



**USAID**  
FROM THE AMERICAN PEOPLE

# **Quarterly Performance Report January - March 2014**

## **Investment Enabling Environment (INVEST) Project**

Submitted to:

Mr. John Avila, Contracting Officer's Representative  
Office of Economic Development and Governance  
U.S. Agency for International Development/Philippines  
under Contract No. AID-492-C-11-00005  
(Output No. 4.2, Deliverable 4, Component 3)

May 1, 2014

By Orient Integrated Development Consultants, Inc. (OIDCI)  
FSS Building, 89 Scout Castor Street, Quezon City, Philippines  
Tel No.: 374.0757; Fax. No. 413.2326

# TABLE OF CONTENTS

<b>List of Acronyms</b> .....	iii
<b>I. Introduction</b> .....	1
<b>II. Accomplishments By Project Component</b> .....	5
A. Component 1. Streamlining Business Registration Process and Lowering Transaction Costs .....	5
B. Component 2: Improving Investment Planning and Promotion in Target Cities	20
C. Component 3: Cross-cutting Concerns .....	25
<b>III. Accomplishments By City</b> .....	29
A. Batangas City .....	29
B. Iloilo City .....	37
C. Cagayan de Oro City .....	41
<b>IV. Gender And Development</b> .....	45
A. Key Accomplishments .....	45
B. Plans for the 11 <sup>th</sup> Quarter .....	47
 <b>List of Tables</b>	
Table 1. Baseline and Streamlined BPLS for Applications for New Business Permits in INVEST Partner Cities, 2012-2014 .....	10
Table 2. Baseline and Streamlined BPLS for Applications for the Renewals of Business Permits in INVEST Partner Cities, 2012-2014 .....	11
Table 3. Satisfaction on the Conduct of Service in the Business Permit Application, 2012-2014 .....	12
Table 4. Number of Business Registrants and Revenues from Business Applications as of January-March 2014 .....	13
Table 5. Comparison of Planned Activities and Accomplishments for the 10 <sup>th</sup> Quarter under Program Area 1.1 .....	13
Table 6. Planned Major Activities for the 11 <sup>th</sup> Quarter under Program Area 1.1.....	16
Table 7. Comparison of Planned Activities and Accomplishments for the 10 <sup>th</sup> Quarter under Program Area 1.2 .....	17
Table 8. Planned Major Activities for the 11 <sup>th</sup> Quarter under Program Area 1.2 .....	19
Table 9. Comparison of Planned Activities and Accomplishments for the 10 <sup>th</sup> Quarter for Program Area 2.1.....	22
Table 10. Planned Major Activities for the 11 <sup>th</sup> Quarter for Program Area 2.1.....	24
Table 11. Comparison of Planned Activities and Accomplishments for the 10 <sup>th</sup> Quarter under Component 3 .....	26
Table 12. Planned Major Activities for the 11 <sup>th</sup> Quarter under Component 3 .....	27
Table 13. Participants to INVEST-supported Activities, by Gender.....	46
 <b>Annexes</b>	
A. Success Stories and News Coverage.....	48
1. Success Story on Cagayan de Oro Business Forum.....	49
2. Success Story on New Procedures on Business Permit .....	50
3. Success Story on Iloilo Business Forum.....	51

B. Cagayan de Oro Business Forum Photos .....	52
C. Batangas City Business Matching with with Turkish Chamber of Commerce of the Philippines .....	54
D. Press Releases of Cagayan de Oro Business Forum, Iloilo City Business Forum, Turkish Business Matching and Batangas City Launching of Mobile Payment System for Business Taxes .....	58

## LIST OF ACRONYMS AND ABBREVIATIONS

AmCham	American Chamber of Commerce of the Philippines
AOC	APEC Organizing Committee
ARTA	Anti-Red Tape Act
ASSURE	Alliance for Safe and Sustainable Reconstruction
BAC	Bids and Awards Committee
BF	Business Forum
BFP	Bureau of Fire Protection
BOSS	Business One-Stop Shop
BBC	Batangas City Business Club
BNRC	Business Name Registration Certificate
BOSS	Business One-Stop Shop
BPCCI	Batangas Province Chamber of Commerce and Industry
BPLO	Business Permits and Licensing Office
BPLS	Business Permits and Licensing System
BPOSS	Business One-Stop Shop for Building and Occupancy Permits
BSU	Batangas State University
CDI	Cities Development Initiative
CEO	City Engineer's Office
CENRO	City Environment and Natural Resources Office
CDO	Cagayan de Oro
COR	Contracting Officer's Representative
CPA	City Program Adviser
CPDO	City Planning Development Office
CSC	Civil Service Commission
CSO	Civil Society Organization
DBM	Department of Budget and Management
DBP	Development Bank of the Philippines
DILG	Department of the Interior and Local Government
DOST	Department of Science and Technology
DOT	Department of Tourism
DRIT	Disclosure and Revenue Joint Inspection Team
DTI	Department of Trade and Industry
EO	Executive Order
ERN	Employer Registration Number
FGD	Focus Group Discussion
FSIC	Fire Safety Inspection Certificate
GAP	Gender Action Plan
ICT	Information and Communications Technology
ICTIPB	Iloilo City Trade and Investment Promotions Board
ICTO	Information and Communications Technology Office
IFC	International Finance Corporation
ILED	Iloilo Economic Development Foundation, Inc.
INVEST	Investment Enabling Environment Project
IPC	Investment Promotions Center
IRO	Investor Relations Office
ISSP	Information System Strategic Plan
JIT	Joint Inspection Team

JMC	Joint Memorandum Circular No. 1, series of 2010
LCDC	Livable Cities Design Challenge
LEIPO	Local Economic and Investment Promotion Officer
LGSP-LED	Local Government Support Program for Local Economic Development
LGU	Local Government Unit
LIIC	Local Investment Incentives Code
MBBC	Metro Batangas Business Club
MIGEDEC	Metro-Iloilo Guimaras Economic Development Council
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
NCC	National Competitiveness Council
NSO	National Statistics Office
OC-BPLS	Oversight Committee for Business Permits and Licensing System
OCVAS	Office of the City Veterinary and Agricultural Services
OIDCI	Orient Integrated Development Consultants, Inc.
PagIBIG	Home Development Mutual Fund
PBED	Philippine Business for Education
PBR	Philippine Business Registry
PCCI	Philippine Chamber of Commerce and Industry, Inc.
PhilHealth	Philippine Health Insurance Corp.
PGIMI	Paradigm Global Investment Management, Inc.
PLDT	Philippine Long Distance Telephone Company
PMO	Project Management Office
PPDO	Provincial Planning Development Office
PTO	Project Technical Officer
RCA	Recipient Contracted Audit
RCC	Regional Competitiveness Committee
RFP	Request for Proposal
SEC	Securities and Exchange Commission
SGLG	Seal of Good Local Governance
SIMM	Scaling Innovations in Mobile Money
SOW	Scope of Work
SSS	Social Security System
STTA	Short-term Technical Assistance
TCCP	Turkish Chamber of Commerce of the Philippines, Inc.
TIN	Taxpayer Identification Number
TOP	Tax Order of Payment
TWG	Technical Working Group
UAP	Unified Application Form
ULI	Urban Land Institute
UPSE	University of the Philippines School of Economics
USAID	United States Agency for International Development
VAA	Valdes, Abad & Associates
WWF	World Wildlife Foundation

# I. INTRODUCTION

The Investment Enabling Environment (INVEST) Project is originally a two-year project of the United States Agency for International Development (USAID) under its Partnership for Growth program. The Project seeks to promote competitiveness and create a business-friendly environment in partner cities. It is being implemented in Batangas City, Iloilo City, and Cagayan de Oro City (CDO).

USAID awarded the Project to the Orient Integrated Development Consultants Incorporated (OIDCI) on September 30, 2011. On April 10, 2013, USAID issued a Preliminary Notice of Intent to Exercise of Option. Subsequently, on September 26, 2013, USAID issued a modification of original contract that extended the life of the Project up to September 2014 and provided for additional budget for the Option Year. The Project submitted its revised Workplan for the Option Year on September 27, 2013, which was approved by USAID on October 2, 2013. Based on the approved work plan for the option year, the Project will continue to implement activities under three components: streamlining business registration processes and lowering transaction cost (Component 1), improving investment planning and promotion in partner cities (Component 2), and addressing cross-cutting concerns (Component 3).

In a meeting with the Contracting Officer's Representative (COR) on February 26, 2014, the COR informed the Project of a three-month extension up to December 2014 to undertake the following deliverables: (1) assistance to the National Competitiveness Council (NCC) to mount the Livable Cities Design Challenge (LCDC); and (b) logistical and administrative support to USAID in the expansion of the Cities Development Initiatives (CDI) Program. In view of the extension, the Project submitted proposed revisions in the Option Year Work Plan on March 27, 2014 that would cover the said additional activities.

## **Major Accomplishments for the 10<sup>th</sup> Quarter**

### *Implementation of Trailblazing Reforms in Business Permitting*

The renewal period in 2014 was significant for the CDI cities for a number of reasons. First, Batangas City launched, on March 31, 2014, a mobile payment system for business taxes associated with business permits (the first city in the country to do so) in partnership with the Scaling for Innovations in Mobile Money (SIMM) and INVEST. Second, all the cities developed a business registration facility where businessmen can submit their application forms for renewal online, receive their tax order of payment thru email and just go to the City Hall to pay their business tax and fees. In Iloilo, online registration was tried by 469 applicants with 314 having their applications approved. In Batangas City, out of the 100 tax payers pre-selected to register online, 41 participated. Cagayan de Oro has included in its website a facility for online registration, although no application was received, possibly since this facility was not widely disseminated. Third, Batangas and Cagayan de Oro cities were the first cities in their regions to be connected to the Philippine Business Registry (PBR). Fourth, an innovative feature of the business permitting process adopted by Cagayan de Oro city, in coordination with the DTI, was the setting up of a "satellite" Business One-Stop shop (BOSS) at the Big R Supercenter Cagayan de Oro beginning January 14, 2014. The satellite BOSS was established to diffuse client traffic at the city hall. This was made possible by a Php 1 million grant from the Department of Science and Technology (DOST), secured with assistance from the Project, for

the acquisition of computer equipment to be used by the city to modernize its business permit operations,

With further process re-engineering, computerization and enhancements of the Business One-Stop Shops (BOSS) implemented by the partner cities, there was significant improvements in the 2014 performance indicators for business permitting reported in the three cities. All of the cities have exceeded the standards set in the Joint Memorandum Circular No.1 (series of 2010) (JMC) signed by the Department of the Interior and Local Government (DILG) and the Department of Trade and Industry (DTI), i.e. number of steps, processing time, signatories and use of a unified form. Close coordination with the Bureau of Fire Protection (BFP) also contributed to more efficient processing of business permits.

The project also contributed to eliminating the requirements for doing business by the social security agencies – a major national procedural reform that has wide ranging impact to the businessmen. A Joint Memorandum Circular was signed on February 14, 2014 among the oversight agencies, Department of the Interior and Local Government (DILG), the Department of Trade and Industry (DTI), the social security agencies, the League of Cities of the Philippines (LCP) and the League of Municipalities of the Philippines (LMP) that streamlined the procedures for securing clearances for business renewals.

#### *Holding of Cagayan de Oro and Iloilo Business Forums*

In partnership with local and national stakeholders, the Project organized two business forums: the Cagayan de Oro Business Forum on February 12, 2014 and the Iloilo Business Forum on March 12, 2014. Both activities were held at Intercontinental Manila. Both forums were well attended by participants coming from international and local businesses, trade associations, foreign chambers, trade missions, embassies, and government agencies.

The Cagayan de Oro City Business Forum (dubbed as “**Connect and DO Business in Cagayan de Oro**”) showcased the potential of the city as an investment hub in the Southern Philippines. The Forum focused on opportunities in agribusiness, logistics, industry and services, and tourism. The Forum had 292 participants.

The Iloilo Business Forum (dubbed “*Iloilo Means Business*”) showcased the strong partnership between the national government, the province, the city, and the private sector in promoting the development of Iloilo. The Forum highlighted investment opportunities in agro-fisheries, education, services, and tourism. Around 377 participants attended the forum.

#### *Conduct of Investment Promotion Activities in Batangas City*

In Batangas, the Project assisted the City in undertaking follow-up activities after the Business Forum on December 11, 2013. In partnership with the local government, the private sector in Batangas City, and the Turkish Chamber of Commerce of the Philippines (TCCP), the Project organized a business matching session with Turkish businessmen. The business matching session, a first for the city, was participated in by 26 Turkish businessmen from the Active Industrialists and Businessmen’s Association of Kocaeli Province in Turkey, 35 local private sector representatives (businesses and schools), and 16 Batangas City government officials and staff.

Asian Terminals Incorporated, the operator of the Batangas International Port, also had several meetings with the city government to discuss strategies to increase port utilization for cargo traffic. Other meetings were held to further discuss investment opportunities in the city, including Lima Land/ Aboitiz Corporation.

The Project also sustained its support to the Batangas Business Club through its participation in the group's organizing meeting on January 21, 2014.

### *Provision of Assistance to NCC in the Launch of the Liveable Cities Design Challenge*

On February 11, 2014, the Project assisted the National Competitiveness Council (NCC) in the launch of the LDCD, a planning and design competition whose objective is to get city planners across the Philippines to better plan their respective cities and municipalities for a climate-defined future. The Project also prepared the work and financial plan for Phases 2 and 3 of the LDCD.

## **Impact of Project Activities**

### *Business Permit Reforms*

The achievements in business permitting reforms led to a combined 16% increase in business registrations in the three cities during the first quarter of 2014. Iloilo City posted a 32% rise in business applications during the period which reached 10,145 followed by CDO (13% increase). Batangas City, which enjoyed a 37% increase in business applications in 2013, had a more modest rise in business applications this year at 4%.

Total revenues of partner cities increased by 19% overall during the quarter totaling Php 689.6 million, with all the cities posting higher revenues. CDO led the pack with a hefty 36% growth in revenues reaching Php 395.1million. Iloilo City followed with 10% higher revenue intake while Batangas City's collection from business tax and fees decelerated to 4% during the period. Since the start of the Project, the three cities' revenues has risen by a third, from Php 614 million in the first quarter of 2012 to Php824.5 million for the same period in 2014.

In terms of customer satisfaction, the continued reform in the system of business permits in 2014 was felt most in Batangas City, which recorded a net satisfaction rating of 98% based on a survey conducted by the Project. In comparison, CDO's rating is 80 percent and Iloilo City at 60% in 2014.

