

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 4685



Introduced by Rep. Winston "Winnie" Castelo

EXPLANATORY NOTE

The proposed bill proceeds from the observation that little to none is undertaken by government to address the oft-repeated problem of too many rules and regulations as they apply to small, medium, and large businesses that made one observer think it is part of the costs of doing business in the Philippines. And this problem originates not just from the national level but more so at the local level of governmental affairs.

Thus, there should be more sensible regulatory requirements intended to reduce illnesses, accidents, protect the environment and maintain quality of life. And these can be achieved only if regulations are not onerous, not poorly designed, and not of the type that would cause harm not to mention overwhelming small businesses, reducing economic growth, eliminating jobs, killing innovation, and causing serious hardship.

In fact, in light of the upcoming Asean integration that should come about by 2015, it is high time to create the structure to be called the Office for Information and Regulatory Affairs that is designed to play a coordinating function thus ensuring that multiple actors, with their own areas of expertise or specialization could bring their knowledge to bear.

For example, in the case of small enterprises, the regulatory requirements imposed upon them should now be the subject of regulatory review. And yet, many studies found that these small and medium enterprises or entrepreneurship is the lifeblood of urban regeneration such that they should not be stymied by costs, regulations, and hardships in securing permits or licenses for the business.

The review technique envisioned in this proposed measure is simply finding the right balance and giving careful consideration to the track records of old rules and the likely consequences of any new requirements. It cannot be denied that there seems to be a constant flow of new regulatory requirements that have proved burdensome to the private sector.

This bill adopts a new persuasion and it is that in today's economy, the need for regulatory discipline, this time on the part of the regulator or from national and local

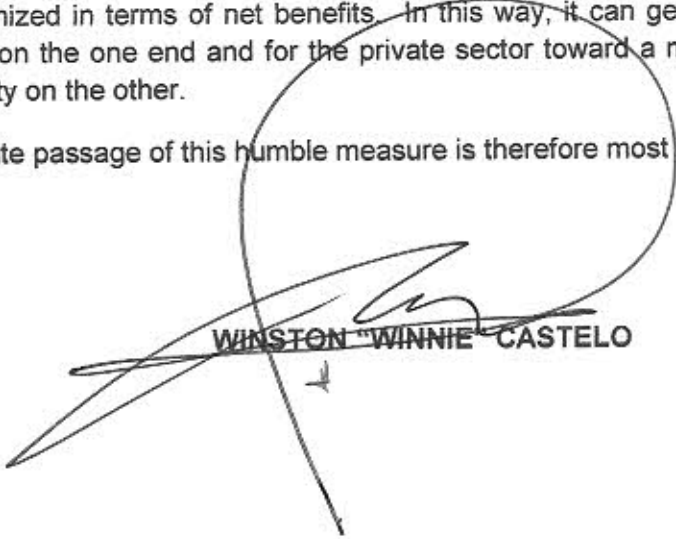
governments should now reflect that such governments are responsible and would not be the first to exact burdensome, unjustified, and harmful regulations otherwise inimical to the private sector across all types and sizes of business activity.

Purposively therefore, this bill seeks to find creative ways to institutionalize regulatory simplification and freeing the private sector without in any way jeopardizing public safety, health, or the environment.

For all intents and purposes, this bill seeks simply to be a mechanism of 'regulatory lookback' precisely to eliminate or streamline regulations based on the results of cost-benefit analysis. This must produce significant reform proposals and thereby saving millions or billions of pesos each year for government.

For example, if an agency, at either national or level embarks on imposing a new regulation at the cost of P100 million say for worker safety, it must make sure that in terms of benefits, the same will not cost much less, say only P50 million. In other words, government agencies must ensure that in making decisions, the actual consequences of the rules they proposed are maximized in terms of net benefits. In this way, it can generate savings on the part of government on the one end and for the private sector toward a more vibrant economic growth and prosperity on the other.

The immediate passage of this humble measure is therefore most earnestly sought.



WINSTON "WINNIE" CASTELO

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 4685

Introduced by Rep. Winston "Winnie" Castelo

AN ACT
CREATING THE OFFICE FOR INFORMATION AND REGULATORY AFFAIRS AS INTER-
AGENCY STRUCTURE TO UNDERTAKE REGULATORY REVIEW AND TAKE CHARGE OF
ALL REGULATORY AFFAIRS OF SMALL, MEDIUM, AND LARGE BUSINESS,
ENTERPRISE OR ACTIVITY AND FOR OTHER PURPOSES

Be it enacted in the Senate and the House of Representatives of the Republic of the Philippines in Congress assembled:

SECTION 1. This Act shall be known as the "Office for Information and Regulatory Affairs Act of 2014"

SEC. 2. There shall be created the Office for Information and Regulatory Affairs vested with its coordinating function to conduct close, periodic, and continuing regulatory review of the rules and regulations imposed by the national and local government agencies upon small, medium, and large business, enterprise, or activity.

The same shall be constituted as an inter-agency structure comprised of the Presidential Management Staff, the Department of Budget and Management and the National Economic and Development Authority in collaboration with the private sector.

SEC. 3. Under this Act, national and local agencies are separately and collectively enjoined to discipline the regulatory process and as such required detailed analysis of costs and benefits when issuing new regulations.

SEC. 4. This Act shall take effect immediately upon approval.

Approved,