



Republic of the Philippines
 PROVINCE OF CAGAYAN
 City of Tuguegarao
SEVENTH CITY COUNCIL



EXCERPTS FROM THE MINUTES OF THE 69th REGULAR SESSION
 OF THE SEVENTH CITY COUNCIL OF TUGUEGARAO CITY, CAGAYAN
 HELD ON JANUARY 23, 2018, 9:00 A.M., TUESDAY,
 AT THE SANGGUNIANG PANLUNGSOD SESSION HALL

PRESENT:

Hon. Danilo L. Baccay	Sangguniang Panlungsod Member, Temporary Presiding Officer
Hon. Jude T. Bayona	Sangguniang Panlungsod Member
Hon. Kendrick S. Calubaquib	-do-
Hon. Maila Rosario T. Que	-do-
Hon. Arnel T. Arugay	-do-
Hon. Gilbert S. Labang	-do-
Hon. Winnoco R. Abraham	-do-
Hon. Imogen Claire M. Callangan	-do-
Hon. Mary Marjorie P. Martin-Chan	-do-
Hon. Raymund P. Guzman	-do-
Hon. Grace B. Arago	-do-
Hon. Anthony C. Tuddao	-do-
Hon. Jose G. Velasco	-do-

Note:

Hon. Bienvenido C. De Guzman II Acting City Mayor

CITY ORDINANCE NO. 04-2018

**AN ORDINANCE PRESCRIBING THE REQUIREMENTS AND PROCEDURE FOR THE
 ISSUANCE OF BUSINESS PERMIT**

Sponsors: Hon. Raymund P. Guzman
 Hon. Danilo L. Baccay
 Hon. Bienvenido C. De Guzman II
 Hon. Jude T. Bayona
 Hon. Kendrick S. Calubaquib
 Hon. Arnel T. Arugay
 Hon. Gilbert S. Labang
 Hon. Winnoco R. Abraham
 Hon. Imogen Claire M. Callangan
 Hon. Mary Marjorie P. Martin-Chan
 Hon. Grace B. Arago
 Hon. Anthony C. Tuddao
 Hon. Jose Pedro G. Velasco

WHEREAS, City Ordinance No. 07-2011, otherwise known as the "**REVENUE CODE OF TUGUEGARAO CITY**," does not provide a procedure and a list of requirements for the issuance of business permits, be it new business or for renewal of the annual business permit;

WHEREAS, in order to expedite the processing of applications for new/renewal of business permits, and pursuant to the mandate of RA 9485, the ANTI RED TAPE (ARTA) Law, and the JOINT MEMORANDUM CIRCULAR NO. 01 (dated August 01, 2016) of the DTI and DILG, there is a need to prescribe guidelines and procedure in order to reduce requirements and processing time and thus streamline the Business Permits and Licensing Systems;

[Handwritten signature]

WHEREAS, the Constitution mandates that the government shall promote the quality of life of the people. Towards this end, Section 16 of the Local Government Code of 1991 provides that the local government units shall pursue undertakings to enhance economic prosperity, among other concerns.

WHEREFORE, The Seventh City Council, in session duly assembled, hereby ordains:

SECTION 1. TITLE. This ordinance shall be known "*AN ORDINANCE PRESCRIBING THE REQUIREMENTS AND PROCEDURE FOR THE ISSUANCE OF BUSINESS PERMIT*"

SECTION 2. PRELIMINARY REQUIREMENTS FOR NEW BUSINESS:

- a. Barangay Clearance/Certification as to the Conduct and Location of the Business Establishment.
- b. Proof of business registration, incorporation, or legal personality (i.e. DTI/SEC/CDA registration).
- c. Occupancy Permit issued by Engineering Office, if required by national laws (e.g. Building Code) and local laws/ordinances, and Preliminary Application and Locational Clearance from the City Planning Development Office.
- d. Unified Application form to be filed personally and/or by the duly authorized representative.

SECTION 3. PRELIMINARY REQUIREMENT FOR RENEWAL OF BUSINESS PERMITS

- a. Unified Application form to be filed personally and/or by the duly authorized representative.
- b. Barangay Clearance.

SECTION 4. STEPS IN FILING APPLICATION FOR BUSINESS PERMIT

- a. Application, Filing and Verification – submission of complete accomplished unified application form with attached documentary requirements and one-time verification.
- b. Assessment – one-time assessment of taxes, fees and charges; and,
- c. Pay and Claim – one-time payment of taxes, fees and charges, receipt of Official Receipt (OR) as proof of payment of taxes, fees and charges imposed by the city government and BFP in securing Business Permit and other regulatory permits and clearances.

The City Government Business Permit and Licensing Office (BPLO) shall not require the same documents already provided by the business applicant to City Engineering Office of the Building Official (OBO), or responsible department/division in connection with other business-related permits (e.g. tax clearances already submitted as part of construction-related permits, occupancy permits, barangay clearances).

