

[REPUBLIC ACT NO. 11032, May 28, 2018]

AN ACT PROMOTING EASE OF DOING BUSINESS AND EFFICIENT DELIVERY OF GOVERNMENT SERVICES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9485, OTHERWISE KNOWN AS THE ANTI-RED TAPE ACT OF 2007, AND FOR OTHER PURPOSES

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

SECTION 1. Section 1. Republic Act No. 9485, otherwise known as the "Anti-Red Tape Act of 2007", *in* hereby amended to read as follows:

"SECTION 1. *Short Title.* - This Act shall be known as the Eases of Doing Business and Efficient Government Service Delivery Act of 2018."

SEC. 2. Section 2 of the same Act is hereby amended to read as follows:

"SEC 2. *Declaration of Policy.* It is hereby declared the policy of the State to promote integrity, accountability, proper management of public affairs and public property as well as to establish effective practices, aimed at efficient turnaround of the delivery of government services and the prevention of graft and corruption in government. Towards this end, the State shall maintain honesty and 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 that, will reduce red tape and expedite business and nonbusiness related transactions in government."

SEC. 3. Section 3 of the same Act is hereby amended to read as follows:

"SEC. 3. *Coverage.* - This Act shall apply to all government offices and agencies including local government units (LGUs), government-owned or -controlled corporations and other government instrumentalities, whether located in the Philippines or abroad, that provide services covering business and nonbusiness related transactions as defined in this Act."

SEC. 4. Section 4 of the same Act is hereby amended to read as follows:

"SEC. 4. *Definition of Terms.* As used in this Act, the following terms are defined as follows:

"(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)* - a single common site or location, or a single online website or portal designated for the Business Permit

and Licensing System (BPLS) of an LGU to receive and process applications, receive payments, and issue approved licenses, clearances, permits, or authorizations:

"(c) *Business-related transactions* - a set of regulatory requirements that a business entity must comply with to engage, operate or continue to operate a business, such as, but not limited to, collection or preparation of a number of documents, submission to national and local government authorities, approval of application submitted., and receipt of a formal certificate or certificates, permits, licenses which include primary and secondary, clearances and such similar authorization or documents which confer eligibility to operate or continue to operate as a legitimate business;

"(d) *Complex transactions* - 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:

"(e) *Fixer* - any individual whether or not officially involved in the operation of a government office or agency who has access to people working therein, and whether or not in collusion with them, facilitates speedy completion of transactions for pecuniary gain or any other advantage or consideration;

"(f) *Government service* - 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;

"(g) *Highly technical application* - an application which requires the use of technical knowledge, specialized skills and/or training in the processing and/or evaluation thereof;

"(h) *Nonbusiness transactions* - all other government transactions not falling under Section 4 (c) of this Act:

"(i) *Officer or employee* a person employed in a government office or agency required to perform specific duties and responsibilities related to the application or request submitted by an applicant or requesting party for processing;

"(j) *Processing time* - the time consumed by an LGU or national government agency (NGA) from the receipt of an application or request with complete requirements, accompanying documents and payment of fees to the issuance of certification or such similar documents approving or disapproving an application or request;

"(k) *Red tape* - any regulation, rule, or administrative procedure or system that is ineffective or detrimental in achieving its intended

objectives and, as a result, produces slow, suboptimal. and undesirable social outcomes;

"(1) *Regulation* - any legal instrument that gives effect to a government policy intervention and includes licensing, imposing information obligation, . compliance to standards or payment of any form of fee, levy, charge or any other statutory and regulatory requirements necessary to carry out activity; and

"(m) *Simple transactions* - applications or requests submitted by applicants or requesting parties of a government office or agency which only require ministerial actions on the part of the public officer or employee, or that which present only inconsequential issues for the resolution by an officer or employee of said government office."

SEC. 5. Section 5 of the same Act is hereby amended to read as follows;

"SEC. 5. *Reengineering of Systems and Procedures.* - All offices and agencies which provide government services are hereby mandated to regularly undertake cost compliance analysis, time and motion studies, undergo evaluation and improvement of their transaction systems and procedures and reengineer the same if deemed necessary to reduce bureaucratic red tape and processing time.

"The Anti-Red Tape Authority, created in this Act, shall coordinate with all government offices covered under Section 3 of this Art in the review of existing laws, executive issuances and local ordinances, and recommend the repeal of the same if deemed outdated, redundant, and adds undue regulatory burden to the transacting public.

