

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 2535



Introduced by Representative Jose Manuel F. Alba

AN ACT
ESTABLISHING GREEN LANES FOR STRATEGIC INVESTMENTS

EXPLANATORY NOTE

This bill seeks to institutionalize Executive Order No. 18 also known as "An Order Constituting Green Lanes for Strategic Investments."

This Executive Order was issued to promote the Philippines as a top investment destination, and to encourage investors to engage in strategic investments by ensuring that the country's regulatory environment is conducive to business operations. This is consistent with the Eight-Point Socioeconomic Agenda of the Administration, which aims to implement ease of doing business reforms and adopt measures that will expedite transactions with the government.

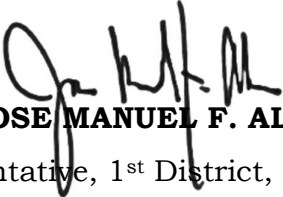
The Executive Order also cites Republic Act (RA) No. 9485, as amended by RA No. 11032, or the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018," which directs the State to

maintain and promote transparency in transactions involving the public. To reduce red tape and expedite transactions with the government, the Act calls for the adoption of unified and simplified requirements and procedures.

Therefore, this bill seeks to codify Executive Order No. 18 into law and establish the Green Lanes for Strategic Investments. The purpose of the law is to provide a simplified and streamlined regulatory environment that encourages strategic investments in the country, thereby boosting economic growth and creating job opportunities. The law also aims to promote transparency in transactions with the government and reduce bureaucratic red tape. The creation of the Green Lanes for Strategic Investments will contribute to the realization of the government's goals of promoting ease of doing business and attracting more foreign investments to the Philippines.

It is vital to note that this bill has been filed during the 19th Congress.

For the foregoing reasons, the immediate consideration and approval of this bill is earnestly sought.


JOSE MANUEL F. ALBA
Representative, 1st District, Bukidnon

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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 “Green Lanes for Strategic Investments Act.”

SECTION 2. Declaration of Policy. – It is the policy of the State to promote and facilitate investments in the country, particularly those that are aligned with the Philippine Development Plan or any similar national development plan and can be characterized by significant capital or investment to the country, consequential economic impact, positive impact on the environment, significant contribution to the country’s balance of payments, and improvement in the country’s infrastructure capabilities. To achieve this, it is necessary to establish a One-Stop Action Center for Strategic Investments to streamline and expedite the issuance of permits, licenses, certifications, or authorizations.

Section 3. Coverage. This Act covers all national government agencies (NGAs) and their regional and provincial offices, government-owned or -controlled corporations (GOCCs), and other government instrumentalities, as well as local government units (LGUs), involved in the issuance of permits, licenses, certifications or authorizations (collectively referred to herein as “permit/s and/or license/s”) covering Strategic Investments specified under Section 2 hereof.

Section 4. Strategic Investments. Strategic Investments are those which are aligned with the Philippine Development Plan or any similar national development plan; and can be characterized by the significant capital or investment to the country; consequential economic impact; positive impact on the environment; significant contribution to the country's balance of payments; with complex technical processes and engineering designs; and will bring about improvement in the country's infrastructure capabilities.

For purposes of this Act, Strategic Investments shall include, but shall not be limited to, the following:

- a. Highly Desirable Projects.** Investment Projects recommended by the Fiscal Incentives Review Board (FIRB) to the President for modification of incentives or the crafting of the appropriate financial support package based on defined development strategies for creating high-value jobs, building new industries to diversify economic activities, and attracting significant foreign and domestic capital or investment, and the fiscal requirements of the activity or project, as provided under Section 301 of the National Internal Revenue Code (NIRC) of 1997, as amended by RA No. 12066 or the or the “Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy (CREATE MORE) Act.”

b. Foreign Direct Investments. Foreign Direct Investments are those resulting from the implementation of the Foreign Investment Promotion and Marketing Plan, as endorsed by the Inter-Agency Investment Promotion Coordination Committee.

c. Projects or activities under the Strategic Investment Priority Plan (SIPP). Local or foreign investments on activities considered projects of national significance or highly desirable, and which falls under the priority sectors or industries included in the SIPP formulated by the Board of Investments, in consultation with the FIRB and the Investment Promotion Agencies and approved by the President in accordance with Section 300 of the NIRC of 1997, as amended by RA No. 12066. These projects cover registrations under the Department of Trade and Industry-Board of Investments (DTI-BOI) or other Investment Promotion Agencies.

