



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



Twentieth Congress
First Regular Session

HOUSE BILL NO. 9619

Introduced by Representative Lorenz R. Defensor

EXPLANATORY NOTE

This bill seeks to reorganize the Anti-Red Tape Authority (ARTA) into the Department of Anti-Red Tape, revising for the purpose Republic Act (RA) No. 9485, otherwise known as the “*Anti-Red Tape Act of 2007*,” as amended, and appropriate funds therefor.

Section 1, Article XI of the 1987 Constitution declares in part that “*Public office is a public trust and that public officers must at all times be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency.*” Section 27, Article II further mandates the “*State to maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption.*” These are not mere aspirations. These are duties owed to every Filipino who transacts with government.

Unfortunately, for many of our citizens, dealing with government still means long lines, unclear requirements, repeated submissions, and unnecessary delays. A simple permit can take weeks. A small entrepreneur may need to go from office to office just to comply with overlapping rules. For ordinary Filipinos, this is more than inconvenience, it represents lost time, income, and opportunity.

RA 9485, or the “*Anti-Red Tape Act of 2007*,” as amended by RA 11032,

or the “*Ease of Doing Business and Efficient Government Service Delivery Act of 2018*,” are landmark laws intended to address these problems and curb bureaucratic inefficiencies. These measures introduced the Citizen’s Charter, set clear processing times, and imposed penalties against fixing and other prohibited acts. These laws have led to important reforms in government service delivery. However, despite these efforts, red tape remains deeply embedded in many agencies of government.

The economic cost of inefficiency is significant. Studies and estimates from business groups and international institutions show that bureaucratic delays and regulatory burdens cost the Philippine economy billions of pesos annually in lost productivity and missed investments. Even a conservative estimate suggests that delays in permits and approvals alone can cost businesses tens of thousands of pesos per transaction, especially for micro, small, and medium enterprises or MSMEs. At the macro level, inefficient government processes reduce investor confidence, discourage both local and foreign investments, and weaken our competitiveness compared to our regional neighbors.

Red tape also creates space for corruption. When processes are slow and unclear, the temptation to “*fix*” transactions increases. This undermines trust in government and unfairly harms those who cannot afford to pay for shortcuts.

On the other hand, efficient government service delivery creates real and immediate benefits. Faster processing times mean lower costs for businesses and more time for citizens to focus on other productive activities. Transparent and predictable rules encourage investments which leads to job creation and economic growth. Further, streamlined systems reduce opportunities for corruption and strengthen public trust. Simply put, when government works well, the entire nation benefits.

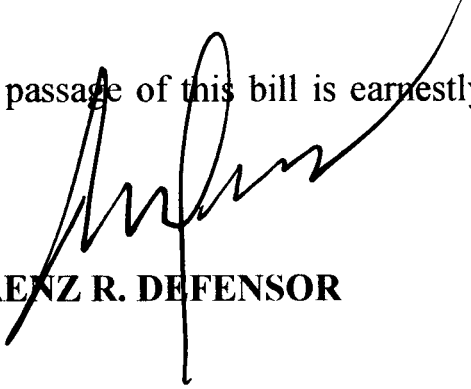
By institutionalizing a stronger regulatory management system, enhancing enforcement mechanisms, and expanding capacity-building efforts, this measure aims to ensure that government services are delivered in a manner that is efficient, transparent, and responsive to the needs of the public.

This is not merely an administrative reform. It is a commitment to every Filipino who deserves a government that respects their time, values their effort,

and serves them with dignity.

The fight against red tape is far from over. But with stronger institutions and sustained political will, we can build a government that truly works for every *“Juan de la Cruz.”*

In view of the foregoing, the immediate passage of this bill is earnestly sought.



LORENZ R. DEFENSOR

responsibility among its public officials and employees, and shall take appropriate measures to promote transparency in each agency with regard to the manner of transacting with the public, which shall encompass a program for the adoption of simplified requirements and procedures and enhanced accountability practices that will reduce red tape and expedite business and nonbusiness related transactions in government.

SEC. 3. ***Definition of Terms.*** – As used in this Act:

(a) *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;

(b) *Business one- stop shop (BOSS)* refers to a single common site or location, or a single online website or portal designated for the business permit and licensing system of a local government unit (LGU) to receive and process applications, receive payments, and issue approved licenses, clearances, permits, or authorizations;

(c) *Business-related transactions* refer to the regulatory requirements a business must fulfill to legally start, operate, or continue operating. These include preparing and submitting documents to government authorities, securing approvals, and obtaining certificates, permits, licenses, clearances, or similar authorizations that confer eligibility to operate.

(d) *Collocation* refers to a single common site or location which accepts and processes applications for business permit, issues tax bill, receives payment

and releases permit, clearance and other related documents or where the applicant can print the same;

(e) *Complex transaction* refers to 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;

(f) *Covered government agency* refers to government offices and agencies including LGUs, government-owned or -controlled corporations and other government instrumentalities covered by Section 4 of this Act.

(g) *Electronic business one- stop shop (eBOSS)* refers to an online portal, or a website with the functionalities and specifications that enable a one-step, end-to-end online business registration process;

(h) *Frontline government service* refers to 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;

(i) *Highly technical application* refers to an application which requires the use of technical knowledge, specialized skills and training in the processing or evaluation thereof;

1 (n) *Regulatory Management System (RMS)* refers to a set of policies,
2 institutions, processes, and tools that governments use to develop, implement, and
3 enforce regulations such as framework institutional arrangements, a regulatory
4 policy cycle, and enforcement and compliance strategies;

5 (o) *Simple transaction* refers to an application or request submitted by
6 applicants or requesting parties of a government office or agency which only
7 require ministerial actions on the part of the public officer or employee, or that
8 which present only inconsequential issues for the resolution by an officer or
9 employee of said government; and

10 (p) *Streamlining* refers to tactical simplification of a government process
11 within an agency such as reducing signatories, cutting steps and simplifying
12 forms or any act of similar nature, while maintaining compliance with existing
13 laws, regulations, and service standards, and consistent with the mandate of this
14 Act.