SECTION 5. DEFINITION OF TERMS

- a. Business One-Stop-Shop (BOSS) – refers to an arrangement where a single common site or location is designated for all concerned agencies in the BPLS system to receive and process applications for business registration.
- b. Business Permit – is a document that must be secured from Business Permits and Licensing Office (BPLO), for a business to legally operate in the locality.
- c. Business Registration – refers to a set of regulatory requirements that an entrepreneur must comply with to start operating a business entity in Tuguegarao City 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.
- d. Digital Signature – is an electronic signature consisting of a transformation of an electronic document or an electronic data message using asymmetric or public cryptosystem such that a person having the initial untransformed electronic document and the signer's public key can accurately determine: (a) whether the transformation was created using the private key that corresponds to the signer's public key; and (b) whether the initial electronic document had been altered after the transformation was made.

- e. **Electronic Signature** – refers to any distinctive mark, characteristic and/or sound in electronic form, representing the identity of a person and attached to, or logically associated with, the electronic 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.
- f. **Frontline Service** – refers to the process or transaction between clients and government offices or agencies involving applications for any privilege, right, permit, reward, license, concession, or for any modification, renewal or extension of the enumerated applications and/or requests which are acted upon in the ordinary course of business of the agency or office concerned.
- g. **Joint Inspection Team (JIT)** – is a composite team whose members come from the various departments implementing business-related regulations and local units of national agencies created and authorized by the City Mayor through an Executive Order or Ordinance to conduct joint inspection of business enterprises instead of individual/separate inspection.
- h. **Negative List** – contains the names of establishments that have outstanding non-compliances with statutory requirements imposed by government agencies, including government-owned or controlled corporation 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 Mayor prior to the business renewal period.
- i. **Pre-registration Stage** – refers to prerequisite steps during the construction and occupancy stages to be undertaken by businesses before being eligible to apply for business permit; these include securing building/construction permits and occupancy permits/certificate of occupancy, environmental compliance certification from concerned agencies.
- j. **Processing Time** – refers to the time spent by an applicant from the submission of application for business permit to the receipt of business permit, including transaction time, waiting time, and travel time, if applicable, within the site provided by the BPLO for business registration or opting to pay taxes, charges, and fees at a later date than immediately possible, or such other similar instances outside the control of the BPLO office.
- k. **Signatory** – approving authorities whose initials or signatures are affixed in the various processes required in securing the business permit, including the unified form and the actual business permit.
- l. **Step** – is any procedure taken by an applicant as part of the process of applying for and/or processing business permits and licenses, whether physical or online/virtual, with or an action on the part of the office/unit to which the applicant has presented or communicated with leading to the issuance of business permit.
- m. **Unified Form** – is a single document used by a business owner in applying for business registration in the BPLO that contains the information and approvals needed to complete the registration process and facilitates exchange of information among city/municipality and National Government Agencies.

SECTION 6. POLICY CONTENT AND GUIDELINES

1. Revised BPLS Reform Standards

2. Unified Form

- a. A single or unified business application form shall be used in processing new applications for business permits and business renewals which consolidates all the information on a business registrants needed by various departments, including the BFP.
- b. The unified form shall be made available using various channels for dissemination and make available for download either in the city official website or NGSs websites, in “fillable format”

which can be filled up electronically and/or printed for submission or uploaded if the city has an online mechanism for submission of permit applications.

3. Standard Steps

A. Business Permit Processing shall consist of the following:

1. **Application, Filing and Verification** – submission of complete accomplished application form with attached documentary requirements and one-time verification.
2. **Assessment** – one-time assessment of taxes, fees and charges, and;
3. **Pay and Claim** – one-time payment of taxes, fees and charges, receipt of Official Receipt (OR) as proof of payment of taxes, fees and charges imposed by the city government and BFP in securing Business Permit and other regulatory permits and clearances.
4. **Upon Completion of the preliminary requirements as mentioned in Sections 2 and 3, the Mayor's Permit shall be prepared and submitted for the signature of the Mayor and thereafter, released to the applicant, subject to the condition that the applicant shall comply with all other requirements.**
5. **All other clearances such as, but not limited to, sanitary permits, fire inspection, environmental, and agricultural clearances must be submitted within a period of forty (45) days; except for the Social Security Services (SSS) clearance, which must be secured within thirty (30) days from date of issuance/payment of taxes of the business permit.**
6. **Should the applicant fail to submit the other requirements within the period stipulated in the preceding paragraphs, a show-cause order shall be issued for the applicant to answer in writing within thirty (30) days upon receipt why the Mayor's Permit should not be revoked and the business operation be CLOSED.**

B. To lessen the transaction requirements, other local clearances such as, but not limited to, sanitary permits, fire inspection, environmental, and agricultural clearances shall be issued together with the business permit.

C. Queuing mechanisms to better manage flow of applications and to provide priority to clients with special needs, including senior citizens, persons with disabilities (PWDs) and pregnant women shall be employed.