### *Business Forums*

In Cagayan de Oro, the Business Forum led to the signing of two Memoranda of Understanding (MOU) on agricultural investments in remote *barangays* of the city that will benefit rural farmers and indigenous people. Another MOU was signed on solid waste management and on training vulnerable *barangays* on disaster preparedness. An academe-industry memorandum of commitment, under the USAID-supported Philippine Business for Education, was also signed. The Cagayan de Oro Business Forum generated a public relations value of P2.182 million based on news reports and media coverage before, during, and after the event.

The Iloilo Business Forum served as a venue for statements of commitment by local and foreign businessmen to invest Php 32 billion in specific projects in the City. The commitments came from Dr. Walter Brown (Executive Chairman of Palm Concepcion Power Corporation), Mr.



Francisco Sebastian (Chairman of Global Business Power Corporation), Mr. Youn Pyo Hong (Chairman of Dream Engineering Company Ltd.), Mr. Nikesh Sinha (Director of NV Voght Singapore Pte. Ltd), Ms. Dion Ugbebor (CEO of Intracare Inc.), and Dr. Edgar Sia II (as President and CEO of Double Dragon Properties Inc.). The Iloilo Business Forum generated a public relations value of P1.937 million.

The Turkish mission in Batangas City led to the identification of more areas of cooperation between Turkish and Batangas businessmen. Potential partnerships were discussed, such as the joint production of large quantities of cow's milk by four big cooperatives in the city to supply a Turkish firm that makes cheese. Another is the distribution of Turkish fruit juices at SM City Batangas and other shopping complexes. There was also a commitment on the part of the TCCP to facilitate a sisterhood agreement between Batangas City and İzmit City in northwestern Turkey, which is also an industrial port city. Such an agreement will facilitate potential business partnerships, including possible joint ventures, as well as mutual knowledge sharing on common areas of interest such as those related to shipping, tourism and agribusiness.

### **The Project in the 11<sup>th</sup> Quarter**

In the next quarter, the Project will focus its activities on institutionalizing the reforms in business permitting in the partner cities (particularly in automation and inspection) and prepare for project ender activities in the partner cities. The Project will complete reports on the JMC, construction, sanitation, and tourism, for submission to USAID and concerned national government agencies.

The Project will also assist the partner cities in setting-up their Investment Promotion Centers. The IPC will serve as a mechanism to sustain the investment promotion efforts initiated in the partner cities.

The Project will complete the Manual of Operations for the Computation of the Competitiveness Ranking of LGUs, which will be submitted to USAID and the NCC for adoption. In line with the new deliverables, the Project will assist the NCC in the management of the LCDC and provide administrative and logistical support to USAID for the expansion of the Cities Development Initiative.

On project management, Punong Bayan and Araullo, the winning bidder approved by USAID, will conduct the second recipient contracted audit during the quarter. At the same time, about 13 consultants will also be contracted as part of LCDC implementation.

The Project will also start the preparatory activities for the Project Close-out. Critical among these activities is the conduct of Project experience dissemination forums initially proposed to be held in Metro Manila and one each in the partner cities. During the quarter, a series of brainstorming sessions and discussions as well as the preparation of an action plan and activity design for the said forums will be conducted. Collaterals and knowledge products will also be conceptualized and drafted during the quarter.

## II. ACCOMPLISHMENTS BY PROJECT COMPONENT

The Project is committed to implementing three components as specified in its Option Year Workplan. Component 1 involves activities that will further streamline business registration processes and lower transaction costs, with particular emphasis on the use of technology in business processing. Component 2 focuses on the conduct of Business Forums for each partner city, including the preparatory activities will identify investment priority areas and opportunities for the business sector, develop marketing materials (e.g. investment kits and press releases). Component 3 will enhance the system for measuring the level of competitiveness in partner cities, in addition to preparing project closeout activities.

### **A. Component 1: Streamlining Business Registration Processes and Lowering Transaction Costs**

Significant accomplishments were achieved by the Project in 2014 further motivating its partner cities to be forerunners in business permitting reforms at the local level. All the cities exceeded the service standards in business processing set by the government and their own performances in 2013. As envisioned by the Project, the cities piloted an online business registration process, with one city – Batangas – launching a mobile payment system for business permits, the first among the cities in the country. Except for Iloilo City, Philippine Business Registry (PBR) kiosks were set up during the renewal period, facilitating business registration. These accomplishments were confirmed in the internal assessments done by the Project during the quarter.

In addition, the Project was instrumental in easing the burden of businessmen in renewing their business permits thru the streamlining of procedures in securing clearances from the social security agencies. Similar reforms are being contemplated as a result of studies on business permitting that have started during the quarter.

#### **1. Program Area 1.1: Ensuring Compliance of Partner Cities with BPLS Standards**

Consistent with its Option Year work plan, the Project's objectives for the 10<sup>th</sup> quarter were to ensure that the partner cities will be able to use Information and Communication Technology (ICT) in business permitting and to further enhance the existing BOSS. Both measures were deemed important in further making the business permit processes more efficient and effective in addressing the needs of business applicants in the partner cities.

##### **a. Key Accomplishments**

The January 2014 renewal period was another opportunity for the partner cities to showcase the reforms in business permitting that they have implemented. In 2013, the cities, except for Iloilo, were compliant with the four standards set in the DILG-DTI Joint Memorandum Circular NO. 1 (series of 2010) (JMC) for processing both new business applications and renewals, to wit: (1) the use of one application form; (2) limiting the processing from the applicants perspective to just five steps; (3) reducing the signatories to two; and (4) limiting the processing time to 5 days for business renewals and 10 days for new business applications, following the Anti-Red Tape

Act (ARTA). In 2014, further streamlining of procedures was undertaken by the three cities that led to better performance in relation to the JMC standards. Improvements were noticeably done in three areas – in the business permit process, the BOSS set-up and in the use of ICT.

**Process Improvements.** Despite being compliant with the JMC in 2013, the cities implemented measures in 2014 to further cut steps and process time for both business renewals and new business applications:

1. **Further Simplification of the Application Process for Walk-in Applicants.** For the majority of applicants that traditionally go to the City Hall to renew their Mayor's permit, the steps have been reduced from the standard five steps set in the JMC in 2014 to just 3 steps in Iloilo and Cagayan de Oro Cities and 2 steps in Batangas City. The 3-step process consists of the submission of the form, assessment of tax and business fees to be paid and payment of the business tax and related fees. In the case of the 2-step procedure of Batangas City, the applicant no longer needs to fill up and submit an application form, they only have to give their tax identification number (TIN) with the requirements and pay the tax due.

For business establishments applying for a business permit for the first time, the process has been reduced in 2014 to 4 steps in Iloilo City, 3 steps in Cagayan de Oro and 2 steps in Batangas City. These streamlined procedures have been possible primarily through the computerization of the taxpayers data base in the three cities as well as the improved lay-out of the BOSS. All of the cities have exceeded the standards set in the JMC.

2. **Use of a Simplified Business Application Form.** The three cities introduced the Unified Application Form required by DTI and DILG in January 2013, which consolidates all the information that will be solicited from the business. In 2014 further simplification in the form was done. In Batangas City, applicants for both new and renewal of businesses no longer need to fill up and submit an application form. Those applying for renewal of permits will only have to provide their TIN number (as a unique identifier) together with requirements (barangay clearance and copies of Income Tax Returns). A consolidated database allows the city to print the form, which the applicant just signs. Details that were provided in previous years have been stored in a database, which the Business Permits and Licensing Office (BPLO) staff retrieves from their work stations. For new business permit applicants, the different types of information needed (plus required documents) are solicited through an interview process wherein each client is given the opportunity to validate encoded information.

Similarly, Cagayan de Oro city further simplified the DTI-DILG prescribed unified application form, limiting the fields to be filled up to only three– the business name the business permit number and the applicant's signature - which should be submitted with the documentary requirements to the Assessment Desk. The latter provides the client with his/her tax due worksheet. In the case of Iloilo City, the unified application form is no longer required for business renewals; instead applicants are asked to submit the declaration of gross receipts, which is also available online.

3. **Reduced Documentary Requirements for Business Renewals.** Other measures were adopted by the three cities to complement the reduced processes such as minimizing the pre-requisite documentary requirements for securing the business permits. In the case of Batangas City, the business applicant renewing their permits only

needs to submit the *barangay* clearance and income tax returns. Details provided by business applicants in previous years have been stored in the city's data base, eliminating the need to bring past year's permits or submissions. Furthermore, instead of showing permits and clearances from other city offices (e.g. City Engineer's Office, City Environment and Natural Resources Office, City Health Office), the concerned offices issue list of non-compliant business establishments to the Business Permits and Licensing's Offices.

However, in the case of Cagayan de Oro, the new Treasurer, who used the renewal period to validate past information on the city's taxpayers which are in the city's data base, requested for additional requirements that would form the baseline for the new administration. i.e. 2012 income tax return, audited financial statements, 2013 quarterly payments of Value Added Tax and previous year's Business tax receipts. In contrast, the business applicant in 2013 only had to show the *barangay* clearance, in addition to the form. The city treasurer, however, assured the Project that the additional requirements will no longer be required in 2015.

4. **Reduced Internal Signatories.** Beginning 2013, the permitting process in the three cities drastically reduced the number of signatories required for getting the business permit. Iloilo City and Cagayan de Oro both require only one signature from about 13-14 before the reforms were instituted. In 2014, Iloilo City further reduced signatories to the business permits for new applicants and those renewing their permits. Cagayan de Oro, on the other hand, require 4 signatories in 2014 from 7 last year for new applications but temporarily added 2 more this year for business renewals in its efforts to validate tax-related information. In the past, all the different concerned offices of the city government had to verify and sign the form.
5. **Advance Tagging of Delinquent Establishments.** In the case of Batangas city, a Disclosure and Revenue Inspection Team (DRIT) was made operational by March 2014 to verify the information declared by the business operator/s in the application for business license and renewal of business permit, identify unregistered businesses operating in the locality, and monitor changes and developments in business activities in the locality. Through the DRIT, the city was able to identify establishments with delinquencies with city's regulatory offices as well as with national agencies like SSS and the BFP. These establishments are tagged before the renewal period in January 2014, using the city's computer system based at the BPLO (refer to description below).

### ***Enhanced Business One-Stop Shop***

1. **Aligning the Streamlined Process with the BOSS Design.** The reduced steps for processing business permits were made possible thru a conscious effort to lay-out or design the BOSS to conform to the number of steps adopted by the city government. In 2014, Iloilo City set up a BOSS in the City Treasurer's Office, which was redesigned to conform to a 3-step renewal process. The BOSS also enabled payments to be centralized in one area, whereas before, applicants had to pay associated fees to each city government offices that were located in different parts of the city hall. The backroom operations were manned by staff from the different city government offices and had computer connections where the verification of documents, assessment of tax payments and printing of clearances were made.

2. **Expanded Area for the BOSS.** All of the cities re-designed the BOSS in 2014. In CDO, a temporary BOSS was set up in the City Tourism Hall which was much bigger in area than the 2013 BOSS. The average processing time was practically cut by 50% this year, which was made possible by increasing the number of payment counters and more efficient backroom processing at the releasing counter.

In Iloilo City, the BOSS was set up in the CTO, which was larger than the BPLO where the BOSS was located in 2013. Batangas City, on the other hand, a separate Pay and Claim area was created for the second step which allowed clearer distinction between processes and phases. Even the electronic queuing system was improved. Furthermore, aside from continuing the implementation of a nuanced system which prioritizes clients with special needs (i.e. persons with disabilities, pregnant women, and senior citizens) and differentiates single and multiple transactions, the queuing client interface system was made simple by having only one level where all options are provided (clients will choose only one option).

3. **Expanded Operation of the BOSS.** In all the cities, the BOSS operated even during weekends during the renewal period.
4. **Setting Up Satellite Business One-Stop Shops.** An innovative feature of the business permitting process adopted by the Cagayan de Oro city government, in coordination with the DTI, is the setting up of another BOSS at the Big R Supercenter Cagayan de Oro beginning January 14, 2014. Similar to the current trend of regulatory offices such as the Department of Foreign Affairs and the Land Transportation Office, the satellite BOSS was set up to diffuse client traffic at the City Hall.

### **Computerization of BPLS**

1. **Online Registration.** For the computer savvy business applicants, registration for business renewals can already be done online in Iloilo City – a pioneering feat in business registration. The declaration of gross receipts serves as a form that is submitted online. This is the basis for the computation of the tax order of payment indicating the amount of tax and fees that should be paid which is emailed to the applicant. The applicant goes to the City Hall to pay and get his Mayor's Permit thru a special lane. The City received 469 online applications, of which 314 were approved.

A similar web-based registration system was piloted in Batangas City where 100 randomly-selected businesses were invited to test the system, which was developed in-house. Around 41 applicants participated and were able to submit their documents using an interactive web page which enabled uploading of digitally-scanned requirements (*barangay* clearance and Income Tax Returns). Once submitted, taxes and fees were assessed by the CTO and BFP at the BOSS and are able to email the establishment their tax order of payments after 24 hours. The applicants, however, will need to go to city hall for payment and claiming of permits and clearances.

Cagayan de Oro also posted in their website an online registration option by mid-January 2014, but due to lack of information to the public, no one availed of the facility.

2. **Mobile Payment for Business Taxes.** Batangas City, with the support of USAID Scaling Innovations in Mobile Money (SIMM) and INVEST, launched a mobile payment system for business taxes on March 16, 2014, making it the first city in the country to

enable the payment of taxes associated with business permits through cell phones under Globe's G-Cash platform.