15 SEC. 4. **Coverage.** – This Act shall apply to all government offices and
16 agencies including LGUs, government-owned or -controlled corporations and
17 other government instrumentalities, exercising quasi-judicial power, whether
18 located in the Philippines or abroad, that provide government services.

19 **ARTICLE II**
20 **DEPARTMENT OF ANTI-RED TAPE**
21

22 SEC. 5. **Department of Anti-Red Tape.** – The Anti-Red Tape Authority
23 (ARTA) created under Section 17 of Republic Act (RA) No. 9485, or the “*Anti-*

1 *Red Tape Act of 2007,*” as amended by RA 11032, or the “*Ease of Doing Business*
2 *and Efficient Government Service Delivery Act of 2018,*” is hereby reorganized
3 and converted into a Department of Anti-Red Tape, hereinafter referred to as the
4 “*Department,*” as the government’s primary agency for streamlining and
5 reengineering government services to ease the doing of business in the country.

6 SEC. 6. ***Mandate.*** – The Department shall be the primary policy, planning,
7 coordinating, implementing, and administrative entity of the government that will
8 plan, develop, and promote the national policy against red tape and ease of doing
9 business in the country.

10 SEC. 7. ***Powers and Functions.*** – The Department shall exercise the
11 following powers and functions:

12 (a) Implement and oversee a national policy on anti-red tape and ease of
13 doing business, consistent with the policy of promoting efficient, transparent, and
14 accountable government service;

15 (b) Monitor and evaluate the compliance of covered government
16 agencies, and issue notices of warning or appropriate directives to erring or non-
17 complying government officers or employees;

18 (c) Initiate and implement reforms, including reengineering and
19 streamlining, to improve the delivery of government service and reduce red tape;

20 (d) Develop, establish, and enforce an RMS of national application,
21 including a roadmap for its implementation and monitoring.

22 (e) Review proposed regulations and changes to existing regulations of

covered government agencies using Regulatory Impact Assessment (RIA), to ensure that such regulations do not impose undue regulatory burden;

(f) Issue orders directing the withholding, suspension, or non-implementation of regulations found to be non-compliant with prescribed RIA requirements;

(g) Recommend policies, processes, systems, and legislative measures to improve regulatory management and enhance efficiency, productivity, and responsiveness in business-related transactions and government service;

(h) Prepare regulatory management manuals, guidelines, and tools, and ensure the dissemination of and public access to information on regulations and the RMS;

(i) Design and implement programs, including research, education, and information initiatives, to strengthen anti-red tape policies and institutional capacity;

(j) Provide technical assistance, advisory opinions, and training programs to covered government agencies and LGUs on regulatory management, reengineering, and streamlining;

(k) Establish and maintain coordination, cooperation, and linkages with international organizations and other entities on ease of doing business and government efficiency;

(l) Enter into contracts, public-private partnerships, and agreements, and receive grants, donations, and other forms of assistance, subject to existing laws

1 and regulations;

2 (m) Conduct investigations, *motu proprio* or upon complaint, on
3 violations of this Act, including acts of fixing, and refer such complaints to the
4 proper authorities;

5 (n) Issue subpoenas and cite persons in contempt in relation to its
6 investigatory functions under this Act;

7 (o) Create and maintain an enforcement unit and coordinate with law
8 enforcement agencies and LGUs for the investigation and prosecution of
9 violations, including fixing;

10 (p) Prepare for the filing of appropriate criminal, civil, or administrative
11 cases, and assist complainants in pursuing such cases before the proper
12 authorities;

13 (q) Determine, fix, and collect reasonable fees and charges, and impose
14 administrative fines and penalties for violations of this Act, in accordance with
15 existing laws;

16 (r) Promulgate rules and regulations governing the implementation of
17 this Act, including procedures for investigation of violations of this Act; and

18 (s) Perform such other acts as may be necessary to attain the objectives
19 of this Act.

20 SEC. 8. **Composition.** – The Department shall be composed of the Office
21 of the Secretary, the offices of the undersecretaries and assistant secretaries,
22 technical and sectoral staff, operations support staff, and regional offices.

1 SEC.9. **Secretary.** – The Department shall be headed by a Secretary who
2 shall be appointed by the President of the Philippines, subject to the confirmation
3 by the Commission on Appointments. The Secretary shall possess the following
4 minimum qualifications:

5 (a) Must be a citizen and resident of the Philippines;

6 (b) Of good moral character;

7 (c) Of recognized probity, competence, and independence;

8 (d) Professionally distinguished in public, civic, or academic service,
9 preferably holding a doctorate in business management, public policy or
10 administration, or a law degree;

11 (e) Has actively practiced their profession for at least ten (10) years; and

12 (f) Is not disqualified under the prohibition on appointing defeated
13 candidates within one (1) year after an election.

14 SEC. 10. **Powers and Functions.** – The Secretary shall have the following
15 powers and functions:

16 (a) Advise and provide regular reports to the President and the Members
17 of the Cabinet on matters of national and subnational bureaucratic efficiency
18 relating to anti-red tape and ease of doing business;

19 (b) Provide executive direction and supervision over the entire operations
20 of the Department;

21 (c) Establish policies and standards for the effective and efficient
22 operation of the Department, in accordance with the programs of the government

1 and in conformity with applicable laws, rules and regulations;

2 (d) Appoint all rank-and-file employees of the Department, in accordance
3 with the civil service laws, rules and regulations;

4 (e) Exercise disciplinary powers over employees of the Department in
5 accordance with law, including their investigation and the designation of a
6 committee or officer to conduct such investigation;

7 (f) Serve as the principal representative of the Department and, in such
8 capacity and in accordance with the instructions of the President, the Secretary
9 shall be empowered to represent the Department, either personally or through
10 counsel, including private counsel, as may be authorized by the Office of the
11 Solicitor General, in any legal proceedings, action or specialized legal studies,
12 and may delegate such power to represent the Department to other officials and
13 staff as necessary; and

14 (g) Formulate such rules and regulations and exercise such other powers
15 as may be required to implement the objectives of this Act.