Section 5. Single Point of Entry. Within six (6) months from the effectivity of this Act, the DTI-BOI shall establish a One-Stop-Action-Center for Strategic Investments (OSAC-SI), which shall serve as the single point of entry for all projects qualified as Strategic Investments.

The OSAC-SI shall address investor concerns starting with identifying and designating an investment as Strategic Investment under this Act and endorse the same to concerned NGAs, LGUs, and/or quasi-judicial bodies for processing of permits and licenses, and monitoring and reporting of actions taken thereon. The OSAC-SI shall include aftercare or post-investment assistance as part of its services.

Within three (3) months from the issuance of this Act, the DTI-BOI shall produce and regularly update, an investor manual or guidebook or its equivalent, containing the list of government requirements for the establishment of Strategic Investments per sector, as well as the concerned

NGAs, LGUs or quasi-judicial bodies issuing the relevant permits and licenses.

The DTI-BOI will be supported by additional manpower, including the designation of Account Officers for Strategic Investments, as well as the equipment necessary to operationalize the OSAC-SI, in coordination with the Department of Budget and Management.

Section 6. Green Lanes for Strategic Investments. The concerned NGAs, including their regional and provincial offices when applicable, LGUs, and quasi-judicial bodies shall establish or designate, whichever is applicable, a Green Lane within their offices in charge of expediting and streamlining the processes and requirements for the issuance of permits and licenses of Strategic Investments endorsed by the OSAC-SI. The said Green Lane shall be integrated and shall not be duplicative of the existing one-stop shops or one-stop action centers established under existing laws such as, the NIRC of 1997, as amended by RA No. 12066, RA No. 11234 or the “Energy Virtual One-Stop Shop Act” and RA No. 11032 or the “Ease of Doing Business and Efficient Government Service Delivery Act of 2018.”

For this purpose, the above agencies or offices shall designate an account officer for the Green Lane, who is responsible for coordinating with the OSAC-SI, relevant government offices or agencies in streamlining and simplifying business permitting and licensing processes, and recommending modifications or amendments to existing procedures that are outdated, redundant, and adds undue regulatory burden and cost to the transacting public, in coordination with the Anti-Red Tape Authority (ARTA).

Section 7. Action on the Application. NGAs and LGUs shall act on the applications for the issuance of a permit or license within the prescribed processing time provided in the concerned agency or LGU's Citizen's Charter (original period), which shall not be longer than three (3) working days in the case of simple transactions, 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. The said prescribed maximum processing period may be extended only once for the same number of days, provided the same is indicated in the Citizen's Charter (extension period), pursuant to Rule VII, Section 3(b) of the Implementing Rules and Regulations of RA No. 11032. In all cases, denial of such application shall be made in writing within the same period prescribed.

Consistent with Section 10 of RA No. 9485, as amended, the complete application for the issuance of a permit or license shall be deemed approved in case of failure of the NGA or LGU to act, whether to approve or disapprove, on said application. An application shall be considered "complete" when all the documentary requirements indicated in the respective Citizen's Charters are submitted and the required fees and charges are duly paid. Imposition of additional requirements other than those listed in the Citizen's Charter and imposition of additional costs not reflected in the Citizen's Charter shall be punished in accordance with Sections 21 and 22 of RA No. 9485, as amended. However, with respect to applications for registration and tax incentives under the NIRC of 1997, as amended by RA No. 12066, the same shall not be deemed approved in case of failure of the NGA or LGU to act on said applications.

Section 8. Issuance of Permits and Licenses. After the lapse of the original or extension period under Section 7 of this Act, the NGA or LGU shall issue the requested permit or license, otherwise, the DTI-BOI shall endorse the case to the ARTA. Upon receipt of the endorsement, together with the presentation of the acknowledgment receipt and/or official receipt of the payment of the necessary license or permit fees, and other transaction costs, and upon due investigation and verification that the applicant 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 approval, extension, and/or renewal of the license, clearance, permit, certification, or

authorization which is deemed approved pursuant to Section 10 of RA No. 9485, as amended.