3. **Computerization of the Database of Business Establishments.** In Batangas City, the database program developed by its service provider enabled encoding of previously submitted information by existing businesses (those who would be applying for renewal of permits). This allowed Batangas City to do away with the submission of an application form.
4. **Centralized Reporting of Non-Compliances.** In Batangas City, computerization also enabled centralizing the reporting of non-compliances ("positive findings") for each business where the different departments and agencies (i.e. City Health Office, City Environment and Natural Resources, Office of the City Veterinary and Agricultural Services, and Bureau of Fire Protection) were asked to encode positive findings by December 15, 2013. For 2014, instead of having the application checked by each of the departments, the BPLO staff can already check when he/she retrieves information on the establishment whether there are non-compliances. If there are findings, the BPLO provides the client with a print-out that provides specific information on the findings and concerned offices where the applicant would need to settle their non-compliances with. If there are no positive findings, the application can proceed with assessment for payment of taxes.
5. **Adoption of Electronic Signature.** In 2013 Batangas and Cagayan de Oro cities allowed the issuance of permits with the electronic signature of the Mayor. Iloilo City followed the same practice in 2014. Hence, the issuance of permits no longer depended on the availability of the signatories in the three cities.
6. **Electronic Integration of the Bureau of Fire Requirements.** The amended Fire Code required separate assessment and payment of fire code fees and the issuance of the Fire Safety Inspection Certificate (FSIC) before a Mayor's Permit can be issued. This requirement added at least three steps to the business permitting process not to mention the fact that the applicant has to go to the Bureau of Fire Protection (BFP) offices/stations to do the processes. In the three cities, instead of having applicants go to the Bureau of Fire Protection (located some kilometers from city hall) to pay their fire security fees and taxes, the BFP personnel agreed to co-locate with the city treasurer offices staff within the BOSS in the city hall. Batangas and Cagayan de Oro provided the BFP with computers. For Cagayan de Oro, the city government electronically provides the BFP with estimates of the fire code fees, which are based on the total fees required by the city, eliminating the need for the applicants to physically get a printed tax order of payment, which are submitted to the BFP personnel and used as basis for a separate assessment made by the BFP.
7. **Linking with the Philippine Business Registry (PBR).** The PBR is a web-based portal managed by the Department of Trade and Industry where businesses can secure their Business Name Registration Certificate and pay the required fees. Starting 2014, Batangas City and Cagayan de Oro cities had PBR kiosks set up in the city hall's BOSS, where single proprietors can secure their business name certificates without going to the DTI regional offices and directly proceed to get their Mayor's Permit in the city hall. The PBR also makes it possible for sole proprietors to obtain the Taxpayer Identification Number (TIN) and the Employer Registration Numbers (ERNs) from the SSS, PhilHealth and the Home Development Mutual (Pag-IBIG) Fund. In Batangas City, 318 new

business applicants were processed in the PBR kiosk while 126 clients were served in Cagayan de Oro City.

The improvements in BPLS indicators for the three cities are summarized in Table 1 (for processing new business applications) and Table 2 (for processing business renewal applications) below. The tables indicate the substantial progress achieved by the cities during the three years of assistance provided by USAID in business permitting. The 2014 reforms as described above generally led to further improvements in the cities' performance relative to the service standards set in the JMC. All three cities had fewer steps for processing permits for both new and renewals compared to the JMC standards. Processing time for business renewals was also better and was shorter than the JMC standards for both business renewals and new business applications. The number of signatories is down to four for CDO (w/ digitized signature for the Mayor on the permit and backroom initials for the assessors) two in Batangas and just one in Iloilo City. The required documents have been reduced to none (0) in Batangas City, and 5 each for Iloilo and Cagayan de Oro cities.

**Table 1. Baseline<sup>1</sup> and Streamlined<sup>2</sup> BPLS for Applications for New Business Permits in INVEST Partner Cities, 2012-2014<sup>3</sup>**

BPLS Indicators	Batangas			Iloilo			Cagayan de Oro		
	Baseline (2012)	2013	2014	Baseline (2012)	2013	2014	Baseline (2012)	2013	2014
Steps	17	3	2	27	18	4	17	5	3
Form	11	1	0	8	2	1	10	5	1
Signatories	22 (manual)	2	2 (digitized)	27	4	1	27	7	4
Required Documents	7	3	0	6	5	5	14	7	5
Elapsed/ Processing Time	Around 11 days	3 hours, 21 mins	1 hour, 30 mins	About 2-3 days	17 days	Walk in: 1 hour	19 days	Less than 1 hour	30 mins – 1 hour

<sup>1</sup> Baseline data were collected during the Self-Assessment Workshops in June- July 2012.

<sup>2</sup> Streamlined data were based on third part assessments done by INVEST in 2013 and 2014

<sup>3</sup> Preliminary data for 2014 from the INVEST assessment which will be validated with city officials in the next quarter.

**Table 2. Baseline<sup>1</sup> and Streamlined<sup>2</sup> BPLS for Applications for the Renewal of Business Permits in INVEST Partner Cities, 2012-2014<sup>3</sup>**

BPLS Indicators	Batangas			Iloilo			Cagayan de Oro		
	Baseline	2013	2014	Baseline	2013	2014	Baseline	2013	2014
Steps	17	3	2	9	11	3 (walk-in); 1 (online)	8	4	3
Form	3	1	0	4	1	0	2	5	1
Signatories	14 (manual)	2	2 (digitized)	13	2	1	13	4-5	4
Required Documents	9	4	2	6	6	5	1	5	7
Elapsed/ Processing Time	1-2 days	5 hours, 38 mins	1 hour, 27 mins	3 days	1 and ½ days	<u>Walk in:</u> 1 ½ hours to 4 hours <u>OnLine:</u> less than an hour to 1 ½ hour	2-3 days	Less than 1 hour	Less than an hour

<sup>1</sup> Baseline data were collected during the Self-Assessment Workshops in June- July 2012.

<sup>2</sup> Streamlined data were based on third part assessments done by INVEST in 2013 and 2014.

<sup>3</sup> Preliminary data for 2014 from the INVEST assessment which will be validated with city officials in the next quarter.

The project's assessment of the city's compliance with BPLS also included an exit interview to get the applicants' perspective in relation to the efficiency of front-line services of the city. The exit interview was conducted by third party service contractors, which covered 300 applicants in each of the city.

Table 3 summarizes the results on the level of satisfaction with the services of the city. The net satisfaction rating was computed for the three years of the project. Clearly, the Batangas reforms, especially those adopted in 2014, led to the 98 percent net satisfaction rating for the city. Cagayan de Oro garnered the second highest rating, which was lower this year probably due to the additional requirements from the CTO. In the case of Iloilo City, it seems like the small BOSS area and the longer waiting time probably contributed to more people being dissatisfied with the service in 2014 compared to last year.



**Table 3. Satisfaction on the Conduct of Service in the Business Permit Application, 2012-2014 (In %)**

Service Satisfaction	Batangas			Iloilo			Cagayan de Oro		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Very Satisfied	30	55	77	26	28	21	51	38	38
Satisfied	54	29	21	62	57	46	47	49	45
Neutral	14	14	1	12	13	26	2	11	14
Dissatisfied	2	2	0	0	2	7	0	2	3
Very Dissatisfied	0	0	0	2	0	0	0	0	0
<b>Net Satisfaction Rating</b>	<b>82</b>	<b>82</b>	<b>98</b>	<b>86</b>	<b>83</b>	<b>60</b>	<b>98</b>	<b>85</b>	<b>80</b>

The impact of the business permitting reforms can be seen in the increase in business registration applications received during the first quarter of 2014, with Iloilo City posting the highest increase at 32%, covering both new and renewals (Table 4). Interviews with the Iloilo City's OIC-BPLO indicated that the business applications streamlined process encouraged more applicants to file early in the year compared to the past where half of business renewals were done after the first quarter. Cagayan de Oro ranked second in terms of growth in the number of applicants at 13%. Batangas, on the other hand, posted lower growth rates in business applications this year after posting a hefty 37% increase in 2013. Overall, the number of applications processed by the three cities in the first quarter of 2014 rose by 16 percent and by a third more when the project started in 2012.

All of the cities experienced higher revenue intake from business taxes and fees in 2014, based on preliminary figures provided to the Project. Cagayan de Oro posted the highest revenue growth (36%), possibly due to extensive validation done, which caused discomfort to some applicants as reflected in the exit interviews conducted in the city. Iloilo City had a 10 percent growth in revenues, followed by Batangas City at 5 percent.

**Table 4. Number of Business Registrants and Revenues from Business Applications (as of January – March 2014)<sup>1</sup>**

City	No. of Applicants			Growth Rate (%)		
	2012	2013	2014	2012-2013	2013-2014	2012-2014
<b>No. of Applications</b>						
Batangas	4,299	5,883	6,116	37	4	42
Iloilo	6,099	7,675	10,145	26	32	66
Cagayan de Oro	14,272	14,771	16,640	3	13	17
<b>Total</b>	<b>24,670</b>	<b>28,329</b>	<b>32,901</b>	<b>15</b>	<b>16</b>	<b>33</b>
<b>Revenues (in Million Php)</b>						
Batangas	190.32	207.3	218.6	9	5	15
Iloilo	196.6	199.5	219.3	1	10	12
Cagayan de Oro	236.63	289.86	395.12	22	36	67
<b>Total</b>	<b>623.55</b>	<b>696.66</b>	<b>833.02</b>	<b>12</b>	<b>20</b>	<b>34</b>

<sup>1</sup> Revenue figures are preliminary figures provided to the Project in April 2014 which will be verified with the City Treasurer's Offices of the partner cities.

Aside from the BPLS-related reforms, the Project also devoted time to studies that would lead to the "next wave" of business permitting reforms in the areas of construction-related permits and those in the tourism and sanitation. Consultants for these studies have started data gathering thru focused group discussions during the quarter. Table 5 presents the accomplishments vs. planned activities of the Project in the 10<sup>th</sup> quarter of its implementation.

**Table 5. Comparison of Planned Activities and Accomplishments for the 10<sup>th</sup> Quarter under Program Area 1.1**

Program Area/Deliverable/Output	Planned Activities for the 10th Quarter	Activities Completed for the 10th Quarter
<b>Program Area 1.1: Ensuring Compliance of Partner Cities with BPLS Standards</b>		
<b>Deliverable 1: Assisted Partner Cities in Setting-up a Computerized Business Permits and Licensing System (BPLS) and an Enhanced Business One-Stop Shop (BOSS)</b>		
Output 1.1. Assessment Report on the Reforms Implemented for BPLS, BOSS and Inspection Systems	<ul style="list-style-type: none"> <li>▪ Conduct of the BPLS assessment for new and business renewals as well as the BOSS and the city's inspection systems</li> <li>▪ Drafting of the initial assessment report on the reforms implemented for BPLS, BOSS and inspection systems</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assessment of the 2014 business permit procedures and the BOSS for the three cities were conducted in three cities in January (for business renewals) and February (for new applications).</li> <li>▪ As in previous years, the assessment was based on a process tracking of sample applicants and exit interviews of 300 applicants per city</li> <li>▪ Twelve service contractors were hired to assist the City Program Advisers in the assessment of the</li> </ul>

Program Area/Deliverable/Output	Planned Activities for the 10th Quarter	Activities Completed for the 10th Quarter
		2014 BPLS of the cities. <ul style="list-style-type: none"> <li>▪ Draft reports on the assessment are being reviewed by the Project Management Office</li> <li>▪ The assessment of the reformed inspection system in each of the cities will be conducted in April; hence the assessment guidelines were drafted and discussed with the CPAs in March 2014.</li> <li>▪ Batangas City launched a mobile payment system for the quarterly payment of business permits on March 31, 2014 in coordination with the Scaling Innovations for Mobile Money (SIMM) Project.</li> <li>▪ The Project coordinated the meetings between the Iloilo city government and the SIMM project (February 17-18 &amp; March 21) on the possible adoption of mobile money payment system for the city.</li> </ul>
<b>Deliverable 2: Introduced Risk-Based Inspections in Partner Cities (Carry-over from Year 2)</b>		
Output 2.1. Recommendations on the adoption and implementation of a risk-based system for sanitation inspection	<ul style="list-style-type: none"> <li>▪ Submission to USAID of the STTA and SOW</li> <li>▪ Submission (by STTA) of inception report</li> <li>▪ Conduct of workshops/FGDs</li> <li>▪ Preparation of draft report on the risk-based system for sanitation inspection</li> </ul>	<ul style="list-style-type: none"> <li>▪ A request to hire Mr. Joma Lim was submitted to USAID on January 16, which was approved on January 24, 2014.</li> <li>▪ The inception report was submitted on February 21, 2014.</li> <li>▪ A focused group discussion (FGD) was conducted in CDO on March 26, 2014.</li> </ul>
Output 2.2. Recommendations on the adoption and implementation of a risk-based system for the fire inspection	<ul style="list-style-type: none"> <li>▪ Submission to USAID of the STTA and SOW</li> <li>▪ Submission (by STTA) of inception report</li> <li>▪ Conduct of workshops/FGDs</li> </ul>	<ul style="list-style-type: none"> <li>▪ The vacancy was advertised on February 14, 2014 at the Philippine Daily Inquirer which generated 2 applicants. The two applicants were interviewed but were considered unqualified for the Project's requirements.</li> <li>▪ The Project will recommend the removal of the study in the work plan.</li> </ul>
<b>Deliverable 3: Introduced Reforms in Securing Permits for Construction and Tourism Activities (Carry-over from Year 2)</b>		
Output 3.1. Recommendations on the adoption and implementation of proposed streamlined processes for securing construction-related permits	<ul style="list-style-type: none"> <li>▪ Presentation of initial findings and recommendations to DILG</li> <li>▪ Preparation of the draft report on the streamlined processes for securing construction related permits</li> </ul>	<ul style="list-style-type: none"> <li>▪ A meeting was held on January 19, 2014 with DILG Undersecretary Panadero to get initial guidance on the direction of the study</li> <li>▪ This was followed by a workshop with private sector groups</li> </ul>

Program Area/Deliverable/Output	Planned Activities for the 10th Quarter	Activities Completed for the 10th Quarter
	<ul style="list-style-type: none"> <li>▪ Submission of draft circular to implement the recommendations of the study to D mn ILG and DPWH</li> </ul>	<p>involved in construction-related activities organized on February 28, 2014 which was attended by 23 participants. This workshop was intended to validate the recommendations of the consultant.</p> <ul style="list-style-type: none"> <li>▪ A draft report was submitted by the consultant on February 28, which is currently being revised based on the comments of the PMO.</li> </ul>
<p>Output 3.2. Recommendations on the adoption and implementation of the proposed streamlined processes for securing permits for hotels and similar establishments.</p>	<ul style="list-style-type: none"> <li>▪ Submission to USAID for request for contracting the STTA for the study</li> <li>▪ Conduct of data gathering for the study, e.g. focused group discussions</li> <li>▪ Preparation of the draft report on the streamlined processes for securing permits for hotels and similar establishments</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Project submitted a request to contract Mr. Libosada on January 15, 2014, which USAID approved on January 21, 2014.</li> <li>▪ The inception report was submitted on February 18, 2014.</li> <li>▪ A coordination meeting with Asst. Secretary Alan Canizal was held to discuss the study and enjoin the Department of Tourism (DOT) to be a partner of the Project.</li> <li>▪ Subsequently, another meeting was held with the Asian Development Bank which is also doing a similar study.</li> <li>▪ Delays were encountered by the project due to problems in securing the approval of the DOT in signing the invitation letters for the focused group discussions for the study.</li> </ul>

**b. Plans for the 11<sup>th</sup> Quarter**

In the next quarter, the Project will be assisting the Iloilo and Cagayan de Oro cities to launch their mobile payment facilities, in partnership with the SIMM project, one of the last activities of the project related to business permitting. The studies on the permitting reforms are expected to be finished and presented to USAID, the partner agencies and the cities for possible adoption. The integrated report on BPLS is also targeted for completion during the quarter.

