



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 601



Introduced by Rep. Edwin C. Ongchuan

EXPLANATORY NOTE

Micro business enterprises (MBEs) play a crucial role in the Philippine economy. In 2023, the Philippine Statistics Authority recorded a total of 1,246,373 business enterprises operating in the country, 90.43% of which are MBEs. However, it is evident that MBEs continue to face considerable barriers to formally establishing their businesses, primarily due to insufficient access to capital, key resources, products, and support services.

In furtherance of the objectives set forth under Republic Act No. 10644 otherwise known as the "Go Negosyo Act" and Republic Act No. 9178 or the "*Barangay Micro Business Enterprises (BMBEs) Act of 2022*," this proposed measure seeks to establish Green Lanes for regulatory and compliance permit applications or renewals to be issued to qualified MBEs within offices of relevant government-owned and controlled corporations (GOCCs) and national government agencies, specifically designed to address the unique needs of MBEs and enhance ease of doing business.

Considering the vital role played by MBEs in driving national economic development, the passage of this bill is earnestly sought.

EDWIN C. ONGCHUAN
Representative
Second District, Northern Samar



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**AN ACT ESTABLISHING GREEN LANES FOR MICRO BUSINESS ENTERPRISES
TO STREAMLINE REGULATORY PERMITS AND COMPLIANCE REQUIREMENTS**

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

SECTION 1. Short Title – This Act shall be known as the “MBE Green Lane Act of 2025”

SECTION 2. Declaration of Policy - It is hereby declared the policy of the State to promote, support, strengthen, and encourage the growth and development of micro business enterprises (MBEs). Toward this end, the State shall establish Green Lanes in offices of key government agencies and government-owned and controlled corporations (GOCCs) to streamline and expedite MBE compliance with regulatory requirements, thereby reducing regulatory burdens for MBEs.

SECTION 3. Coverage - The following GOCCs and government agencies are directed to designate and implement Green Lanes specifically serving MBEs in all their offices nationwide:

- a. Social Security System (SSS);
- b. Philippine Health Insurance Corporation (PhilHealth);
- c. Home Development Mutual Fund (Pag-IBIG Fund);
- d. Bureau of Internal Revenue (BIR)
- e. Department of Trade and Industry (DTI)
- f. Department of Labor and Employment (DOLE)
- g. Securities and Exchange Commission (SEC)

The Green Lanes shall handle transactions including, but not limited to:

- a. Employer registration and enrollment;
- b. Employee reporting and remittance enrollment;
- c. Certification and clearance insurance;
- d. Taxpayer registration and updates;
- e. Other regulatory and compliance requirements.

SECTION 4. Definition of Terms - As used in this Act, the following terms shall mean:

- a. “Micro Business Enterprises” or “MBEs” – refer to any business entity or enterprise engaged in industry, agribusiness and/or services, whether single proprietorship, cooperative, partnership or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity’s office, plant and equipment are situated, shall not be more than Three Million Pesos (PhP 3,000,000.00).

For purposes of this Act, “services” shall exclude those rendered by any one who is duly licensed by the government after having passed a governmental licensure examination, in connection with the exercise of one’s profession.

The above definition shall be subject to review and adjustments by the Micro, Small and Medium Enterprises Development (MSMED) Council under Section 6 of Republic Act No. 9501 otherwise known as the “*Magna Carta for Micro, Small and Medium Enterprises*” or upon recommendation of sectoral organizations concerned, taking into account inflation and other economic indicators.

- b. “MBE Green Lanes” – refer to dedicated service channels, counters, or processes within the offices/branches of covered agencies for the streamlines, expedited, and prioritized processing of applications, registrations, permits, and other regulatory requirements of MBEs.
- c. “Certificate of Authority” – refers to the certificate issued by the Department of Trade and Industry, through the Negosyo Center in the city or municipal level, pursuant to Republic Act No. 10644 or the “Go Negosyo Act”, granting the authority to the registered MBE to operate and be entitled to the benefits and privileges accorded thereto.

SECTION 5. MBE Green Lanes - The covered GOCCs and government agencies, including their regional and provincial offices when applicable, shall designate MBE Green Lanes within their offices which shall expedite and streamline the processes and requirements for the registration and issuance of regulatory permits and licenses of MBEs. The MSME Green Lanes shall not be duplicative of the existing Negosyo Centers established pursuant to the Go Negosyo Act.

SECTION 6. Proof of Eligibility – Access to the MBE Green Lanes shall be granted upon presentation of a duly issued and valid Certificate of Authority from the Department of Trade and Industry, processed through the Negosyo Center.

SECTION 7. Registration and Issuance of Regulatory Permits and Licenses – The covered GOCCs and government agencies shall act on the registration or applications for the issuance of regulatory permits and licenses of MBEs within the prescribed processing time provided in the concerned agency’s Citizen Charter, which shall not be longer than three (3) working days in the case of a simple transaction, seven (7) working days in the case of complex transactions, and twenty (20) working days for highly technical transactions from the date the complete application was received. In all cases, denial of such application or registration shall be made in writing the same period prescribed.

SECTION 8. Endorsement to ARTA - After the lapse of the period provided in Section 7 of this Act, the covered GOCC or government agency shall issue the registration or requested permit or license, otherwise, the Department of Trade and Industry- Board of Investments shall endorse the case to the Anti-Red Tape Authority (ARTA).

Upon receipt of the endorsement, together with the presentation of the acknowledgement receipt of the payment of the necessary fees and other transaction costs, and upon due investigation and verification that the applicant MBE has indeed fully submitted all necessary documents and paid all the required fees, the ARTA shall issue a declaration of completeness and order the concerned office or agency to issue the appurtenant registration, approval, extension or renewal of the regulatory permit or license, which shall be deemed approved pursuant to Section 10 of Republic Act No. 9485, as amended.

SECTION 9. Agency Support – All concerned GOCCs and government agencies and other government instrumentalities, shall directly coordinate with each other to ensure the successful implementation of this Act.

SECTION 10. Appropriations – The funds necessary to support the operation of MBE Green Lanes shall be sourced from the existing budget of the concerned agencies or offices. The funding requirements for succeeding years shall be duly incorporated into their respective annual budgets, in accordance with the regular budgetary process.

SECTION 11. Sanctions – Failure to comply with the provisions of this Act shall be a ground for administrative or disciplinary sanctions as provided under existing laws and regulations, without prejudice to criminal, civil or other related liabilities under existing laws.

SECTION 12. Separability Clause - If any provision of this Act shall be held unconstitutional or invalid, the provisions not affected thereby shall remain in full force and effect.

SECTION 13. Repealing Clause – Existing laws, presidential decrees, executive orders, proclamations or administrative regulations that are inconsistent with the provisions of this Act are hereby amended, modified, superseded or repealed accordingly.

SECTION 14. Effectivity - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