16 SEC. 11. *Undersecretaries and Assistant Secretaries.* – The Secretary
17 shall be assisted by at least four (4) undersecretaries, one (1) each for Legal,
18 Operations, Administration and Finance, and Regional Operations; and to be
19 assisted by at least fourteen (14) assistant secretaries, who are career officials as
20 defined by existing laws, rules and regulations. The undersecretaries and
21 assistant secretaries shall be appointed by the President of the Philippines upon
22 recommendation of the Secretary.

SEC. 12. ***Mandatory Offices.*** – The Department shall have the following offices:

(a) Office of Legal Affairs – The undersecretary for the Legal Affairs, with the assistance of three (3) assistant secretaries for Internal Legal Service, Investigation and Enforcement Service, and Prosecution Service, shall oversee the implementation of the following functions:

(1) Handling internal legal matters of the Department, including drafting and reviewing legal documents, consultancy contracts, and recommend to the secretary the imposition of fines and penalties on erring officials and employees of the Department;

(2) Conduct investigations, *motu proprio* or upon complaint, on violations of this Act, including acts of fixing, and refer such complaints to the proper authorities;

(3) Issue subpoenas and cite persons in contempt in relation to its investigatory functions under this Act;

(4) Create and maintain an enforcement unit and coordinate with law enforcement agencies and LGUs for the investigation and prosecution of violations, including fixing; and

(5) Prepare for the filing of appropriate criminal, civil, or administrative cases, and assist complainants in pursuing such cases before the proper authorities.

(b) Office for Policy Development and Operations – The undersecretary

1 for Policy Development and Operations, with the assistance of three (3) assistant
2 secretaries for Ease of Doing Business Training Service, Strategic
3 Competitiveness Service, and Regional Operations Service, shall oversee the
4 implementation of the following functions:

5 (1) Develop and deliver regular and targeted training programs for
6 covered government agencies on regulatory management, reengineering,
7 streamlining, innovation, and compliance with this Act. It shall address
8 gaps in awareness, implementation, and institutional capacity by equipping
9 government personnel with appropriate knowledge, tools, and frameworks,
10 and shall document and disseminate best practices on regulatory reform in
11 coordination with academic institutions, international organizations, and
12 other stakeholders;

13 (2) Track and analyze the performance of the Philippines in global
14 competitiveness indices and lead reform initiatives to improve such
15 performance;

16 (3) Promote evidence-based policymaking and align national
17 strategies with international benchmarks on ease of doing business,
18 regulatory quality, and bureaucratic efficiency, and shall develop and
19 implement programs, including process management initiatives, to assist
20 covered government agencies in identifying and resolving procedural
21 bottlenecks, reducing regulatory burden, advancing digital transformation,
22 and promoting citizen- and business-friendly government service; and

1 (4) Establish regional offices in each administrative regions in the
2 country in coordination with the DBM and the Civil Service Commission
3 (CSC).

4 (c) Office for Financial Affairs – The undersecretary for Financial
5 Affairs, with the assistance of three (3) assistant secretaries for Accounting
6 Service, Budget Service, and Cashiering Service, shall oversee the
7 implementation of the following functions:

8 (1) Maintaining the books of accounts and recording of all the
9 income and expenditures of the Department;

10 (2) Preparation of the budget of the Department;

11 (3) Processing of salaries, allowances, benefits, and other expenses
12 concerning personnel services;

13 (4) Paying miscellaneous, operating, and capital outlay expenses;
14 and

15 (5) Preparing financial statements and ensuring compliance with the
16 requirements of the Commission on Audit (COA), Bureau of Internal
17 Revenue (BIR), Government Service Insurance System (GSIS), Philippine
18 Health Insurance Corporation (PhilHealth), Pag-IBIG and other
19 government regulatory agencies.

20 (d) Office for General Services and Administration – The undersecretary
21 for General Services and Administration, with the assistance of five (5) assistant
22 secretaries for Human Resources Management Service, Supply and Property

1 Management Service, Engineering and Physical Facilities Service, and Medical
2 and Dental Service, shall oversee the implementation of the following functions:

3 (1) Managing the Department's human resources requirements,
4 including recruitment, selection, placement, personnel development,
5 welfare programs, grievance and disciplinary systems, and rewards and
6 recognition;

7 (2) Recording of inventories and procurement of supplies,
8 properties, equipment and other tools necessary for the daily operations of
9 the Department;

10 (3) Overseeing repairs and maintenance of buildings, plants and
11 equipment and other physical facilities or properties of the Department;
12 and

13 (4) Providing medical and dental services to officials and employees
14 of the Department.

15 SEC. 13. ***Organizational Structure and Staffing.*** – The Secretary of the
16 Department shall determine its organizational structure and staffing pattern in
17 accordance with the revised compensation and position classification system.
18 Such determination shall be subject to the evaluation and approval by the DBM,
19 and must comply with civil service laws, rules, regulations, and other relevant
20 laws. Until the new organizational structure and staffing pattern are submitted to
21 and approved by the DBM, the Department shall retain the existing organizational
22 structure of the ARTA.

1 SEC. 14. ***Regional Offices*** – The Department shall establish regional
2 offices in every administrative region in the country. These offices shall be
3 created in coordination with the DBM and the Civil Service Commission (CSC).

4 The regional office shall be headed by an official with a rank of Director
5 III, to be appointed by the President of the Philippines. The Director III shall be
6 assisted by a Director II, classified as second-level executive managerial officer
7 who shall be appointed by the Secretary.

8 SEC. 15. ***Reengineering of Systems and Procedures***. – All covered
9 government agencies shall regularly undertake compliance cost analysis, time
10 and motion studies, and the evaluation and improvement of their transaction
11 systems and procedures, and shall reengineer the same, when necessary, to reduce
12 red tape and processing time.