**Table 6. Planned Major Activities for the 11th Quarter under Program Area 1.1**

Deliverables & Outputs	Planned Major Activities for the 11 <sup>th</sup> Quarter (April to June 2014)
<b>Program Area 1.1: Ensuring Compliance of Partner Cities with BPLS Standards</b>	
<b>Deliverable 1: Assisted Partner Cities in Setting-up a Computerized Business Permits and Licensing System (BPLS) and an Enhanced Business One-Stop Shop (BOSS)</b>	
Output 1.1 Assessment Report on the Reforms Implemented for BPLS, BOSS and Inspection Systems in 2014	<ul style="list-style-type: none"> <li>▪ Submission of the integrated report to USAID</li> <li>▪ Assistance to the city governments of Iloilo and Cagayan de Oro in the launching of their mobile and/or online payment (for CDO)</li> <li>▪ Assistance to CDO in refining their Information System Strategic Plan (ISSP)</li> </ul>
<b>Deliverable 2: Introduced Risk-Based Inspections in Partner Cities (Carry-over from Year 2)</b>	
Output 2.1. Recommendations on the adoption and implementation of a risk-based system for sanitation inspection	<ul style="list-style-type: none"> <li>▪ Conduct of FGDs in Batangas City (April 4) and Iloilo City (April 10)</li> <li>▪ Submission of the draft report presentation of the recommendations</li> </ul>
Output 2.2 Recommendations on the Adoption and Implementation of a Risk-Based System for Fire Inspection	<ul style="list-style-type: none"> <li>▪ Preparation of request to delete the study from the work plan due to difficulties in getting a consultant after advertising the position three times</li> </ul>
<b>Deliverable 3. Introduced Reforms in Securing Permits for Construction and Tourism Activities (Carry-over from Year 2)</b>	
Output 3.1 Recommendations on the Adoption and Implementation of the Proposed Streamlined Processes for Securing Construction-related Permits	<ul style="list-style-type: none"> <li>▪ Presentation of the study to DILG and USAID as well as to the relevant inter-agency committees</li> <li>▪ Drafting of a circular to implement the recommendations of the study</li> </ul>
Output 3.2 Recommendation on the Adoption and Implementation of the Proposed Streamlined Processes for Securing Permits for Hotels and Similar Establishments	<ul style="list-style-type: none"> <li>▪ Conduct of FGDs in the three cities</li> <li>▪ Drafting of the report and presentation of the results to DOT</li> <li>▪ Drafting of appropriate circulars to implement the study</li> </ul>

**2. Program Area 1.2: Strengthening National Government Support to BPLS Reforms**

To strengthen national government support to the BPLS initiatives at the local level, the Project, in year 3, is committed to assist DTI's efforts at accelerating the implementation of the Philippine Business Registry (PBR) and to support the DILG and other oversight agencies in putting in place procedural and policy reforms that would ease doing business in the country.

**a. Key Accomplishments**

As reported earlier, the Project assisted both the DTI and the city governments of Batangas and Cagayan de Oro to be connected with the PBR. The current PBR version is still teller-assisted; hence DTI had to assign its own regional/provincial staff to man the PBR kiosks in the partner cities. The PBR kiosks were useful in facilitating the registration of small business enterprises with the DTI.

The Project was also a catalyst in convincing the social security agencies to streamline the procedures for securing business-related clearances. A Joint Memorandum Circular was signed on February 14, 2014 among SSS, PhilHealth, and Home Development Mutual Fund, the DTI, the League of Cities of the Philippines and the League of Municipalities of the Philippines aimed at eliminating the burden of getting clearances from each of the offices of the different social security agencies as a requirement for business permit renewals. Instead, the agencies agreed to submit a negative list of erring establishments to cities and municipalities as a guide for identifying businesses which should be given temporary permits. Through the exchange of information between the LGUs and the social security agencies and DTI, the JMC is envisioned to also lead to the setting up of a Philippine Registry of Businesses by the DTI.

Table 7 summarizes the accomplishments of the Project under this component.

**Table 7. Comparison of Planned Activities and Accomplishments for the 10<sup>th</sup> Quarter under Program Area 1.2**

Program Area/Deliverable/Output	Planned Activities for the 10th Quarter	Activities Completed for the 10th Quarter
<b>Program Area 1.2: Strengthening National Government Support to BPLS Reforms</b>		
<b>Deliverable 1: Provided Technical Support to the Inter-Agency Committees on Philippine Business Registry and the Connectivity of the Partner Cities to the PBR</b>		
Output 1.1 PBR Connectivity of Partner Cities	<ul style="list-style-type: none"> <li>▪ Monitoring the operations of the PBR kiosks and reporting implementation issues that may arise</li> </ul>	<ul style="list-style-type: none"> <li>▪ PBR kiosks were set up in Batangas and Cagayan de Oro cities during the January 2014 renewal period.</li> <li>▪ Iloilo City's connectivity with PBR did not happen since the city does not process new applications in January. Furthermore, there were issues on the collection and remittance of fees that need to be resolved between DTI and the city treasurer's office, before the connection could be set up.</li> <li>▪ An assessment of the operations of the PBR in the cities was drafted by the project and presented to DTI Undersecretary Nora Terrado on March 25, 2014.</li> <li>▪ A report to USAID has been drafted, which will be submitted as soon as DTI provides inputs on the measures that it will take to make PBR connectivity operable year-round in the cities.</li> </ul>

Output 1.2 Signed Executive Order (EO)	<ul style="list-style-type: none"> <li>▪ Follow-up of the decision of DTI on the PBR EO and provision of assistance to the DTI in finalizing the EO</li> </ul>	<ul style="list-style-type: none"> <li>▪ A meeting with DTI Undersecretary Terrado was held on March 25, 2014 to discuss the possibility of issuing the EO. However, decision on this will depend on the results of the meeting among DTI, SEC and DBM in April 2014.</li> </ul>
Output 1.3 Meetings of the Steering Committee and the PBR Technical Working Group Organized	<ul style="list-style-type: none"> <li>▪ Provision of technical assistance to the DTI in organizing the meetings of the PBR Steering Committee and the TWG</li> </ul>	<ul style="list-style-type: none"> <li>▪ Again, DTI will await the results of the meeting as mentioned above.</li> </ul>
<b>Deliverable 2: Reviewed JMC Standards</b>		
Output 2.1. Report on the Assessment of the DTI-DILG JMC 1, s. 2010	<ul style="list-style-type: none"> <li>▪ Preparation of final assessment report on BPLS standards under DTI-DILG JMC 1, s. 2010 and presentation of the recommendations to appropriate committees</li> <li>▪ Drafting of a circular enhancing the BPLS standards presented to DILG, DTI and USAID</li> <li>▪ Signing of the MOA between DILG and PhilHealth on the business renewal requirements from business applicants</li> <li>▪ Signing of the Joint Memorandum Circular on the submission of negative lists by SSS and PhilHealth to LGUs</li> </ul>	<ul style="list-style-type: none"> <li>▪ The MOA between DILG and Philhealth detailing the streamlined procedures for securing business-permit clearances from Philhealth was signed on Feb 14, 2014</li> <li>▪ The Joint Memorandum Circular on the submission of negative lists by SSS and PhilHealth to LGUs was also signed on February 14, 2014 by DILG, DTI, Philhealth, SSS, HDMF, the League of Cities of the Philippines and the League of Municipalities of the Philippines</li> <li>▪ Draft report on the JMC was submitted by the consultant on February 4, 2014</li> <li>▪ Delays have been experienced due to inability of the consultant to submit revisions to the report</li> </ul>
<b>Deliverable 3. Provided Technical Support to Oversight Committees on BPLS Reforms</b>		
Output 3.1 Report on the Assistance Provided to the Oversight Committees on BPLS	<ul style="list-style-type: none"> <li>▪ Provision of assistance to DTI and DILG to convene the BPLS Oversight Committee</li> <li>▪ Provision of assistance to the ICTO-DOST to convene the TWG on eBPLS</li> </ul>	<ul style="list-style-type: none"> <li>▪ The BPLS Oversight Committee met on March 31, 2014; the Project assisted the DTI-based secretariat in preparing the agenda and the discussion guide of the Co-conveners from DTI and DILG</li> <li>▪ The TWG on eBPLS had two meetings - January 15 and March 26, 2014.</li> </ul>

**b. Plans for the 11<sup>th</sup> Quarter**

In the next quarter, the Project will assist the oversight agencies in organizing an event during the Information and Technology (IT) month that would showcase the partner cities that have automated their BPLS. As the Project winds down its activities at the city level, it will exert efforts at pushing for BPLS reforms at the national level thru its active participation in the oversight committees on BPLS and local investment reforms.

**Table 8. Planned Major Activities for the 11<sup>th</sup> Quarter under Program Area 1.2**

Program Area, Deliverables & Outputs	Planned Major Activities for the 11 <sup>th</sup> Quarter (April to June 2014)
<b>Program Area 1.2: Strengthening National Government Support to BPLS Reforms</b>	
<b>Deliverable 1: Provided Technical Support to the Inter-Agency Committees on Philippine Business Registry and the Connectivity of the Partner Cities to the PBR</b>	
Output 1.1 PBR Connectivity of the Partner Cities (Carry-over from Year 2)	<ul style="list-style-type: none"> <li>▪ Submission of a report to USAID re: PBR connectivity of partner cities</li> </ul>
Output 1.2 Signed Executive Orders of Partner Cities on the PBR	<ul style="list-style-type: none"> <li>▪ Submission of a report to USAID on the progress of work on the PBR EO</li> </ul>
Output 1.3 Meetings of the Steering Committee and the PBR Technical Working Group Organized	<ul style="list-style-type: none"> <li>▪ Provision of assistance to DTI in convening the PBR-related committees</li> </ul>
<b>Deliverable 2: Reviewed JMC Standards</b>	
Output 2.1 Assessment of BPLS Standards in the DTI-DILG Joint Memorandum Circular (Carry-over from Year 2)	<ul style="list-style-type: none"> <li>▪ Finalization of the report and presentation to USAID and the government partners</li> </ul>
Output 2.2 Draft DILG-DTI Memorandum Circular on the Revised JMC on BPLS Standards	<ul style="list-style-type: none"> <li>▪ Preparation of the draft JMC on the BPLS service standards and presentation to USAID and the partners</li> </ul>
<b>Deliverable 3: Provided Technical Support to Oversight Committees on BPLS Support</b>	
Output 3.1 Report on the Assistance Provided to the Oversight Committees on BPLS	<ul style="list-style-type: none"> <li>▪ Assistance to DTI and DILG in convening the BPLS Oversight Committee to present policy reforms on BPLS</li> <li>▪ Assistance to the DTI, DILG and DOST in organizing an event that would promote BPLS automation at the local level</li> </ul>



## **B. Component 2: Improving Investment Planning and Promotion in Target Cities**

Pursuant to the Project's Workplan for the Option Year, Component 2 will focus on two (2) sets of activities: (a) further strengthening of the integration of planning, investment programming and budgeting at the city level; and (b) demonstration of capacities of the partner cities in investment planning and promotion through the mounting of the Business Forums in each of the cities.

The Project organized the first Business Forum (for Batangas City) on December 11, 2013 and its results were included in the 9<sup>th</sup> quarterly report submitted to USAID on February 3, 2014. In the 10<sup>th</sup> quarter of the Project, the Project organized two Business Forums: one for Cagayan de Oro City (February 12, 2014) and another for Iloilo City (March 12, 2014).

The Cagayan de Oro City Business Forum (dubbed as “**Connect and DO Business in Cagayan de Oro**”) showcased the potential of the city as an investment hub in Southern Philippines, focusing on agribusiness, logistics, industry and services, and tourism. The Forum was the product of the partnership among the City Government, Cagayan de Oro Chamber of Commerce and Industry, Promote CDO Foundation, and USAID. The American Chamber of Commerce of the Philippines (AmCham) and financial institutions like the Bank of the Philippine Islands and Security Bank also gave their support. The Forum was attended by 292 participants from international and local businesses, trade associations, foreign chambers, trade missions, embassies, and government agencies.

The Iloilo Business Forum (dubbed “**Iloilo Means Business**”) showcased the strong partnership between the national government, the province, the city, and the private sector in promoting the development of Iloilo. The Iloilo Business Forum was a model of partnership among the City Government, the Provincial Government, Iloilo Economic Development Foundation, Inc. (ILED), Department of Trade and Industry (DTI), and USAID, with guidance provided by Senate President Franklin Drilon. The Forum was followed by a short networking session where project proponents met with potential investors. The preparation of the investment opportunity briefs used in this networking session was part of the pre-investment forum activities facilitated by USAID. Around 377 participants from top Philippine corporations, international and local businesses, trade associations, foreign chambers, trade missions, embassies, and government agencies attended the forum.

In Batangas City, the Project assisted the local government in organizing a business matching activity with Turkish businessmen. A follow-up to the Batangas Business Forum on December 11, 2013, the activity brought together around 26 Turkish businessmen and 35 local businessmen who exchanged information and product lines for future investments. The Project also sustained its support to the Batangas Business Club (BBC) through its participation in the group's organizing meeting on January 21, 2014.

### **1. Program Area 2.1: Supporting Capacity-Building Efforts of Partner Cities in Investment Planning and Promotion**

In previous reports, the Project noted that it has achieved gains in strengthening and integrating planning, investment programming, and budgeting in the partner cities. The Project built on these gains to assist the partner cities in organizing their respective Business Forums. The Business Forums organized for Cagayan de Oro and Iloilo cities can thus be viewed in the context of all these preparatory activities, starting with the capacity-building interventions in Year 1 of the Project.

**a. Key Accomplishments**

In the 10<sup>th</sup> Quarter, the Project completed preparatory work needed for the Cagayan de Oro and Iloilo Business Forums, managed the two Business Forums, and monitored the initial outputs of the Forums.

During the CDO Business Forum, Ms. Gloria Steele, USAID Mission Director for the Philippines, delivered a message of support where she commended the city government for the reforms that it initiated under the Cities Development Initiative. Undersecretary Nora Terrado of the Department of Trade and Industry (DTI), representing Secretary Gregory Domingo, and Director Ana Bonagua of the Department of the Interior and Local Government (DILG) also gave messages that highlighted the support being given by the national government to CDO. Dr. Bernardo Villegas of the Center for Research and Communication (CRC) explained how the rapid economic growth of the Philippines impact on Cagayan de Oro. Dr. Cayetano Paderanga of the University of the Philippines School of Economics (UPSE) presented the regional economic situation and prospects, consistent with the perspective that the development of CDO is connected to the entire region. CDO Mayor Oscar Moreno presented his vision for the city, focusing on CDO's role in championing inclusive development in Northern Mindanao. Representatives from the business community in CDO shared their experiences in CDO and explained the potentials of the city, namely Dr. Walter Brown (A. Brown Company), Mr. Victor del Rosario (Phinma Corporation), Mr. David Ebb Hinchliffe (AmCham), Mr. Guillermo Luchangco (Investment and Capital Corporation of the Philippines), and Engr. Emilio Tumbocon (Ayala Land).