"All proposed regulations of government agencies under Section 8 of this Act shall undergo regulatory impact assessment to establish if the proposed regulation does not add undue regulatory burden and cost to these agencies and the applicants or requesting parties: *Provided*, That when necessary, any proposed regulation may undergo pilot implementation to assess regulatory impact.

"Upon effectivity of this Act, all LGUs and NGAs are directed to initiate review of existing policies and operations and commence with the reengineering of their systems and procedures in compliance with the provisions of this Act, pending the approval of the implementing: rules and regulations (IRR) thereof,"

SEC. 6. Section 6 of the same Act is hereby amended to read as follows:

"SEC. 6. *Citizen's Charter.* - All government agencies including departments, bureaus, offices, instrumentalities, or government-owned and/or -controlled corporations, or LGUs shall set up their respective most current, and updated service standards to be known as the Citizen's Charter in the form of information billboards which shall be posted at the main entrance of offices or at the most conspicuous place, in their respective websites and in the form of published materials written either in English, Filipino, or in the local dialect, that detail;

- "(a) A comprehensive and uniform checklist of requirements for each type of application or request;
- "(b) The procedure to obtain a particular service;
- "(c) The person/s responsible for each step;
- "(d) The maximum time to conclude the process;
- "(e) The document/s to be presented by the applicant or requesting party, if necessary;
- "(f) The amount of fees, if necessary; and
- "(g) The procedure for filing complaints."

SEC. 7. A new Section 7 is hereby inserted after Section 6 of the same Act to read as follows:

"SEC. 7. Zero-Contract Policy.- Except during the preliminary assessment of the request and evaluation of sufficiency of submitted requirements, no government officer or employee shall have any contact, in any manner, unless strictly necessary with any applicant or requesting party concerning an application or request. Once the Department of Information and Communications Technology (DICT) has completed a web-based software enabled business registration system that is acceptable to the public as mandated under Section 26 of this Act, all transactions shall be coursed through such system. All government agencies including LGUs shall adopt a zero-contact policy."

SEC. 8. Section 7 of the same Act is hereby renumbered as Section 8 to read as follows:

"SEC. 8. *Accountability of Heads of Offices and Agencies*, The head of the office or agency shall be primarily responsible for the implementation of this Act and shall be held accountable to the public in rendering fast efficient, convenient and reliable service. All transactions and processes are deemed to have been made with the permission or clearance from the highest authority having jurisdiction over the government office or agency concerned."

SEC. 9. Section 8 of the same Act is hereby amended and renumbered as Section 9 to read as follows;

"SEC. 9. *Accessing Government Services*.- The following shall be adopted by all government offices and agencies:

"(a) Acceptance of Applications or Requests. -

"(1) All officers or employees shall accept written applications, requests, and/or documents being submitted by applicants or requesting parties of the offices or agencies.

"(2) The receiving officer or employee shall perform a preliminary assessment of the application or request submitted with its supporting documents to ensure a more expeditious action on the application or

request. The receiving officer or employee shall immediately inform the applicant or requesting party of any deficiency in the accompanying requirements, which shall be limited to those enumerated in the Citizen's Charter.

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

"(4) The receiving officer or employee shall issue an acknowledgement receipt containing the seal of the agency, the name of the responsible officer or employee, his/her unit and designation, and the date and time of receipt of such application or request.

"(b) Action of Office. –

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

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

"The maximum time prescribed above may be extended only once for the same number of days, which shall be indicated in the Citizen's Charter. Prior to the lapse of the processing time, the office or agency concerned shall notify the applicant or requesting party in writing of the reason for the extension and final date of release of the government service/a requested. Such written notification shall be signed by the applicant or requesting party to serve as proof of notice.

"If the application or request for license, clearance, permit, certification or authorization shall require the approval of the local *Sangguniang Bayan*, *Sangguniung Panlungsod*, or the *Sangguniang Panlalawigan* as the case may be the *Sanggunian* concerned shall be given a period of forty-five (45) working days to act on the application or request, which can be extended for another twenty (20) working days. If the local *Sanggunian* concerned has denied the application or request, the reason for the denial, as well as the remedial measures that may be taken by the applicant shall be cited by the concerned *Sanggunian*.

"In cases where the cause of delay is due to *force majeure* or natural or man-made disasters, which result to damage or destruction of documents, and/or system failure of the computerized or automatic processing, the prescribed processing times mandated in this Act shall be suspended and appropriate adjustments shall be made.