13 The Department shall coordinate with covered government agencies in the
14 review of existing laws, executive issuances, and local ordinances, and
15 recommend the amendment or repeal of those that are outdated, redundant, or
16 impose undue regulatory burden on the transacting public. It shall likewise
17 provide training programs and technical assistance on reengineering and
18 streamlining to capacitate such agencies.

19 All proposed regulations and changes to existing regulations of covered
20 government agencies shall undergo Regulatory Impact Assessment in accordance
21 with the RMS to be developed by the Department, to ensure that such regulations
22 do not impose undue regulatory burden or cost on the agencies and the applicants

or requesting parties: *Provided*, That when necessary, a proposed regulation may undergo pilot implementation to assess regulatory impact.

Upon the effectivity of this Act, all covered government agencies shall immediately commence the review of their existing policies and operations and undertake reengineering of their systems and procedures in accordance with this Act, pending the issuance of its implementing rules and regulations.

ARTICLE III ANTI-RED TAPE INITIATIVES

SEC. 16. *Citizen's Charter*. – All covered government agencies shall set up a Citizen's Charter, ensuring that it is regularly updated to reflect any changes in services, requirements, or procedures. All government services rendered which require an application or request to be availed shall be included in the Citizen's Charter and shall be made publicly accessible through the following formats:

(a) Information Billboards – prominently posted at the main entrance of offices or at the most conspicuous place;

(b) Citizen's Charter Handbook – to be submitted to the Department and published on the agency's official website; and

(c) Language and Accessibility – the Citizen's Charter shall be written in English, Filipino, or the local dialect, and must provide clear and detailed information on the following:

(1) Comprehensive and uniform checklist of requirements for each

1 type of application or request;

2 (2) Procedure to obtain a particular service;

3 (3) Person responsible for each step;

4 (4) Processing time for each step;

5 (5) Amount of fees, if necessary; and

6 (6) Procedure for filing complaints.

7 To promote transparency and efficiency, the Department shall form a
8 centralized database of government services and procedures by recording and
9 consolidating the Citizen's Charters of all covered government agencies.

10 **SEC. 17. *Client Satisfaction Measurement and Report Card Survey.* –**

11 All covered government agencies shall implement a client satisfaction
12 measurement covering all services declared in their respective Citizen's Charter
13 to assess the satisfaction and perception of clients on the government service they
14 availed.

15 All offices and agencies providing government service shall likewise be
16 subject to a Report Card Survey (RCS) to be conducted by the Department, in
17 coordination with the Philippine Statistics Authority (PSA) and the CSC, to
18 evaluate compliance with this Act and overall agency performance.

19 The RCS shall serve as a holistic tool to measure the effectiveness of the
20 Citizen's Charter in reducing regulatory burden and the impact of human resource
21 systems and programs in delivering efficient government service. The results
22 thereof shall be used as basis for the grant of rewards, incentives, recognition, or

1 awards for excellent delivery of services in government agencies.

2 SEC. 18. ***Zero-Contact Policy.*** – All covered government agencies shall
3 adopt a zero-contact policy except during the preliminary assessment of the
4 request and evaluation of sufficiency of submitted requirements or unless strictly
5 necessary for any applicant or requesting party concerning an application or
6 request of a government service.

7 In the implementation of the Zero-Contact Policy, electronic submission of
8 applications, requests or payments shall be preferred, where available. The
9 government official or employee shall communicate with the applicant through
10 electronic mail, any other electronic means of communication or the websites of
11 the government agencies concerned, whenever practicable.

12 SEC. 19. ***Transition from Manual to Software-Enabled Business-***
13 ***Related Transactions.*** – The Department of Information and Communications
14 Technology (DICT) shall continue to automate business-related transactions by
15 developing the necessary software and technology-neutral platforms and secure
16 infrastructure that is web-based and accessible to the public. The DICT shall
17 ensure that all municipalities and provinces classified as third (3rd), fourth (4th),
18 fifth (5th) and sixth (6th) class are provided with appropriate equipment and
19 connectivity, information and communications technology platform, training and
20 capability-building to ensure the compliance of LGUs with this Act.

21 SEC. 20. ***Accountability of Heads of Offices and Agencies.*** – The head
22 of a covered government agency shall be primarily responsible for the proper

1 implementation of this Act. All transactions and processes are deemed to have
2 been made with the permission or clearance from the highest authority having
3 jurisdiction over the covered government agency concerned.

4 SEC. 21. *Accessing Government Services.* – The following shall be
5 adopted by all covered government agencies:

6 (a) *Acceptance of Applications or Requests.* –

7 (1) All officers or employees shall accept written applications,
8 requests, or documents being submitted by applicants or requesting parties
9 of the offices or agencies;

10 (2) The receiving officer or employee shall perform a preliminary
11 assessment of the application or request submitted with its supporting
12 documents to ensure a more expeditious action on the application or
13 request. The receiving officer or employee shall immediately inform the
14 applicant or requesting party of any deficiency in the accompanying
15 requirements, which shall be limited to those enumerated in the Citizen's
16 Charter;

17 (3) The receiving officer or employee shall assign a unique
18 identification number to an application or request, which shall be the
19 identifying number for all subsequent transactions between the government
20 and the applicant or requesting party regarding such specific application or
21 request; and

22 (4) The receiving officer or employee shall issue an

1 acknowledgement receipt containing the seal of the agency, the name, unit
2 and designation of the responsible officer or employee, and the date and
3 time of receipt of such application or request.

4 (b) *Action of Offices.* –

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

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

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

20 The maximum time prescribed above may be extended only once
21 for the same number of days, which shall be indicated in the Citizen's
22 Charter, unless otherwise specified in this Act. Prior to the lapse of the

1 processing time, the office or agency concerned shall notify the applicant
2 or requesting party in writing of the reason for the extension and final date
3 of release of the government services requested. Such written notification
4 shall be signed by the applicant or requesting party to serve as proof of
5 notice.