The Forum also highlighted the goal of the City to promote inclusive growth with the signing of two Memoranda of Understanding on agricultural investments in remote *barangays* of the city that will benefit rural farmers and indigenous people. The environment was also on the forefront with the signing of an MOU on solid waste management and on training vulnerable *barangays* on disaster preparedness. An academe-industry memorandum of commitment, under the USAID-supported Philippine Business for Education, was also signed by the president of Xavier University-Ateneo de Cagayan, on behalf of the academe, and the presidents of OroChamber and Promote CDO for the business sector.

The Cagayan de Oro Business Forum generated a total public relations value of Php2.2 million based on news reports and media coverage before, during, and after the event.

During the Iloilo Business Forum, Mr. Reed Aeschliman, USAID Deputy Mission Director for the Philippines, delivered a message of support where he discussed the competitive advantages of Iloilo City and the commitment of USAID to support its development. He also commended the leadership of the city and the province, and noted the strong partnership with the private sector as important factors in promoting economic development and competitiveness. Senate President Franklin Drilon delivered the keynote address. He discussed the dream to transform Iloilo into a premier tourist and investment destination, the competitive strengths of Iloilo, and the strategy to reduce poverty and achieve high and sustained growth. He also cited the advantages of doing business in Iloilo--“*easier, cheaper, and corruption free.*” Secretary Rogelio Singson of the Department of Public Works and Highways was the luncheon speaker. He presented the strategic infrastructure policies and programs. He also announced the national government's commitment to provide Php4 billion worth of infrastructure projects for Iloilo. Mr. Guillermo Luz, Private Sector Co-Chairman of the National Competitiveness Council, discussed the ranking of Iloilo City among local governments in the Philippines. He noted that in 2013, Iloilo City was the second most competitive city in the Philippines and the first in terms of

governance. Iloilo City Mayor Jed Mabilog presented the priority investment areas of the City and identified investment opportunities. Iloilo Governor Arthur Defensor explained the link between the province and the city and highlighted the investment opportunities in other cities and municipalities of Iloilo. The Forum also featured a panel discussion among top business leaders who have existing businesses in Iloilo: Mr. Antonio Aquino (President and CEO of Ayala Land Inc.), Mr. Francisco Sebastian (Chairman of Global Business Power Corporation), Mr. Ramon del Rosario (President and CEO of PHINMA Corporation), Mr. Jose Sio (EVP and Chief Financial Officer of SM Investments Corporation), Mr. Kevin Andrew Tan (First Vice President and Head of Commercial Division of Megaworld Corporation), and Dr. Edgar Sia II (CEO of Injap Investments Inc.). The panel discussion was moderated by ILED Vice President Rex Drilon and focused on the competitive advantages of locating in Iloilo.

The Forum served as a venue for statements of commitment by local and foreign businessmen to invest Php 32 billion in specific projects in the City. The commitments came from Dr. Walter Brown (Executive Chairman of Palm Concepcion Power Corporation), Mr. Francisco Sebastian (Chairman of Global Business Power Corporation), Mr. Youn Pyo Hong (Chairman of Dream Engineering Company Ltd.), Mr. Nikesh Sinha (Director of NV Voght Singapore Pte. Ltd), Ms. Dion Ugbebor (CEO of Intracare Inc.), and Dr. Edgar Sia II (as President and CEO of Double Dragon Properties Inc.).

The Iloilo Business Forum generated a PR value of Php1.9 million.

The detailed accomplishments are presented in Table 9.

**Table 9. Comparison of Planned Activities and Accomplishments for the 10<sup>th</sup> Quarter for Program Area 2.1**

<b>Program Area, Deliverables &amp; Outputs</b>	<b>Planned Activities for the 10<sup>th</sup> Quarter</b>	<b>Activities Completed for the 10<sup>th</sup> Quarter</b>
Output 1.1 Investment Plan for Each Partner City	<ul style="list-style-type: none"> <li>▪ Finalization of priority investment areas for Iloilo and Cagayan de Oro cities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Priority investment areas for Iloilo and Cagayan de Oro cities were finalized and write-ups were prepared for use as inserts in the forum kits of their respective Business Forums</li> </ul>
Output 1.2 Revised Local Investment and Incentives Code (LIIC) for Each Partner City	<ul style="list-style-type: none"> <li>▪ Discussion with city officials of Iloilo and Cagayan de Oro cities re: investment incentives to be included in the business forum kit</li> </ul>	<ul style="list-style-type: none"> <li>▪ Forum kits of Iloilo and Cagayan de Oro Cities both contained brochures identifying the investment incentives in their cities</li> <li>▪ Iloilo and Cagayan de Oro cities decided not to amend their existing LIICs prior to the Business Forum. However, the cities eventually revised their LIICs and ,are going to be submitted to their City Councils.</li> </ul>
Output 1.3 Project Briefs and Updated City Profile for Each Partner City	<ul style="list-style-type: none"> <li>▪ Preparation of city profiles, sector profiles and project briefs for the forum kits of Iloilo</li> </ul>	<ul style="list-style-type: none"> <li>▪ City and sector profiles for Iloilo and Cagayan de Oro cities were prepared, edited, and printed as</li> </ul>

Program Area, Deliverables & Outputs	Planned Activities for the 10 <sup>th</sup> Quarter	Activities Completed for the 10 <sup>th</sup> Quarter
	and Cagayan de Oro cities	part of the forum kits <ul style="list-style-type: none"> <li>▪ Project briefs were prepared and printed for the Cagayan de Oro Business Forum</li> <li>▪ 29 project briefs were prepared and printed for the Iloilo Business Forum</li> </ul>
Output 1.4 Proposed List of Programs and Projects for 2014(Carry-over from Year 2)	<ul style="list-style-type: none"> <li>▪ Preparation of report on list of programs and projects for 2014 of the partner cities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Draft report being prepared</li> </ul>
Output 1.5 Report on the Implementation of the LEIPO Action Plan(Carry-over from Year 2)	<ul style="list-style-type: none"> <li>▪ Preparation of report on the implementation of LEIPO action plans of partner cities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Draft report being prepared</li> </ul>
Output 2.1 Report on the Conduct of the Business Forums in Each Partner Cities, including Memorandums of Agreement Concluded and/or Partnerships Formed	<ul style="list-style-type: none"> <li>▪ Preparation of the report on the conduct of the Cagayan de Oro and Iloilo Business Forums</li> <li>▪ Preparation of integrated report on the conduct of the City Business Forums, including MOAs and partnerships formed</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reports on the Business Forums were prepared by MEET, Inc.               <ul style="list-style-type: none"> <li>- CDO: progress report was submitted on February 3, 2014 and the final report was submitted on February 28, 2014</li> <li>- Iloilo: final report is still being prepared</li> </ul> </li> </ul>
Output 3.1 Report on the Post-Business Forum Activities of the Partner Cities	<ul style="list-style-type: none"> <li>▪ Conduct of planning session with partner cities on the establishment of Investment Promotion Centers</li> <li>▪ Conduct of planning session with the Batangas City Business Club</li> <li>▪ Establishment of monitoring system for the deals initiated and finalized arising from the Business Forums</li> </ul>	<ul style="list-style-type: none"> <li>▪ Planning workshops for the investment promotion centers in partner cities were scheduled on May 2014</li> <li>▪ The Project assisted Batangas City government and the Turkish Chamber of Commerce of the Philippines in organizing a local business matching activity with Turkish businessmen on January 21, 2014.</li> <li>▪ The Project assisted the Batangas Business Club in its organizational meeting on January 29, 2014.</li> </ul>

**b. Plans for the 11<sup>th</sup> Quarter**

In the next quarter, the Project's major activities in Component 2 will focus on (1) assisting the partner cities set up their Investment Promotion Centers and (2) completing the reports for submission to USAID.

**Table 10. Planned Major Activities for the 11<sup>th</sup> Quarter for Program Area 2.1**

<b>Program Area, Deliverables &amp; Outputs</b>	<b>Planned Major Activities for the 11<sup>th</sup> Quarter (April to June 2014)</b>
<b>Program Area 2.1: Supporting Capacity Building Efforts of Partner Cities in Investment Planning and Promotion</b>	
<b>Deliverable 1: Conducted Preparatory Activities for the City Business Forum in Partner Cities</b>	
Output 1.1 Investment Plan for Each Partner City	▪ Submission of the report to USAID
Output 1.2 Revised Local Investment Incentives Code for Each Partner City	▪ Submission of the report to USAID
Output 1.3 Project Briefs and Updated City Profile for Each Partner City	▪ Submission of the report to USAID
Output 1.4 Proposed List of Programs and Projects for 2014(Carry-over from Year 2)	▪ Submission of the report to USAID
Output 1.5 Report on the Implementation of the LEIPO Action Plan(Carry-over from Year 2)	▪ Submission of the report to USAID
<b>Deliverable 2: Assisted the Partner Cities Conduct their City Business Forum</b>	
Output 2.1 Report on the Conduct of the Business Forums in Each Partner Cities, including Memorandums of Agreement Concluded and/or Partnerships Formed	<ul style="list-style-type: none"> <li>▪ Preparation of the integrated report on the Business Forum</li> <li>▪ Preparation of manuals as part of the Project's knowledge products</li> </ul>
<b>Deliverable 3: Undertaken Post- City Business Forum Action Planning at the Partner Cities</b>	
Output 3.1 Report on the Post-Business Forum Activities of the Partner Cities	▪ Conduct of workshop/planning session for the setting up of Investment Promotion Centers in partner cities

### **C. Component 3: Cross-cutting Concerns**

The Project's Option Year Workplan for Component 3 focuses on (1) enhancing the measurement of competitiveness in partner cities and (2) undertaking activities related to Project close-out.

#### **a. Key Accomplishments**

As reported in the 9<sup>th</sup> quarter, the services of Dr. Ang was extended to assist the NCC in preparing a manual of operations for the data gathering in connection with 2014 competitiveness ranking of LGUs and the DILG in connection with the design of the Seal of Good Local Governance, which may include a criteria on LGU competitiveness.

The draft manual for the competitiveness ranking of cities and municipalities was discussed with the NCC on February 10, 2104 but comments were officially submitted to the Project on March 1, 2014. The manual was eventually circulated in draft form to the Regional Competitiveness Committees (RCCs) for comments.<sup>2</sup>

The DILG, meanwhile, launched the Seal of Good Local Governance (SGLG) in January 2014 and issued Memorandum Circular No. 2014-39 dated March 24, 2014, which describes the mechanics for the award system. The SGLG consists of three core assessment areas - good financial housekeeping, disaster preparedness and social protection – and one (1) essential assessment area. In the latter, LGUs may choose from three areas - business friendliness and competitiveness, peace and order and environmental management. On the former, the DILG included, as one of three possible criteria for business friendliness and competitiveness, the ranking of the LGU among the top 50 in the Competitiveness Index of the NCC. This action of the DILG motivates the LGUs to submit data and information to the RCCs, which collects data for the competitiveness index. The use of the Competitiveness Index, which was developed by NCC thru the Project, is a welcome development, that further confirms the usefulness of the project.

In the meantime, the Project assisted the NCC in launching the Livable Cities Design Challenge on March 11, 2014 during the Pacific Cities Sustainability Initiative Forum. The final list of 20 cities included in the challenge include: Angeles, Bacolod, Baguio, Baybay (Leyte), Butuan, Cagayan de Oro, Cebu, Davao, Iloilo, Legazpi, Ormoc, Pasay, Pasig, Roxas, San Fernando (La Union), Subic, Surigao, Tacloban, Valenzuela and Zamboanga. The Project also assisted the NCC in drawing up the budget for the activity.

Related to the INVEST Project close-out, two training manuals were drafted during the quarter – the Local Economic and Investment Promotion Manual which is intended for the training of Local Economic and Investment Promotion Officers and the Basic Customer Service Manual for frontline service staff from the BPLO and CTOs of the cities.

Details of the accomplishments of Component 3 of the Project for the 10<sup>th</sup> quarter are presented in Table 11.

---

<sup>2</sup> These comments were presented during the meeting of the RCC on April 1-2, 2014 in Cagayan de Oro.

**Table 11. Comparison of Planned Activities and Accomplishments  
for the 10<sup>th</sup> Quarter under Component 3**

<b>Deliverables &amp; Outputs</b>	<b>Planned Activities for the 10<sup>th</sup> Quarter</b>	<b>Activities Completed for the 10<sup>th</sup> Quarter</b>
<b>Deliverable No. 1: Enhanced Measurement of Competitiveness in Partner Cities (Carry-over from Year 2)</b>		
Output 1.1. Manual of Operations for the Computation of the Competitiveness Ranking of LGUs	<ul style="list-style-type: none"> <li>▪ Submission of the draft manual to USAID</li> </ul>	<ul style="list-style-type: none"> <li>▪ The consultant submitted the draft manual on January 9, 2014 and the National Competitiveness Council relayed comments on March 1, 2014. The latter did a pre-test of local government units in Ilocos and prepared a data capture form. Collection of data for the second round of competitiveness ranking started in March 2014. Mid-progress meeting of the Regional Competitiveness Councils is scheduled on April 1-3, 2014.</li> </ul>
Output 1.2. Survey on Competitiveness and Local Economic Development	<ul style="list-style-type: none"> <li>▪ Explore possibility of hiring an STTA to conduct the survey</li> </ul>	<ul style="list-style-type: none"> <li>▪ The conduct of the survey was recommended to be dropped in the revised option year work plan submitted to USAID</li> </ul>
<b>▪ Deliverable 2: Undertaken Activities and Prepared Reports for Project Close-Out</b>		
Output 2.1. Report on the Conduct of National and City INVEST Experience Dissemination Forums	<ul style="list-style-type: none"> <li>▪ Finalization of the guide and training modules on Project activities</li> <li>▪ Conduct of initial discussions and brainstorming sessions on the Forums</li> <li>▪ Preparation of action plan and activity design for the conduct of the Forums</li> </ul>	<ul style="list-style-type: none"> <li>▪ Drafted two training manuals</li> <li>▪ Started planning the end of project activities with the preparation of guidebooks and training manuals</li> </ul>
Output 2.2. Project Terminal/ Final Report	<ul style="list-style-type: none"> <li>▪ No planned activity</li> </ul>	<ul style="list-style-type: none"> <li>▪ No activity conducted</li> </ul>
Output 2.3. Project Demobilization Plan	<ul style="list-style-type: none"> <li>▪ Submission of the Project Demobilization Plan in March 2014</li> </ul>	<ul style="list-style-type: none"> <li>▪ The COR advised the Project not to prepare the Demobilisation Plan in view of the Project's extension</li> <li>▪ Transferred some equipment to COMPETE and TRADE</li> </ul>
<b>New Activities</b>		
DEL. 2. Output 2.1. Report on the Livable Cities Design Challenge (LCDC)		<ul style="list-style-type: none"> <li>▪ Assisted NCC in the launching of the LDCD on February 11, 2014</li> <li>▪ Prepared work and financial plan for Phases 2 and 3 of the LDCD</li> </ul>
Output 3.1. Report on the Selection of Additional Cities for CDI	No planned activities (new activity)	

**b. Plans for the 11<sup>th</sup> Quarter**

For the 11th quarter, the Project will undertake the following: (a) completion of three Manuals of Operation for the Computation of the Competitiveness Ranking of LGUs, which will be submitted to NCC and DILG for adoption; (b) provision of assistance to NCC in the management of the LCDC; (c) selection of additional cities for the CDI; and (d) assistance to USAID in the monitoring of the implementation of CDI action plans (economic and local governance only) of the partner cities.

