their respective projects related to regulatory management. Accordingly, the Authority shall coordinate with the above-mentioned agencies or offices on the regulatory management program and anti-red tape initiatives that shall be submitted.

Section 4. Information Dissemination Campaign

The Authority shall take the lead role in the conduct of an information dissemination campaign in all NGAs and LGUs nationwide to inform them of the Act and of these Rules and Regulations.



The CSC and the Council shall support and ensure advocacy, communication, and social mobilization programs to heighten awareness of the Act and these Rules, particularly on the adoption of simplified requirements and procedures that will reduce red tape and expedite business and non-business related transactions in government.

The Authority shall carry out the following functions in relation to information dissemination:

- a) Prepare and implement a comprehensive and strategic communication plan to educate and engage on a continual basis all interested parties and stakeholders;
- b) Designate an official spokesperson who shall handle press briefings or interviews; and
- c) Coordinate with media in the dissemination of information regarding the implementation of this Act and its IRRs.

The CSC shall provide support in education and engagement of officers and employees in the government for awareness of the Act and these Rules.

RULE XVI FINAL PROVISIONS

Section 1. Guidelines

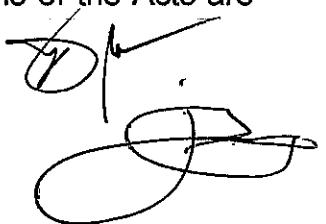
The Authority may issue such guidelines to further clarify and effectively implement these Rules and Regulations.

Section 2. Separability Clause

If any of the provisions of these Rules and Regulations shall be declared by a court of competent jurisdiction to be invalid, void, or unconstitutional, such provision shall be deemed deleted and shall not affect the validity of the rest of the provisions which shall remain in full force and effect.

Section 3. Repealing Clause

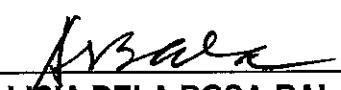
All provisions of laws, presidential decrees, letters of instruction, existing administrative orders, circulars, rules and regulations, and other presidential or executive issuances incompatible or inconsistent with the provisions of the Acts are hereby deemed amended or repealed accordingly.

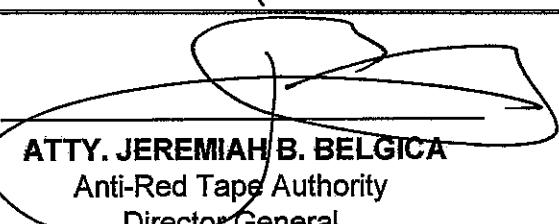
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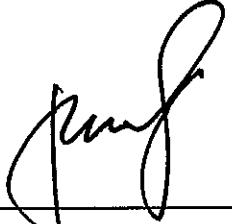
Section 4. Effectivity Clause

These Rules and Regulations shall take effect fifteen (15) days from publication either in the Official Gazette or in two (2) national newspapers of general circulation and from filing of three (3) certified copies in the University of the Philippines Law Center.

Done, in the City of Pasay, this 17th day of July in the year 2019


ALICIA DELA ROSA-BALA
Civil Service Commission
Chairperson


ATTY. JEREMIAH B. BELGICA
Anti-Red Tape Authority
Director General


RAMON M. LOPEZ
Department of Trade and Industry
Secretary