6 If the application or request for license, clearance, permit,
7 certification, authorization or other documents of similar nature shall
8 require the approval of the local *Sangguniang Bayan*, *Sangguniang*
9 *Panlungsod*, or the *Sangguniang Panlalawigan*, as the case may be, the
10 *Sanggunian* concerned shall be given a period of forty-five (45) working
11 days to act on the application or request, which can be extended for another
12 twenty (20) working days. If the local *Sanggunian* concerned has denied
13 the application or request, the reason for the denial, as well as the remedial
14 measures that may be taken by the applicant shall be cited by the concerned
15 *Sanggunian*.

16 In cases where the cause of delay is due to *force majeure* or
17 natural or man-made disasters, which resulted to damage or destruction of
18 documents, or system failure of the computerized or automatic processing,
19 the prescribed processing times mandated in this Act shall be suspended
20 and reasonable adjustments shall be made.

21 (2) No application or request shall be returned to the applicant or
22 requesting party without appropriate action. In case an application or

1 request is disapproved, the officer or employee who rendered the decision
2 shall send a formal notice to the applicant or requesting party within the
3 prescribed processing time, stating therein the reason for the disapproval.

4 A finding by a competent authority of a violation of any or other laws by
5 the applicant or requesting party shall constitute a valid ground for the
6 disapproval of the application or request.

7 (3) In case of highly technical applications that involve activities
8 such as research, field trials, scientific methodology, or inter-government
9 actions, the government agency or office may apply the Multi-stage
10 System: *Provided*, That the total processing time for all concerned agencies
11 or offices shall not exceed forty (40) working days.

12 Each stage in the Multi-stage System shall have its own
13 processing time. The processing time commences on the date and time that
14 the applicant or requesting party has satisfactorily completed the previous
15 stages and all the requirements for the stage being applied for, and has paid
16 the applicable fees, if any.

17 (c) *Denial of Application or Request for Access to Government Service.*

18 – Any denial of application or request for access to government service shall be
19 fully explained in writing, stating the name of the person making the denial and
20 the grounds upon which such denial is based. Any denial of application or request
21 is deemed to have been made with the permission or clearance from the highest
22 authority having direct supervision and control over the government office or

agency concerned;

(d) *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 and controlling the office or agency concerned: *Provided*, That in case the authorized signatory is on official business or official leave, an alternate shall be designated as signatory. Electronic signatures or pre-signed licenses, clearances, permits, certifications, authorizations and other documents of similar nature with adequate security and control mechanism may be used;

(e) *Electronic Versions of Licenses, Clearances, Permits, Certifications or Authorizations.* – All covered government agencies shall, when applicable, develop electronic versions of licenses, clearances, permits, certifications, authorizations or other documents of similar nature with the same level of authority as that of the signed hard copy, which may be printed by the applicants or requesting parties themselves;

(f) *Adoption of Working Schedules to Serve Applicants or Requesting Parties.* – 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;

(g) *Identification Card.* – All employees transacting with the public shall

1 For covered government agencies relating to purely administrative
2 transactions, the automatic approval mechanism shall apply only to applications
3 or requests for the issuance of a license, clearance, permit, certification,
4 authorization, or any document of similar nature.

5 If a covered government agency fails to act on an application or request for
6 renewal within the prescribed processing time, the corresponding license,
7 clearance, permit, certification, authorization, or document shall be deemed
8 automatically extended: *Provided*, That the Department shall issue and regularly
9 update a list of simple and complex transactions, highly technical applications,
10 and activities which pose danger to public health, public safety, public morals, or
11 public policy.

12 For purposes of this Act, *purely administrative transactions* refer to actions
13 that do not involve resolving disputes over conflicting rights or obligations but
14 are limited to the implementation of laws to given facts or the gathering of facts
15 for further legal action, and do not result in binding determinations on such rights
16 or obligations.

17 SEC. 23. ***Streamlined Issuance of Business Licenses or Authorizations.***

18 – All covered government agencies are mandated to implement the following
19 guidelines in the issuance of business licenses, clearances, permits, certifications,
20 authorizations, or other documents of similar nature:

21 (a) A single or unified business application form shall be used in
22 processing new applications for business permits and business renewals which

1 consolidates all the information of the applicant or requesting party by various
2 local government departments, such as local taxes and clearances, building
3 clearance, sanitary permit, zoning clearance, and other specific LGU
4 requirements, as the case may be, including the fire clearance from the Bureau of
5 Fire Protection (BFP). The unified form shall be made available online using
6 technology-neutral platforms such as the Central Business Portal, the city or
7 municipality's website, and various channels for dissemination. Hard copies of
8 the unified forms shall likewise be made available at all times in designated areas
9 of the covered government agency;

10 (b) A BOSS for the business permitting and licensing system of the city
11 or municipality to receive and process manual or electronic submissions of
12 applications for licenses, clearances, permits, certifications, authorizations or
13 other documents of similar nature, shall be established within their *Negosyo*
14 *Centers* as provided for under RA 10644, otherwise known as the "*Go Negosyo*
15 *Act.*" There shall be a queuing mechanism in the BOSS to better manage the
16 flow of applications among the LGU offices receiving and processing
17 applications. LGUs shall implement collocation of the offices of the treasury,
18 including the treasury, business permits and licensing office, zoning office, the
19 BFP, and other relevant local government offices and units, to streamline
20 procedures and enhance service delivery;

21 (c) All covered government agencies shall set up an eBOSS with unified
22 application forms when rendering government services which require actions

1 from different government agencies and offices;

2 (d) Cities and municipalities shall streamline and digitalize their business
3 permitting and licensing system or set up an eBOSS within a period of one (1)
4 year upon the effectivity of this Act for more efficient business registration
5 processes. The DICT shall make available to LGUs the software for the
6 digitalization of the business permit and licensing system. The Department,
7 DICT, Department of Trade and Industry (DTI), and Department of the Interior
8 and Local Government (DILG), shall provide technical assistance in the planning,
9 implementation, and monitoring of this mandate;