The project will also start the preparatory activities for the Project Close-out. Critical among these activities is the conduct of Project experience dissemination forums initially proposed to be held in Metro Manila and one each in the partner cities. During the quarter, a series of brainstorming sessions and discussions as well as the preparation of an action plan and activity design for the said forums will be conducted. Collaterals and knowledge products will also be conceptualized and drafted during the quarter.

Details of the planned major activities under Component 3 of the Project for the 11th quarter are presented in Table 12.

**Table 12. Planned Major Activities  
for the 11<sup>th</sup> Quarter under Component 3**

<b>Deliverables &amp; Outputs</b>	<b>Planned Major Activities for the 11<sup>th</sup> Quarter (April to June 2014)</b>
<b>Deliverable 1: Enhanced Measurement of Competitiveness in Partner Cities</b>	
Output 1.1 Manual of Operations for the Computation of the Competitiveness Ranking of LGUs	<ul style="list-style-type: none"> <li>▪ Submission of three Manuals to USAID</li> </ul>
Output 1.2 Survey on Competitiveness and Local Economic Development	<ul style="list-style-type: none"> <li>▪ No planned activity (dropped from the work plan)</li> </ul>
Output 1.3. Report on the Assistance Provided to DILG in the Conceptualization of the Seal of Good Local Governance (SGLC) including the Seal of Competitiveness	<ul style="list-style-type: none"> <li>▪ Report to be drafted</li> </ul>
<b>Deliverable 2: Supported Inter-Agency Committees on Investment and Business Registration</b>	
Prog. Area 1.2. Output 2.1. Report on the Assistance Provided to Relevant Inter-Agency Committees	<ul style="list-style-type: none"> <li>▪ Provision of assistance to DTI and DILG in convening the BPLS Oversight Committee and the Sub-Working Group on Local Investment Reforms</li> </ul>
<b>Deliverable 2: Prepared Project's Regular Progress/Performance Reports</b>	
Output 4.2. Monthly Progress Report	<ul style="list-style-type: none"> <li>▪ Preparation of the report for the months of April, May and June 2014</li> </ul>
Output 4.2. Quarterly Performance Report	<ul style="list-style-type: none"> <li>▪ Preparation and submission of the performance report for the 10<sup>th</sup> quarter</li> </ul>
Output 4.2. Project Financial Audit Report (RCA)	<ul style="list-style-type: none"> <li>▪ Conduct of the RCA</li> <li>▪ Presentation and submission of the draft audit report</li> </ul>



Deliverables & Outputs	Planned Major Activities for the 11 <sup>th</sup> Quarter (April to June 2014)
<b>Deliverable 2: Undertaken Activities and Prepared Reports for Project Close-Out</b>	
Output 2.1. Report on the Conduct of National and City INVEST Experience Dissemination Forums	<ul style="list-style-type: none"> <li>▪ Finalization of the guide and training modules on Project activities</li> <li>▪ Conduct of initial discussions and brainstorming sessions on the Forums</li> <li>▪ Preparation of action plan and activity design for the conduct of the Forums</li> </ul>
Output 4.2. Project Terminal/Final Report	<ul style="list-style-type: none"> <li>▪ No planned activity</li> </ul>
Output 4.3. Project Demobilization Plan	<ul style="list-style-type: none"> <li>▪ Submission of the Project Demobilization Plan in June 2014</li> </ul>
<b>Implemented Activities in the Gender Action Plan</b>	
Output 4.2. Report on Gender Activities included in the Quarterly Progress Reports	<ul style="list-style-type: none"> <li>▪ Inclusion of a gender report in quarterly report</li> </ul>
Output 4.2. Report on the Gender Perspective in the Business Permitting System	<ul style="list-style-type: none"> <li>▪ Preparation of the report on gender perspective in business permitting system of partner cities</li> </ul>
<b>New Activities: Selected Additional Cities for the CDI</b>	
Report on the Selection of Additional Cities for CDI	<ul style="list-style-type: none"> <li>▪ Identification of selection indicators</li> <li>▪ Data gathering and ranking</li> <li>▪ Submission of draft report to USAID</li> </ul>
<b>New Activities: Assisted in the Management of the Livable Cities Design Challenge</b>	
Output 2.1. Report on the Livable Cities Design Challenge (LCDC)	<ul style="list-style-type: none"> <li>▪ Provision of assistance in the conduct of Phases 2 and 3 of the LCDC</li> </ul>
<b>Unprogrammed Deliverable: Assistance to USAID in CDI Activities</b>	
Monitoring of CDI Action Plans" Implementation in Partner Cities (for Economic and Governance Session only)	<ul style="list-style-type: none"> <li>▪ Organization of and preparation for the conduct of monitoring visit of USAID and dialogue with city officials in Cagayan de Oro City and Iloilo City</li> </ul>

### III. ACCOMPLISHMENTS BY CITY

#### A. BATANGAS CITY

Batangas City hosted a successful business matching event on January 21, 2014 between local business groups and Turkish businessmen from Kocaeli province in Turkey. This activity was organized in partnership with the Turkish Chamber of Commerce of the Philippines and the Batangas Business Club. The City also launched, on March 31, 2014, a mobile payment system for business taxes associated with business permits (the first city in the country to do so). The City also implemented a faster permitting process, piloted an online business permit renewal system, and established a business one-stop-shop for building and occupancy permits.

With the support of the Project, the city strengthened its investment promotion efforts by moving closer to formalizing the Metro Batangas Business Club, drafting the revised Local Investment Incentives Code through a small executive-legislative working group, and conceptualizing an Investment Promotion Center for the city.

##### 1. Institutional Strengthening

During the 10<sup>th</sup> quarter, the Project's technical assistance continued the "learning by doing" approach to capacity development, especially for Batangas City LEIPO and BPLO staff.

###### a. Key Accomplishments

Process Tracking Task for INVEST BPLS-BOSS (Annual) Assessment. As indicated in the 9<sup>th</sup> quarter report, LEIPO staff were trained and deployed in the Project's assessment of the BPLS and BOSS reforms for the January 2014 renewal period. LEIPO staff undertook process tracking to record processing times, detailed steps, and requirements for new business applications and renewal of permits, for both walk-in and online applicants. Aside from acquiring skills in process documentation, LEIPO personnel were able to fully understand the city's permitting process. They were also trained in identifying bottlenecks and proposing solutions.

Assessment Tool for Streamlined BPLS Process and BOSS Operations. The Project assisted the city government (spearheaded by the Business Permits and Licensing Division) in organizing a meeting among Department Heads to assess the renewal period and discuss client feedback from both INVEST and BPLD processes/tools. The BPLD was trained in developing an assessment tool to surface strengths, weaknesses, and recommendations for each of the important facets for the streamlined 2014 permitting process – from physical facilities to backroom operations.

Showcasing Batangas City's Streamlined Business Permitting Processes. For its efforts at streamlining its permitting processes, Batangas City was recognized as a trailblazer of BPLS reforms in the country. In March 2014, the BPLO Officer was invited to two forums to present Batangas City's experiences, namely the DILG-Bureau of Fire Protection Workshop on Streamlining Processes for Securing Fire Safety Inspection Certificates (March 4, 2013) and National Competitiveness Council (NCC) Cordillera Administrative Region (CAR) Roadshow (March 7, 2013). The NCC activity was attended by more than 100 officials from 77 CAR LGUs.

b. *Planned Activities for the 11<sup>th</sup> Quarter*

For the 11<sup>th</sup> quarter, the Project, together with DTI-Batangas and the Board of Investments, will conduct a three-day training to Department and Division Heads, LEIPC staff, and relevant city councilors on national and local incentives, investment promotion branding and marketing, and setting up of an Investment Promotion Center. This is scheduled on the third week of May 2014. The Project will also facilitate a two-day planning session with LEIPO which will serve as a turnover session for LEIPO to pursue reforms even after the INVEST project has ended in the city.

**2. Streamlining of BPLS**

Batangas City improved its streamlined business permitting processes by introducing more efficient automation/computerization component with the help of Lexsys, a third-party vendor. During the 2014 renewal period, the city piloted an online process for renewal of permits for a randomly selected number of establishments. To further provide convenience, especially for taxpayers engaged in small and micro enterprises, the city introduced mobile payments for business taxes beginning April 2014 – the first in the country to do so.

Complementing the further streamlined business permit process was the operationalization of the Business-One-Stop-Shop for Building and Occupancy Permits (currently termed as “BPOSS”) for pre-registration processes.

a. *Key Accomplishments*

Further Improved BPLS System and BOSS Facility. As envisaged, the enhanced BPLS process led to faster processing of business permits. Based on the process tracking and documentation undertaken as part of INVEST’s assessment efforts of BPLS and BOSS reforms, average processing time for new business registrations for January 2014 was one hour and 35 minutes while renewal of permits took one hour and 27 minutes. This is an improvement compared to 3 hours and 21 minutes for new business registrations and 5 hours and 38 minutes for renewals for the same period in 2013. Moreover, based on the same client feedback exit interview administered by third-party STTAs, net satisfaction rose significantly from 82% in 2013 to 98% in 2014. This includes 77 percent of respondents expressing “very *satisfied*” feedback in 2014 compared to 55% in the previous year.

Such outcomes were made possible by the following enhancements: 1) automation supported by Lexsys, a third-party IT firm which enabled a shared database containing applicant information and non-compliances (*positive findings*), thus no longer requiring manual re-encoding of establishment information and individual, separate clearances from each regulatory office/department; 2) doing away with application forms, and 3) nuanced queuing system to differentiate single versus multiple transactions and take into account special needs of senior citizens, persons with disabilities, and pregnant women. In addition, for the first time, the city hall opened the BPLS-BOSS facility on weekends for the entire renewal period.

Because of Batangas City’s reform efforts in this area, the City was invited to various workshops and forums. During the NCC Roadshow in CAR, NCC-DTI, together with participating LGUs, expressed a desire for a CAR delegation to travel to Batangas City to study the Batangas City BPLS system.

Pilot Online Business Permit Renewal. The city government successfully piloted the online renewal system in January 2014. Out of the randomly selected 100 establishments that were invited to test the system, 44 firms took advantage of the online mode. It should be noted that the online system was developed fully in-house by city government staff (IT Systems Division).

Based on the process tracking undertaken in the INVEST BPLS-BOSS Assessment, average time spent to file and submit applications online was 14.5 minutes with firms receiving their Tax Orders of Payment (TOPs) within 24 hours. The online process for 2014 only entailed filing and assessment; payment still had to be done physically at city hall. However, since establishments that agreed to test the online system were accorded priority status for payment at the counters, payments on average, took slightly less than 30 minutes only.

Mobile Payment for Business Taxes. Batangas City, with the support of two USAID projects, Scaling Innovations in Mobile Money (SIMM) and INVEST, launched a mobile payment system for business taxes on March 16, 2014. Thus, Batangas City became the first city in the country to enable the payment of taxes associated with business permits through cell phones under Globe's G-Cash platform. Taxpayers will no longer have to go to city hall to make their payments, saving time and money. The target clientele of the service are micro and small enterprises, especially those located far from city hall. A market vendor or a small shop owner located several kilometers away from city hall can conveniently pay remotely without leaving the store, instead of foregoing a few hours that can be devoted to selling products.

The initiative will be piloted for six months beginning April 2014 in time for the city's deadline for quarterly payments of business taxes (a significant portion of taxpayers opt to pay business taxes in staggered phases). The goal is to institutionalize the mechanism by the end of the year in preparation for the January 2015 renewal period.

A formal launch entitled "*Let's talk business: may mobile payment na dine!*" was held on March 31, 2014. This drew in 86 guests, including city councilors and department heads; Batangas-based cooperatives, including Soro-Soro Ibaba Development Cooperative (SIDC), the largest agri-based cooperative in the Philippines; national agencies, namely Bureau of Fire Protection, Department of Trade and Industry, Department of the Interior and Local Government, and Social Security System; and local utility companies. USAID was represented by Ms. Tess Espenilla, Project Management Specialist, together with SIMM Chief of Party Mamerto Tangonan and INVEST Deputy Chief of Party Nicasio Agustin. A key highlight of the launch was a live demonstration where the proprietors of a randomly selected small business (Learners' Haven pre-school learning center) paid their 2nd quarter business tax due through G-Cash.

INVEST Assessment of BPLS-BOSS Reforms during the Renewal Period. The Project made a formal assessment of BPLS-BOSS reforms during the renewal period in partner cities, including Batangas City. The assessment included three components: (a) exit interviews to gauge client satisfaction of the renewal process; (b) process tracking to assess processing times and required procedures for new business registrations, walk-in renewal applications, and (pilot) online renewal applications, and (c) assessment of the BOSS facility and backroom operations. The Project supervised the tasks of the various personnel assigned (a combination of LEIPO staff and independently-hired STTAs). A consolidated report was submitted to the Project Management Office on March 15, 2014.

Overall, clients gave highly favorable reviews as average ratings exceeded 95 percent for clarity of instructions, overall satisfaction, comfort level while waiting at the BOSS, and staff. Processing times were significantly reduced in 2014 as compared to previous years.

City Government BPLS-BOSS Assessment Meeting. On February 17, 2014, the Project supported the city government in organizing a meeting among all Department Heads to assess the January 2014 renewal experience. The meeting, chaired by the city's Chief-of-Staff, discussed results of both the Project's multi-pronged assessment efforts and BPLD's tabulation of client feedback forms, positive and negative observations made by each concerned department, and suggested improvements that can be incorporated in the system for implementation in 2015. The assessment followed a collective process where the assessment template covering all system components was disseminated to all concerned departments for inputs. Such form served as the basis for the discussion during the assessment meeting.

