

**[BOC MEMORANDUM CIRCULAR NO. 33-00,
January 21, 2000]**

NO FOREIGN EQUITY FOR CUSTOMS BROKERS

Attached is the letter dated December 8, 1999 of Chairman Perfecto R. Yasay, Jr., Securities And Exchange Commission informing that the Third Regular Foreign Investment Negative List issued under Executive Order No. 11 dated August 1, 1998 limits under its List A(2)(g) customs brokerage to Filipino citizens only. *Corporations and partnerships engaged in said business should not have any foreign equity.*

To fully ensure that the above-mentioned law is complied, the *SEC suggests that applicants for customs broker/brokerage license be required to submit a Certification from the Commission that they do not have any foreign equity.*

For your information and guidance.

Adopted: 21 Jan. 2000

(SGD.) JULITA S. MANAHAN
Deputy Commissioner Internal Administration Group

December 8, 1999

Commissioner Nelson Tan
Bureau of Customs
Port Area, Manila

Dear Commissioner Tan:

The Securities and Exchange Commission regularly monitors compliance of corporations and partnerships with the required equity investment of foreigners under the Foreign Investments Act of 1991 (RA 7042, as amended by RA 8179).

The Third Regular Foreign Investment Negative List issued under Executive Order No. 11 dated August 1, 1998 limits under its List A(2)(g) custom brokerage to Filipino citizens only. Corporation and partnerships engaged in said business should not have any foreign equity.

To fully ensure that the abovementioned law is complied with, we suggest that applicants for custom's broker/brokerage license be required to submit a Certification from our Commission that they do not have any foreign equity. Please be informed that the articles of incorporation or any amendment thereto does not indicate the change of shareholdings or stockholders of the corporation.

We hope that this recommendation shall merit your favorable consideration.

Very truly yours,