The above mechanism shall likewise apply to issuance of a license or permit by quasi-judicial bodies consistent with Rule VIII Section 1(b) of the Implementing Rules and Regulations of RA No. 9485, as amended.

Section 9. Simultaneous Processing of Applications. NGAs and LGUs that receive applications for permits and licenses shall process the same with the presumption that the relevant documents from other agencies have already been issued consistent with Rule VII Section 3(c) of the Implementing Rules and Regulations of RA No. 9485, as amended. The applicant shall execute an affidavit of undertaking, using the template prescribed by the DTI-BOI, that it has secured the relevant documents from specific NGAs or LGUs and/or that it shall submit the complete documentary requirements within thirty (30) working days. For this purpose, the concerned NGAs and/or LGUs may coordinate with other relevant offices or agencies to check or verify the status of applications for related permits or licenses to avoid delay in their own evaluation of applications pending with them. The NGA or LGU concerned shall then issue the corresponding permits or licenses, with an annotation that it shall be subject to the completion of requirements covered by the undertaking.

Section 10. Monitoring. Each concerned NGA, LGU and/or quasi-judicial body shall submit to the DTI-BOI monthly updates regarding the status of applications received and acted upon involving Strategic Investments covered under this Act.

Section 11. Electronic Submission. The NGA or LGU concerned shall enable the electronic submission of application for, and issuance of, license, clearance, permit, certification or authorization, including payment and issuance of receipts, whenever applicable.

All remaining cities and municipalities that have yet to comply with Section 11(c) of RA No. 9485, as amended, shall facilitate the computerization of their respective business permit and licensing systems. To this end, the Department of Information and Communications Technology (DICT) shall make available to LGUs the software for the computerization of the business permit and licensing system. The DICT, DTI, and Department of the Interior and Local Government (DILG), shall provide technical assistance in the planning and implementation of a computerized or software-enabled business permitting and licensing system of LGUs.

Section 12. Technical Working Group. A Technical Working Group (TWG) is hereby created as an oversight body that shall ensure the implementation of this Act. The TWG shall be headed by the DTI-BOI with the representatives from the following agencies as members: (i) DTI; (ii) DILG; (iii) Department of Finance (DOF); (iv) National Economic and Development Authority (NEDA); and (v) ARTA.

The TWG shall act on complaints and take appropriate actions, consistent with their respective mandates, against third-party business consultants engaged by foreign and local investors who act in violation of RA No. 9485, as amended, or prejudice the interest of the project proponents and/or the government.

The DTI OSAC-SI Account Officers and the action officers of NGAs, LGUs, GOCCs and other government instrumentalities, shall directly coordinate with each other to ensure the successful implementation of this Act.

Section 13. Agency Support. All concerned NGAs, GOCCs and instrumentalities, and LGUs, are hereby directed to provide the necessary assistance and support for the successful implementation of this Act.

Section 14. Reporting. The DTI-BOI shall submit regular reports on the implementation of this Act to both Houses of Congress.

Section 15. Funding. The funds necessary to support the operation of the Green Lanes shall be sourced from the existing budget of the concerned agencies or offices. The funding requirements of succeeding years shall be included in their respective budgets, subject to the regular budget process.

Section 16. Sanctions. Failure to comply with the provisions of this Act shall be a ground for administrative or disciplinary sanctions against any erring public official or employee, as provided under existing laws and regulations, without prejudice to criminal, civil or other related liabilities under existing laws.

Section 17. Separability. If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

Section 18. Repealing clause. All orders, issuances, rules and regulations or parts thereof that are contrary to, or inconsistent with, the provisions of this Act are hereby repealed, modified or amended accordingly. This Act is consistent with and shall not supplant the other streamlining initiatives of the government covered by previously issued executive orders.

Section 19. Effectivity. Notwithstanding the non-issuance of the IRR, this Act shall take effect fifteen (15) days after publication in the Official Gazette or in a newspaper of general circulation.

Approved,