Institutionalization of Streamlined Permitting Process. Executive Order No. 3, series of 2014 was signed on January 15, 2014 to amend a previous EO to provide for revised BPLS processes, together with a revised/updated manual to guide departments and concerned agencies in the performance of their respective roles and functions in the permitting process beginning January 2014.

Establishment of Building and Occupancy One-Stop-Shop (BPOSS). The Building and Occupancy Permit One-Stop-Shop was operationalized at the start of January 2014. The BPOSS aimed to improve efficiency and convenience in processing the two major LGU-based pre-registration permits by locating concerned departments (i.e. CEO, CPDO, CENRO, OCVAS, and BFP) in one area within the city hall complex. As main offices of CEO, BFP, and OCVAS are located outside the city hall, the set up makes it more convenient for clients.

The BPOSS is currently located in the 2nd floor of a building adjacent to the main city hall building. In the next quarter, the city government aims to transfer its location to the People's Quadrangle to make it adjacent to the BPLO-BOSS area, as well as the City Treasurer's office, thereby bringing all relevant permitting and processes all together under one location.

Resumption of Disclosure and Revenue Joint Inspection Team (DRIT) Inspections. In 2013, the City Government, with the support of the Project, agreed to form three Joint Inspection Teams (JITs) – Disclosure and Revenue Inspection (DRIT), Compliance, and Safety. Given the complexity of inspection tasks for the latter sectors, only the first team has been formed and operationalized. The main tasks of the DRIT is to verify the information declared by the business operator/s in the application for business license and renewal of business permit, identify unregistered businesses operating in the locality, and monitor changes and developments in business activities in the locality.

BPLO, with the support of INVEST, organized several meetings with its key partners in the DRIT Team — the the Social Security System (Batangas branch) — to assess its pilot operations in 2013 (September to December 2013) and to plan for the resumption of DRIT inspections, including sharing data, reviewing indicators in the unified checklist, and agreeing on sequence of inspections as well as implementation arrangements. DRIT inspections resumed on March 3, 2014.

Pursuing Safety Joint Inspection Team. The Project re-engaged with the CEO and BPLO offices to continue pursuing the creation of the two other JITs (i.e. Safety and Compliance). A key decision was made to prioritize the operationalization of the Safety JIT since related inspections are larger in number and more crucial. Annual (post-permit) inspections are required while Compliance-related inspections are fewer since these are done only when a client applies for a building/construction and occupancy permits.

The Project held a number of meetings between CEO, BPLO, and LEIPO to review previous agreements concerning the Safety JIT. Drawing from an incomplete unified checklist drafted by member agencies (CEO, CENRO, BFP, CHO, CPDO, OCVAS, and BPLO) in 2013, a memorandum from the Mayor was circulated in March 2014 to all concerned departments to submit their complete set of indicators that will form part of the unified checklist and to participate in future meetings to discuss the said document.

*b. Planned Activities for the 11<sup>th</sup> Quarter*

For the 11<sup>th</sup> quarter, a comprehensive July to December 2014 roadmap for BPLS-BOSS enhancements for the 2015 renewal period will be formulated to serve as the city's blueprint for undertaking additional modifications to the permitting system and process. Crucial components include enabling a fully operational online modality for both new applications and permit renewals, enabling Point-of-Sales (PoS) and online payment options for business permits, and full-scale mobile payments for business taxes for both city government and Bureau of Fire Protection. To the extent possible, the Project will support the BPLO in engaging with concerned councilors to discuss the drafting of a local ordinance to further institutionalize the current BPLS system to safeguard against possible reversals to previous inefficient processes in case there are changes in leadership in the future. Such incidents have happened in other LGUs.

For pre-business registration processes, the Project will support the City Engineer's Office in institutionalizing the BPOSS through an Executive Order and corresponding manual/ guidelines.

The Project will also support the CEO in operationalizing the Joint Inspection Team for Safety. The aim is to finalize the unified checklist that will be used together with implementation arrangements in a workshop to be held in May 2014. To the extent possible, an EO to operationalize the team and its operations will be drafted and issued by the end of the 11<sup>th</sup> quarter.

**3. Enhancing Investment Planning and Promotion**

*a. Key Accomplishments*

The Batangas Business Forum held in December 2013 generated interest in the city among foreign and local investors. For one, the Turkish Chamber of Commerce of the Philippines (TCCP) requested Batangas City to host a business matching event shortly after they participated in the forum. This was held on January 21, 2014. In addition, Asian Terminals Incorporated, the operator of the Batangas International Port, had several meetings with the city government to discuss strategies to increase port utilization for cargo traffic. Other meetings with potential investors were held to further discuss investment opportunities in the city, including Lima Land/Aboitiz Corporation.

A series of meetings among the lead sectoral representatives of the private sector and other prospective incorporators of the Metro Batangas Business Club were held to further discuss the formalization (SEC registration) of the group as well as its initial set of activities.

Moreover, the Project succeeded in coming up with a formal draft of the revised Local Investment Incentives Code after conducting a series of discussions among Batangas City Government officials (City Planning and Development Coordinator, LEIPO, and Committee on Trade and Industry Council Members)

Successful Conduct of Business Matching Event with Turkish Chamber. Shortly after the Batangas Business Forum in December 2013, the Turkish Chamber of Commerce of the Philippines (TCCP), one of the event's attendees, requested Batangas City host to a group of business investors for a business matching event, given their interest in what Batangas can offer.

The business matching session, a first for the city, was participated in by 26 Turkish businessmen and women from the Active Industrialists and Businessmen's Association of Kocaeli Province in Turkey, 35 local private sector representatives (businesses and schools), and 16 Batangas City government officials and staff who were strategically grouped into sectors of interest (i.e. agriculture/food/supermarkets, infrastructure/industry, education/human capital, and tourism/accommodation). Potential partnerships were discussed, such as the joint production of large quantities of cow's milk by four big cooperatives in the city to supply a Turkish firm that makes cheese. Another is the distribution of Turkish fruit juices at SM City Batangas and other shopping complexes. There was also a commitment on the part of the TCCP to facilitate a sisterhood agreement between Batangas City and Izmit City in northwestern Turkey, which is also an industrial port city. Such an agreement will facilitate potential business partnerships, including possible joint ventures, as well as mutual knowledge sharing on common areas of interest such as those related to shipping, tourism and agribusiness.

The emerging Metro Batangas Business Club (MBBC)'s participation was instrumental in making the event a success. MBBC members were responsible for identifying and inviting relevant local businesses to participate in the activity.

Post-Business Forum Engagement with Port Operator to Increase Port Utilization. Asian Terminals, Inc., the operator of the Batangas International Port, followed up their initial informal discussions with the Batangas City Chief-of-Staff during the Business Forum by holding meetings with the city government in February and March 2014 to discuss strategies to improve the utilization rate of the said port for cargo traffic. Both parties agreed to take advantage of locators' renewed interest in Batangas given Manila's recently-passed truck ban ordinance. The City Government agreed to relax its current truck ban policy for port-related trucks as long as these would only utilize designated roads (i.e. Diversion Road) so as not to further congest residential roads and the old national highway.

Post-Business Forum Engagement with Other Prospective Investors. The Business Forum produced other significant investment leads. Lima Land, the developer of an ecozone in nearby Lipa City, expressed interest in exploring investment opportunities in Batangas City. A meeting between the city government's Chief-of-Staff, the Project's CPA, and Lima Land was held on March 21, 2014. During the meeting, the City reiterated investment opportunities that Lima Land/Aboitiz may be interested in pursuing, namely development of logistics hubs, commercial centers, and joint ventures for road infrastructure development. A follow-up meeting with high-level officials from Aboitiz, Lima Land's mother company, will be scheduled in the 11<sup>th</sup> quarter to discuss these opportunities.

Batangas City, with the support of the Project, communicated with Paradigm Global Investment Management, Inc. (PGIMI) which expressed interest in meeting with the city government to discuss possible joint venture options for upgrading the city's infrastructure, possibly including a by-pass road from the STAR toll exit to the city's industrial section which the Chief-of-Staff presented during the Business Forum. The initial meeting was scheduled on February 28, 2014

but this has been indefinitely postponed due to scheduling conflicts between PGIMI and the city government.

Pursuing Formalization of Metro Batangas Business Club. In the 10<sup>th</sup> quarter, the members of the emerging MBBC club confirmed the need to establish a distinct Metro-wide business entity which will serve as a platform to discuss cross-cutting concerns and engage with the city government (and eventually LGUs of nearby towns) for collaboration in resolving issues. The members agreed to formalize the organization by registering as a non-stock, non-profit corporation. Incorporators will be composed of the following organizations, by sector:

Sector	Member
Infrastructure	<ul style="list-style-type: none"> <li>• SM City Batangas (lead)</li> <li>• Asian Terminals, Inc.</li> </ul>
Industry	<ul style="list-style-type: none"> <li>• First Gas Power (lead)</li> <li>• KEPCO Ilijan Corp.</li> <li>• Pilipinas Shell Petroleum Corp.</li> <li>• Asia, Gulf and Pacific</li> </ul>
Human Resource Development	<ul style="list-style-type: none"> <li>• University of Batangas (lead)</li> <li>• Lyceum of the Philippines University</li> </ul>
Tourism	<ul style="list-style-type: none"> <li>• Pontefino Hotel and Residences (lead)</li> <li>• Sun Star People's Courier</li> </ul>
Agriculture	<ul style="list-style-type: none"> <li>• Batangas Yellow Corn Growers, Inc. (lead)</li> <li>• Soro-Soro Ibaba Development Cooperative</li> <li>• Batangas Hog Producers Marketing, Inc.</li> </ul>
Retail/ Trading	<ul style="list-style-type: none"> <li>• Filipino-Chinese Chamber of Commerce, Inc.</li> <li>• Citimart Group of Companies</li> </ul>

In pursuing its formalization, an important process undertaken by the emerging club, together with the CPA, was learning from similar clubs. On February 5, the sectoral representatives who took the lead in the organizing committee for the Batangas Business Forum and the Project CPA met with officials of the Makati Business Club to learn the latter's business model and to solicit ideas and useful lessons for the MBBC. On March 18, majority of the proposed incorporators hosted the Cebu Business Club President to similarly learn their model and get useful insights in the organization of the MBBC. After this meeting, the members agreed to begin drafting requisite Articles of Incorporation and By-Laws for the MBBC and meet in early April to discuss the drafts, targeting application to the SEC by end-April or early May 2014.

Pursuing Drafting of (Revised) Local Investment Incentives Code. During the 10<sup>th</sup> quarter, a small executive-legislative working group, composed of the City Planning Development Coordinator, LEIPO Officer, and members of the *Sanguniang Panglungsod* Committee on Trade, was created to discuss the current draft of the proposed revised Local Investment Incentives Code. Meetings were held in February and March to discuss locally-specific investment priority areas to complement mandatory areas as per national laws and corresponding incentives that may be provided for firms investing in such areas. The draft LIIC was enhanced and updated based on the discussions. The next small working group session is schedule on the second week of April 2014.

Conceptualization of the Investment Promotion Center. As part of discussions with the members of the emerging MBBC and LEIPO, initial conceptualization of the Investment Promotion Center was made by the CPA with the support of the Project's Investment Strategist



and M&E Specialist. As agreed, the center will be established in the *Gusali ng Kalikasan at Kapayapaan* (“Green Building”) which is the building adjacent to the main city hall compound. Beyond the physical space, the conceptualization involved focusing on the menu of services that the center can provide, namely knowledge management, investment promotion, business services, and intelligence services. The various services under each item will need to be properly phased as some aspects could only be established in the longer term (e.g. outbound investment missions and market forecasting). The center is also envisaged to be operated as a partnership between the city government and the MBBC where the latter would provide support in terms of staff complement and technical and advisory assistance to the various services to be provided by the center.

a. *Planned Activities for the 11<sup>th</sup> Quarter*

Priority for the 11<sup>th</sup> quarter is the formalization of the MBBC through SEC registration. Drafts of the Articles of Incorporation and By-Laws have already been prepared. There will be a meeting on April 2014 among lead MBBC members to go over the drafts. After the meeting, the documents will be finalized and submitted to SEC in April or May 2014 for formal registration. Another key item that the Project would support is the revision of the Local Investment Incentives Code. Ideally, the revised Code would be enacted by the 11<sup>th</sup> quarter. If this is not feasible, at the minimum, the aim is to formally discuss the draft Code through formal *Sanggunian Panglungsod* Committee Hearings. The Project will also support the city government in further engaging with prospective investors, such as conducting follow-up meetings with Aboitiz.

The Project will support the city government in the establishment of the Investment Promotion Center with a menu of services already in place. This will be targeted by end-June at the latest. The point is to begin small (with basic equipment, furnishings, and small set of services) and incrementally build up the facility.

The Project will also assist the city government in preparing for the hosting of a number of Australian Universities on April 28, 2014 for an information session to invite interested Batangas residents to study in Australia and explain possible financing options, including scholarships. To make the session more meaningful to the human resource sector, in line with the priority sectors identified by the MBBC and the city government, the Project will organize a separate discussion between the Australian universities and local universities (Batangas State University, Lyceum of the Philippines University, and University of Batangas) on the same day to explore possible partnerships, linkages, and joint programs.

Lastly, the Project will conduct a follow-up meeting with the Office of City Veterinary and Agriculture Services to monitor activities vis-a-vis 2014 plans formulated with the support of the City Program Adviser.

#### **4. Building Partnerships**

During the 10<sup>th</sup> quarter, the Project played a key role in creating significant partnerships between the city government and various sectors.

a. *Key Accomplishments*

Partnership with MBBC to Organize Turkish Business Matching. The MBBC played a key role in organizing the Turkish Business Matching Session in January 2014 in partnership with the

city government and the Project. Beyond its presence during the event, the MBBC members were responsible for identifying and pulling in relevant local businesses to participate in the matching activity. It should be noted that lack of formalization did not stop the emerging MBBC from working together to host the TCCP.

Cooperation with USAID SIMM Project to Implement Mobile Money Payment for Business Taxes. Because of a shared goal of more convenient transactions and expanded financial literacy and reach, especially for sectors engaged in micro and small enterprises, two USAID projects – Scaling Innovations in Mobile Money (SIMM) and INVEST – partnered to enable Batangas City’s constituents to pay their business taxes via mobile technologies. This was formally launched at the end of the 10<sup>th</sup> quarter. The SIMM project aims to promote the adoption of mobile technology in financial transactions to expand financial literacy, help cut administrative costs, increase transparency, reduce potential leakage of government funds, and make doing business with the government easier for citizens.