10 (e) There shall be, in all cities and municipalities, a Business Permit and
11 Licensing Office (BPLO), headed by a Chief, with the rank and salary of a
12 Department Head of the LGU. They shall be qualified by the Personnel Selection
13 and Promotions Board of the concerned LGU. This position shall be considered
14 as a mandatory appointive local official common to all cities, municipalities, and
15 provinces. The Department, DILG, and DTI shall provide for the composition,
16 structure, and staffing pattern of the said office. The Chief of the BPLO shall be
17 deputized by the city treasurer to assess and collect the fees and taxes associated
18 with business registration;

19 (f) Sanitary permits and environmental and agricultural clearances shall
20 be issued together with the business permit to lessen the transaction requirements,
21 and other local clearances;

22 (g) Business permits shall be valid for a period of one (1) year. The city

1 or municipality may have the option to renew business permits within the first
2 month of the year or on the anniversary date of the issuance of the business
3 permit; and

4 (h) *Barangay* clearances and permits related to doing business shall be
5 applied, issued, and collected with the respective office of the city or municipality
6 in accordance with the processing time prescribed in this Act: *Provided*, That the
7 share in the collection of fees shall be remitted to the respective *barangays*.

8 The pertinent provisions of RA 7160, otherwise known as “*The Local*
9 *Government Code of 1991*,” specifically Chapter III, Section 167 and Article IV,
10 Section 152(c) are hereby amended accordingly.

11 SEC. 24. ***Fire Safety Certifications and Clearances.*** – The issuance of the
12 fire safety evaluation clearance (FSEC), Fire Safety Inspection Certificate
13 (FSIC), and Certification of Fire Incidents for Fire Insurance (CFI) shall not be a
14 condition precedent for the issuance of a business permit: *Provided*, That post-
15 audit joint inspections shall be conducted by the city or municipality and the
16 concerned BFP local fire station to determine compliance with fire safety
17 standards.

18 For the issuance of FSEC, FSIC, and CFI, the following shall be adopted:

19 (a) Issuance of FSEC and FSIC shall not be longer than seven (7) working
20 days;

21 (b) A joint inspection post-audit team composed of representatives from
22 the LGU and the BFP shall conduct post-approval inspections to assess the

1 compliance of a business with applicable fire safety standards within thirty (30)
2 calendar days from the issuance of its business permit. The findings of such team
3 shall be the basis for renewal, suspension, or revocation of its business permit,
4 and for the imposition of any corrective or administrative measures as may be
5 warranted under existing fire safety laws and regulations;

6 (c) Issuance of CFI shall not be longer than twenty (20) working days,
7 and may be extended only once for another twenty (20) working days;

8 (d) The BFP or any of its officials or employees shall not sell, offer to
9 sell, or recommend specific brands of fire extinguishers and other fire safety
10 equipment to any applicant or requesting party or business entity;

11 (e) The BFP shall collocate with the BOSS or in an appropriate area
12 designated by the city or municipality within its premises to assess and collect the
13 fire safety inspection fees;

14 (f) The BFP shall coordinate with cities or municipalities to allow the
15 latter to be deputized as assessors or collecting agents for fire safety inspection
16 fees;

17 (g) The BFP shall develop and adopt an online or electronic mechanism
18 in assessing fees, collecting and accepting payments, and sharing and exchange
19 of other relevant data on processing business permits; and

20 (h) The DILG, BFP, and the Department shall issue the necessary joint
21 memorandum circulars or guidelines to operationalize this provision and ensure
22 harmonized post-audit procedures.

1 The pertinent provisions of RA 9514, otherwise known as the “*Revised*
2 *Fire Code of the Philippines of 2008*,” are hereby amended accordingly.

3 **SEC. 25. *Central Business Portal.*** – To eliminate red tape, avert graft and
4 corrupt practices, and to promote transparency and ease of doing business, the
5 DICT shall be primarily responsible in establishing, operating and maintaining a
6 CBP or other similar technology.

7 The CBP shall serve as a central system to receive applications and capture
8 application data involving business-related transactions, including primary and
9 secondary licenses, clearances, permits, certifications, authorizations or other
10 documents of similar nature issued by LGUs. The CBP may also provide links
11 to the online registration or application systems established by national
12 government agencies (NGAs).

13 The DICT, upon consultation with the National Privacy Commission
14 (NPC), NGAs and LGUs, shall issue rules and guidelines on the establishment,
15 operation, and maintenance of the CBP and the use of electronic signatures
16 therein.

17 The DICT, in coordination with other concerned NGAs and LGUs shall
18 also conduct information dissemination campaigns to raise public awareness on
19 the existence, accessibility, and effective utilization of the CBP.

20 **SEC. 26. *Philippine Business Databank (PBD).*** – Within a period of one
21 (1) year from the effectivity of this Act, the DICT shall, in coordination with the
22 concerned agencies, establish, manage, and maintain a Philippine Business

1 Databank (PBD) which shall provide concerned NGAs and LGUs access to data
2 and information of registered businesses to verify the relevant information such
3 as their existence and validity. All concerned NGAs and LGUs shall either link
4 their own database with the PBD or periodically submit to the PBD updates on
5 the information registered with them.

6 The DICT shall, in consultation with the DTI, Securities and Exchange
7 Commission (SEC), Cooperative Development Authority (CDA), NPC, DILG,
8 LGUs, and other concerned agencies, issue the required policy framework on the
9 development, management, operation, and maintenance of the PBD within ninety
10 (90) days from the effectivity of this Act.

11 Documents already submitted by an applicant or requesting party to an
12 agency which has access to the PBD shall no longer be required by other NGAs
13 and LGUs having the same access. Documents or information shall be cross-
14 checked and retrieved in the PBD.