D. Standard Processing Time

1. Processing time for business registrations should not exceed:

- a. **One (1) day to two (2) days for new business permit applications; and,**
- b. **One (1) day for business permit renewals**

E. Signatories

1. **Maximum number of signatories in processing new business applications and business renewals shall have two (2) signatories, namely the Mayor (or designated representative) and the BPLO or Treasurer as recommending approval;**
2. **Electronic signatures or pre-signed permits with adequate control mechanisms may be used. However, the use of manual signatures must designate alternative signatories when the City Mayor or principal approving authority is not around. Only the City Administrator or the Acting City Mayor may approve and sign the document on behalf of the City Mayor.**

4. Compliance to all National Laws and Regulatory Requirements

All business permit applicants shall comply with national laws and regulatory requirements and the Investments and Incentives Code of Tuguegarao City in addition to the requirements of this Ordinance.

5. For all new business applications, the requirements provided in Sections 2 and 3 of the JMC shall be complied with.
6. Upon renewal, all clearances/licenses/certificates required by national laws and regulatory bodies such as FSIC, occupational and safety standards and other similar requirements that will ensure public safety, health and welfare in all workplaces shall be complied with.

All national government agencies and regulatory bodies requiring the abovementioned licenses/clearances/certificates shall provide the BPLO with the list of non-complying business establishments which should be the basis for non-renewal of business permit.

In all cases, national government agencies and regulatory bodies requiring the abovementioned licenses/clearances/certificates shall notify the business establishments of their non-compliance and/or violation.

A. Co-location of Local Bureau of Fire Protection (BFP) with the BPLO

1. For "one-time assessment and one-time payment" of business permit related fees, the Local BFP shall co-locate with the city to assess and collect the "ordinary" fire safety inspection fees (FSIF).
2. The co-location system shall be year round and during the business permit renewal period for all cities. 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 accommodate of their personnel.

B. LGU as Collecting Agent

1. For "one-time assessment" of business-related fees for the Business Permit, LGUs may be designated to assess the "ordinary" fire safety inspection fees (FSIS) equivalent to 10% of all fees charged by the city in granting the business permit, provided that the BFP is able to check the accuracy of the computation and to certify the tax order of payment.
2. For "one-time payment" of business-related fees, the BFP may allow the designation of city as collecting agents for the FSIS, provided that the remittance of the said fees 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 after their assessment.

7. Setting-up a Business One-Stop-Shop (BOSS) Facility Business Registration

A BOSS facility supports the proposed steps on business permit processing which includes both frontline services and backroom operations in which the department representatives and the BFP in a physical space that is usually inconspicuous to or "behind-the-scenes" from the business applicants.

SECTION 7. ROLES AND RESPONSIBILITIES

1. Duties and Responsibilities

- a. The Local Chief Executive/Mayor, shall lead in the implementation of the revised BPLS standards and shall:
 1. Task the Head of the Business Permits and Licensing Office (BPLO) to implement this Ordinance;
 2. Participate in all BPLS reform activities that are initiated by the DILG, DTI and DICT at the LGU level;
 3. Prepare and implement requisite orders, ordinances and directives relative to the revised BPLS standards and other complementary reforms.

- b. Provides the enabling environment for BPLS reforms, namely, the budget and logistical support necessary in instituting the revised BPLS reform standards to include, but not limited to, staff complement, creation of one-stop-shop facilities, utilization of unified forms, organization and operationalization of JITs, consolidation of lists and databases, development of automated processes, introduction of online mechanisms.

SECTION 8. PENALTY CLAUSE. Any violation of this Ordinance shall be penalized pursuant to City Ordinance No. 07-2011, otherwise known as the "**REVENUE CODE OF TUGUEGARAO CITY**".

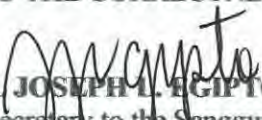
SECTION 9. SEPARABILITY CLAUSE. If any clause, sentence or provision of this Ordinance shall be invalid or unconstitutional, its remaining parts shall not be affected thereby.

SECTION 10. REPEALING CLAUSE. All other orders, rules and regulations inconsistent or contrary to the provisions of the ordinance are hereby repealed or modified accordingly.

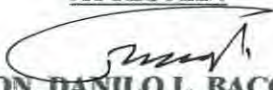
SECTION 11. EFFECTIVITY CLAUSE. This ordinance shall take effect immediately upon approval.

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I HEREBY CERTIFY TO THE CORRECTNESS OF THE FOREGOING:


JOEL JOSEPH L. EGIPIO, Ph.D.
Secretary to the Sanggunian

ATTESTED:


HON. DANILO L. BACCAY
Sangguniang Panlungsod Member
Temporary Presiding Officer
Date: 01-24-18

APPROVED:

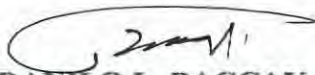

HON. JEFFERSON P. SORIANO
City Mayor
Date: 1/24/18

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CERTIFICATION

I, Danilo L. Baccay, duly elected as the Temporary Presiding Officer during the 69th Regular Session held on January 23, 2018, do hereby certify that herein City Ordinance No. 03-2018 has been approved under suspended rules.

In witness whereof, I hereunto set my hand and affix my signature this 24th day of January 2018.


HON. DANILO L. BACCAY
Sangguniang Panlungsod Member
Temporary Presiding Officer

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