15 At the local government level, the city or municipal business process and
16 licensing office shall not require the same documents already provided by an
17 applicant or requesting party to the local government departments in connection
18 with other business-related licenses, clearances, permits, certifications or
19 authorizations such as, tax clearance, occupancy permit and barangay clearance.

20 SEC. 27. ***Interconnectivity Infrastructure Development.*** -- To expedite
21 the processing of licenses, clearances, permits, certifications, or authorizations,
22 the Department, together with the DICT, shall develop a fast and reliable

1 interconnectivity infrastructure. In relation, the processing and approval of
2 licenses, clearances, permits, certifications, authorizations, or other documents of
3 similar nature for the installation and operation of telecommunications, broadcast
4 towers, facilities, equipment and services shall not be longer than:

5 (a) five (5) days for those issued by the *barangay*;

6 (b) ten (10) days for those issued by LGUs; and

7 (c) fifteen (15) days for those issued by NGAs.

8 If any granting authority fails to approve or disapprove an application for
9 a license, clearance, permit, certification, authorization, or other document of
10 similar nature within the prescribed processing time, said application shall be
11 deemed approved: *Provided*, That when the approval of the appropriate local
12 legislative body is necessary, a non-extendible period of twenty (20) days is
13 hereby prescribed.

14 For homeowners and other community clearances, the officers of the
15 homeowners association shall be given ten (10) days to refer the application to
16 the members of the association pursuant to Section 10(k) of RA 9904, otherwise
17 known as the "*Magna Carta for Homeowners and Homeowners Associations*":
18 *Provided*, That a non-extendible period of thirty (30) days is granted to the
19 homeowners association to give its consent or disapproval: *Provided, further*,
20 That in case of disapproval, the granting authority shall notify the applicant or
21 requesting party within the prescribed period of the reason for disapproval and
22 the remedial measures that the applicant or requesting party may take.

SEC. 28. ***Anti-Red Tape Corner.*** – In addition to the establishment of Public Assistance and Complaints Desks under Section 21(h), an Anti-Red Tape Corner shall, as much as practicable, be established in every covered government agency to ensure that complaints forwarded by the Presidential Complaints Center, *CSC's Contact Center ng Bayan*, and Complaints Action Center of the Department are acknowledged, received, responded to and acted upon within the designated period by the intended recipient in such agency.

The Anti-Red Tape Corner shall also recommend policies, issuances, and measures to facilitate the implementation of this Act within their government agency and further improve related issuances and existing guidelines.

ARTICLE IV
EASE OF DOING BUSINESS AND ANTI-RED TAPE ADVISORY
COUNCIL

SEC. 29. *Ease of Doing Business and Anti-Red Tape Advisory Council.*

– There is hereby constituted an Ease of Doing Business and Anti-Red Tape Advisory Council, hereinafter referred to as the “*Council*,” to serve as the principal inter-agency and multi-sectoral body that shall provide strategic guidance, policy coordination, and oversight in the implementation of ease of doing business and regulatory reform initiatives across the national and local governments.

SEC. 30. ***Composition of the Council.*** – The Council shall be composed of the following:

(a) Secretary of Trade and Industry, as Chairperson;

- (b) Secretary of Anti-Red Tape, as Vice-chairperson;
- (c) Secretary of the Interior and Local Government;
- (d) Secretary of the Information and Communications Technology;
- (e) Secretary of Finance;
- (f) Secretary of Budget and Management;
- (g) Secretary of Economy, Planning, and Development; and
- (h) Two (2) representatives from the private sector, to be appointed by the President of the Philippines, as members. Such representatives shall be selected from recognized business organizations, professional associations, or industry groups whose advocacy or purpose relates to ease of doing business. Both representatives shall have a term of three (3) years, and may be reappointed only once.

SEC. 31. ***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 to 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;

1 (d) Authorize the creation or appointment of specific working groups or
2 task forces in aid of the implementation of this Act;

3 (e) Propose legislation, amendments or modifications to Philippine laws
4 related to anti-red tape and ease of doing business;

5 (f) Periodically review and assess the country's competitiveness
6 performance, challenges, and issues;

7 (g) Provide technical assistance and advisory opinions in the review of
8 proposed national or local legislation, regulations, or procedures;

9 (h) Recommend to the Department the issuance of the appropriate
10 measures to promote transparency and efficiency in business practices and
11 delivery of services in government; and

12 (i) Perform such other functions as may be necessary or as may be
13 directed by the President of the Philippines for the successful implementation to
14 attain the objectives of this Act.

15 The Council shall meet at least once every quarter and may convene special
16 meetings as necessary.

17 The Department shall serve as Secretariat to the Council to be headed by
18 its Undersecretary for Operations. The Council and its secretariat, shall be
19 entitled to receive honoraria in accordance with the existing rules and regulations.

20 **ARTICLE V**
21 **PROHIBITED ACTS AND PENALTIES**
22

23 SEC. 32. *Prohibited Acts.* – The following acts or omissions committed

1 by any officers or employees of covered government agencies are prohibited:

2 (a) Refusal to accept any application or request submitted by an applicant
3 or requesting party for any government service with complete requirements
4 without due cause;

5 (b) Imposition of additional requirements or costs other than those listed
6 in the Citizen's Charter;

7 (c) Failure to give the applicant or requesting party a written notice on
8 the disapproval of an application or request;

9 (d) Failure to render government services within the prescribed
10 processing time on any application or request without due cause;

11 (e) Failure to attend to applicants or requesting parties who are within the
12 premises of the office or agency concerned prior to the end of official working
13 hours and during lunch break;

14 (f) Failure or refusal to issue official receipts;

15 (g) Selling, offering to sell, or recommending specific brands of fire
16 extinguishers and other fire safety equipment to any applicant or requesting party
17 or business entity in relation to Section 24 of this Act;

18 (h) Fixing or collusion with fixers in consideration of economic and other
19 gain or advantage classified as grave misconduct. A *fixer* refers to any individual
20 whether or not officially involved in the operation of a government office or
21 agency who has access to people working therein, and whether or not in collusion
22 with them, facilitates speedy completion of transactions for pecuniary gain or any

1 other advantage or consideration;

2 SEC. 33. ***Penalties.*** – The following penalties shall apply:

3 (a) Any officer or employee of covered government agencies who violates
4 paragraphs (a) to (g) of Section 32 of this Act shall be subject to the following
5 penalties:

6 (1) First Offense. – Suspension from service without pay for a period
7 of six (6) months;

8 (2) Second Offense. – Dismissal from service, perpetual
9 disqualification from holding public office, and forfeiture of retirement
10 benefits.

11 (b) Any officer or employee of covered agencies who violates Section 32
12 (h) of this Act shall be punished with dismissal from service, forfeiture of
13 retirement benefits, and perpetual disqualification from holding public office, for
14 the first offense.

15 SEC. 34. ***Criminal Liability, Not Barred.*** – The finding of administrative
16 liability under Section 32 of this Act shall not be a bar to the filing of criminal
17 charges under existing laws arising from the same act or omission.

18 SEC. 35. ***Administrative Jurisdiction.*** – The administrative jurisdiction
19 on any violation of the provisions of this Act shall be vested in either the CSC,
20 the Office of the Ombudsman, or as determined by appropriate laws and
21 issuances.

22 ARTICLE VI

1 **TRANSITORY AND OTHER MISCELLANEOUS PROVISIONS**

2
3 SEC. 36. ***Provident Fund.*** – The Department shall maintain a Provident
4 Fund which consists of contributions made by both the Department and its
5 officials and employees and earnings thereon, for the payment of benefits to such
6 officials and employees or their dependents or heirs under such terms and
7 conditions as may be prescribed by the Secretary, subject to the approval of the
8 President of the Philippines.

9 SEC. 37. ***Franking Privilege.*** – The Department may transmit through
10 ordinary mail or registered mail with return card, free of charge, all official
11 communications and papers directly connected with the conduct of its duties,
12 functions or its exercise of administrative supervision over its personnel.

13 The envelope or wrapper of the privileged mail matter shall bear on the left
14 upper corner “*Department of Anti-Red Tape*” together with its address and on the
15 right upper corner, the words “*Private or unauthorized use.*” Any use of such
16 mail to avoid payment of postage shall be punishable by fine, imprisonment, or
17 both, as provided by law.

18 SEC. 38. ***Transitory Provisions.*** – The Department shall, by virtue of this
19 Act, be subrogated to all the rights and assume all the liabilities, funds, records,
20 properties, assets, equipment, necessary personnel, and unexpended
21 appropriations or allocations of the ARTA.

22 All contracts and liabilities of the ARTA are hereby transferred to and
23 assumed by the Department and shall be acted upon in accordance with

1 Presidential Decree No. 1445, otherwise known as the “*Government Auditing*
2 *Code of the Philippines*,” as amended, and other pertinent laws, rules, and
3 regulations.

4 Subject to Section 39 of this Act, all current officials and employees of the
5 ARTA shall enjoy security of tenure and be retained under and absorbed by the
6 Department, in accordance with the staffing pattern and the selection process as
7 prescribed under RA 6656, otherwise known as the “*Government Reorganization*
8 *Law*.” Current officials and employees of the ARTA shall continue to draw their
9 salaries, benefits, and other emoluments from the appropriations of the ARTA
10 until the corresponding funds shall have been appropriated and released to the
11 Department no later than one (1) year from the effectivity of this Act.

12 Any reference to the ARTA, its Director General, Secretary, or the EODB-
13 ART Advisory Council in any existing law, executive order, administrative order,
14 presidential proclamation, rules and regulations, and other issuance related to the
15 mandate of the Department, shall hereafter refer to the Department, the
16 Department Secretary, and the Council, respectively.

17 The President may retain the incumbent Secretary of the ARTA as the
18 Secretary of the Department, without need of a new appointment, in line with the
19 authority of the President under Article VII, Section 16 of the 1987 Philippine
20 Constitution to nominate and appoint a new Secretary.

21 SEC. 39. ***Separation and Retirement from Service.*** – The ARTA
22 employees who are separated from service as a result of the reorganization under

1 the provisions of this Act shall receive separation benefits which they may be
2 entitled to under existing laws: *Provided*, That those who are qualified to retire
3 under existing retirement laws shall be allowed to retire and receive retirement
4 benefits, which they may be entitled to under applicable laws and issuances.

5 SEC. 40. ***Appropriations.*** – The amount necessary to cover the initial
6 implementation of this Act shall be charged against the current year's
7 appropriations of the ARTA. Thereafter, such sums as may be necessary for the
8 effective and continuous implementation of this Act shall be included in the
9 annual GAA.

10 SEC. 41. ***Implementing Rules and Regulations.*** – Within ninety (90) days
11 from the effectivity of this Act, the Secretary of Anti-Red Tape shall, in
12 coordination with the Civil Service Commission, Department of Trade and
13 Industry, Securities and Exchange Commission, Department of Information and
14 Communications Technology, Department of Finance, Department of the Interior
15 and Local Government, Department of Economy, Planning, and Development,
16 and Philippine Statistics Authority promulgate the necessary rules and
17 regulations for the effective implementation of this Act.

18 SEC. 42. ***Separability Clause.*** – If any provision of this Act is declared
19 unconstitutional or invalid, the remaining provisions not affected shall remain in
20 full force and effect.

21 SEC. 43. ***Repealing Clause.*** – Republic Act No. 9485, as amended by
22 Republic Act No. 11032, is hereby repealed. All other laws, decrees, orders, rules

1 and regulations, and all other related national and local issuances or parts thereof
2 inconsistent with this Act are hereby repealed or amended accordingly.

3 SEC. 44. ***Effectivity.*** – This Act shall take effect fifteen (15) days after its
4 publication in the *Official Gazette* or newspaper of general circulation.

5 Approved,