*b. Planned Activities for the 11<sup>th</sup> Quarter*

For mobile money, the plan is to conduct roll-out activities with SIMM to train target clients, especially market vendors and members of cooperatives in far-away *barangays* beginning April to meet the deadline for second quarter payments due at the end of April.

## **5. CDI-Related Activities**

The Project will support the city government and the MBBC in organizing an INVEST Closing Event towards the end of June 2014. The activity will also serve as an updating session of the city’s accomplishments on action items identified in their CDI Action Plan.

## **B. ILOILO CITY**

The major accomplishments during this quarter include the launch of the new BPLS reforms during the renewal period, the conduct of the Iloilo City business forum, and the start of the BPLS reforms for new business applications. The preparatory activities leading to the Business Forum and the networking undertaken by the City led to the announcement of Php32 billion worth of new investments in the City.

### **1. Institutional Strengthening**

*a. Key Accomplishments*

During this period, the Project focused on strengthening two major groups: the BPLS Oversight Committee (OC) and the Business Forum Organizing Committee. These groups were responsible for ensuring that the action plans prepared by the city would be implemented.

For the BPLS OC, the Project spent time in meeting with the members individually and as a group to be able to update them with the progress of implementation, discuss challenges and troubleshoot problems. By closely monitoring the operations of the BOSS, the OC immediately called the attention of the mayor to address pressing issues and concern in BPLS reform implementation. The mayor in turn would order the LEIPO/BPLO-OIC and the BPLS TWG to rectify flaws in implementation. The regular meetings of the BPLS-TWG and the OC became a

standard operating procedure to update everyone, especially the mayor, of the progress of implementation of the action plan and the next steps. The meetings were also meant to allow the LEIPO/BPLO-OIC to exercise his leadership over the BPLS-TWG, because it was only with the approval of the mayor and the OC that the members of the BPLS TWG would follow him.

For the Business Forum Organizing Committee, a series of meetings was also conducted to firm up the program, clarify roles and tasks, and update progress of implementation. A total of eight meetings were held during the 10<sup>th</sup> quarter, including a meeting in Manila with Senate President Franklin Drilon two weeks before the Business Forum. Since the Organizing Committee was composed of public and private sectors not only at the city level but also at the provincial level, with major stakeholders based in Manila, leadership and coordination were challenging to the Project. Despite the challenges, however, the Organizing Committee and the key leaders of the City and the Province remained united to achieve the goals of the business forum.

*c. Planned Activities for the 11<sup>th</sup> Quarter*

With the resignation of the BPLO Chief in January 10, 2014, the LEIPO was temporarily assigned as the BPLO-OIC. The Oversight Committee is planning to assist the Mayor in identifying the next BPLO Chief and to train him/her in implementing and introducing new BPLS reforms for 2015. The OC will start the organizational audit of the BPLO so it can improve its operations. This will be done in partnership with the University of the Philippines-Visayas (UPV) and the Department of Trade and Industry (DTI)-Province.

The Project will coordinate with the City and the private sector in finalizing the plans to reorganize and operate the Investment Promotion Center.

**2. Streamlining of BPLS**

*a. Key Accomplishments*

To ensure that the BPLS reforms would be implemented, the Oversight Committee closely monitored the performance of the BPLS-TWG during the renewal period. The Project initiated the third party assessment of the BPLS for renewals in January 6, 2014, while the UPV and DTI conducted their own assessments the following week. Having three groups conducting the assessments and reporting directly to the Mayor added pressure to the BPLS-OIC and the BPLS TWG to perform as planned or even better. The initial findings of the assessments were positive. The city was able to surpass the standards set by the DILG and the DTI in BPLS and it was able to set up and operate an online BPLS facility.

Besides the third party assessments for the renewal, the CSC-ARTA survey was also conducted in the peak days of the renewal period. Since the BPLS TWG put on hold the processing of BPL for the new applications, the third party assessment for the BPLS reforms for new applications was postponed to the last week of March.

The city failed to connect to the PBR during the quarter due to some issues in the MOA between the city and the DTI. The Mayor and the BPLS TWG agreed to revise the sections of MOA on LGU-DTI responsibilities and once approved by the DTI, start working on its connectivity. Also, from February to mid-March, 2014, the BPLS-TWG failed to set up the BOSS for new applications at the BPLO and implement the reforms contained in the EO's guidelines. The OC again intervened to make sure that the BPLS-TWG would adhere to the plan. By the end of March 2014, the reforms were finally implemented.

On February 17-18, 2014, the Project assisted SIMM Project of the USAID and Globe GXI in holding consultation meetings with the mayor, the vice mayor, the city legislative council and the department heads as well as leaders of the PECO and MIWD. A project organization and action plan was crafted by the SIMM and the appointed city lead officials.

*b. Planned Activities for the 11<sup>th</sup> Quarter*

For April 2014, the focus is to prepare all the third party assessments of INVEST, DTI, DILG (CSC-ARTA) and UPV and be ready to present these to the Mayor by May 2014. The third party assessment on inspection reforms will also commence in April 21 and end on April 30, 2014. This assessment will cover inspections related to business registration, namely: (1) zoning inspections assigned to the CPDO; (2) fire inspections by the BFP; (3) health and sanitary inspections by the CHO; (4) environmental inspections by the CENRO; (5) building and occupancy inspections conducted by the CEO; (6) tourism inspection by the City Tourism Office; (7) annual inspections by the BPLO; and (8) inspections by the CTO.

The methodology includes: review of existing documents, process mapping, time and motion study, process observation, documentation of registration requirements; collection of forms required for accomplishment and submission by an applicant, and conduct of interviews.

The Project will hire four researchers under the supervision of the INVEST CPA to complete this assessment by the end of April 2014. The UPV and the DTI will also deploy researchers to conduct their own third party assessment. The findings will be presented to the mayor by the end of May 2014.

The Project will assist the SIMM Project staff firming up the project plan and organization and will be involved in the conduct of their activities. In line with this, the city will be forming a small group from its rank, UPV and DTI that will conduct an assessment of BPLS automation reforms. Training of this group including a study tour to Valenzuela and two other cities may be needed for this purpose. This is also in preparation for the BPLS Automation Forum in June 2014.

**3. Enhancing Investment Planning and Promotion**

*a. Key Accomplishments*

During the quarter, the Project built on the results of the workshops conducted in the previous quarter to identify priority sectors and specific projects.

It may be recalled that several workshops were organized in the 9<sup>th</sup> Quarter, with technical support from the Project, to generate the investment opportunities for the city, the province, and the LGUs in the Metro-Iloilo Guimaras Economic Development Council (MIGEDC). Investment planning workshops were conducted for the education sector (November 21, 2013), fisheries sector (November 22, 2013) and tourism sector (November 25, 2013). The Project, in coordination with the Iloilo City and Provincial Planning Departments and the Local Government Support Project for Local Economic Development (LGSP-LED), also assisted the province in designing the provincial planning and project brief writeshop (held on December 5-6, 2013).

In the 10<sup>th</sup> Quarter, the Project focused on preparing the sector profiles and project briefs for the investment opportunities to be included in the kit for the Iloilo Business Forum. The Project coordinated with the City, the Province, Iloilo Economic Development Foundation, and local businessmen for the preparation of draft sector profiles and project briefs. These project briefs

were edited and formatted for use in the Business Forum. A total of five sector profiles and 29 project briefs were eventually included in the kit.

*b. Planned Activities for the 11<sup>th</sup> Quarter*

For the next quarter, the Project will facilitate the operationalization of the IPC. The Mayor has committed to assign a new secretariat from the city to help the organizing committee manage the IPC. The DTI Province also committed to partner with the city in putting up the facility at Robinsons Mall using funds from the DTI. The IPC will also be the office of the APEC Organizing Committee, DTI-Province and the future satellite BOSS.

**4. Building Partnerships**

*a. Key Accomplishments*

Partnership with the Provincial government through its PPDO representatives became stronger during this period, particularly in the preparation of the project briefs. A series of meetings with project proponents also established partnership in getting investments for their projects. The business forum resulted in investors coming to Iloilo. Embassies of different countries expressed intentions of partnering with the city for future trade missions.

Public-private partnership was the key success factor in launching the business forum, as shown in the cooperation of the following groups that implemented the crucial tasks:

Tasks	Persons Responsible
Venue (including arrangements for reservations)	MEET
Program	Organizing Committee
Invitation Cards	MEET
Invitation of Participants	MEET, Organizing Committee, INVEST
Invitation of Speakers/Testimonials	ILED, Mayor Jed
Forum Kit Folder Inserts (Profiles) Inserts (Projects) Revised Program Profile of companies (Sponsors)	MEET/INVEST
Food	MEET
Video Presentations	EAs of Mayor
Moderator	ICTIPB
Facilitators (for business matching/ networking session)	ICTIPB, DTI, PPDO
Preparing the proponents for the Networking/ Business Matching	ICTIPB, DTI, PPDO, INVEST
Backdrop Forum backdrop Registration backdrop Business matching backdrop	MEET
Panel Displays	MEET
Presentations Investment opportunities in Iloilo City/Province	Senator, Mayor, Governor, INVEST INVEST, EAs, Mayor, PPDO
Budget/ Solicitation of Sponsors	ILED

Cultural presentation (lunch)	ILED
Administrative arrangements (pre-forum, forum day)	MEET
Other Matters (Ushering, Admin Support)	UPV, DTI, Tourism, LEIPO (City, Province), OCM-EAs of Mayor

*b. Planned Activities for the 11<sup>th</sup> Quarter*

The operationalization of the IPC is expected to firm up these partnerships and link up with those investors who already expressed interest in Iloilo City.

**5. CDI-Related Activities**

In preparation for the May or June 2014 visit of the USAID delegates to monitor the progress of the CDI Action Plan, the Project will conduct an assessment to determine the progress of implementation, accomplishments, challenges, and the city’s immediate and long term needs in the areas of governance, economic growth, health, and environment. The methodology includes: gathering and review of existing documents and the conduct of key informant interviews and focused group discussions.

**C. CAGAYAN DE ORO CITY**

The highlight of the quarter was the Business Forum on February 12, 2014 which targeted investments in agribusiness, logistics, tourism and infrastructure (PPP) projects. The Business Forum was the successful culmination of investment promotion and capability-building activities of the Project, consisting of (1) development visioning – where the city identified its positioning and sectoral strengths; (2) training of the LEIPO, key city officials and business sector representatives (Promote CDO and Oro Chamber) in investment promotion and marketing, and (3) focused group discussions on the selected sectors. The Business Forum was organized by the Investment Promotion Center and led by the LEIPO together with Promote CDO and Oro Chamber. It harnessed the support of business and academe.

The bigger investments for the quarter in Cagayan de Oro and the adjoining Phividec Industrial Estate amounted to at least Php 598 million, consisting of ABERDI (initial 300 has. oil palm plantation of the targeted 3,000 has. at Php 250,000 per hectare or Php 75 million), San Martin Steel (rehabilitation and upgrading of equipment) at Php 358 million, and JACOBI (Swedish investment in activated carbon manufacturing at Php 165 million). Total capitalization of new business establishments registered for the period January – March, 2014 is Php 453.6 million.

For the January business renewal period, the new administration (1) maintained the streamlining measures introduced in the previous year, such as use of electronic signature; (2) eliminated the filling up of the unified application form for business renewal; and (3) added billing and payment counters in the BOSS. As a result, the elapsed time was reduced to less than one hour for both new and renewal applicants (32 minutes for new and 52 minutes for renewal). The number of business registration for the quarter increased by 12.6% while revenues rose by 38.7% as compared to the same period in 2013.

## **1. Institutional Strengthening**

The Investment Promotions Center and the LEIPO proved its capability in organizing marketing events by managing the preparations for the Business Forum. This entailed (1) coordinating the multi-stakeholder participation in the Forum; (2) generating sponsorships; and (3) exercising budget control; and (3) overseeing the timely implementation of the programmed tasks using the project management tool prepared with the Project and DTI.

The LEIPO also engaged in problem-solving in setting up the PBR at the BOSS and the Satellite BOSS at Robinson's Mall, which had to be rescheduled because of delays in the procurement of equipment and PLDT installation for the Satellite BOSS.

### *a. Key Accomplishments*

During the quarter, the City activated the re-constituted JIT with a series of refresher sessions on the action plans and guidelines for business friendly inspection. With the assistance of the Project, the LEIPO was tasked to oversee the JIT and find ways to strengthen the BPLO.

The City also reorganized the IT team with the recruitment of a new IT head. With the aid of the IT-related materials provided by the Project, the ISSP was finally submitted but will be subjected to further validation internally.

### *b. Planned Activities for the 11<sup>th</sup> Quarter*

In the next quarter, the draft Cagayan de Oro Local Investment and Incentives Code, which provides for the creation of the Incentives Board and the Investment Promotions Center, will be submitted to the City Council. The LIIC formulated by the Drafting Committee has already been presented to the Mayor. After his experience with the city budget (i.e. the Council ignored the budget submitted by the Mayor and passed its own version), the Mayor wanted an assurance that the LIIC, as drafted, would be substantially carried. Consultation on this matter is ongoing.

The Project will also conduct mentoring of the BPLD in the coordination of joint inspections conducted by the JIT, which will initially focus on new applications.

The Project will seek to unify the IT team under the new IT head to foster ownership of the ISSP.

## **2. Streamlining of BPLS**

### *a. Key Accomplishments*

During the 10<sup>th</sup> quarter, the City, with the support of the Project, sustained the efforts to streamline the BPLS. The steps for renewal of business permits were reduced to three (assessment, payment and release) by not requiring the filling up of the unified application form. The applicant only had to present to the assessor a short form with name, business permit number and signature. A temporary BOSS was organized, which included a desk for the PBR. The PBR desk was assisted by DTI personnel. A total of 126 registrants availed themselves of the PBR service but mostly through eBNRS. A Satellite BOSS was also opened at Robinson's Mall, which serviced 564 clients.

The Project conducted an assessment of the 2014 BPLS, BOSS and Customer Satisfaction during the January renewal period. Average elapsed time turned out to be less than an hour for both new and renewal applicants by increasing the number of billing and payment counters.

In March, the permanent BOSS was installed at the newly renovated City Treasurer's Office, with a permanent and improved queuing system.

*b. Planned Activities for the 11<sup>th</sup> Quarter*

In the next quarter, the Project will work with SIMM for the setting up of a mobile payment system. The Project will coordinate and monitor the joint inspections conducted by the JIT, initially for new applicants. The Project will likewise supervise the conduct of the assessment of business inspection and prepare the report.

**3. Enhancing Investment Planning and Promotion**

*a. Key Accomplishments*

The Business Forum was successfully organized on February 12, 2014. It introduced the city as an investment destination to 270 participants and provided the venue for the signing of MOUs that will support sustainable and inclusive development.

A follow-up Agribusiness Forum was conducted on March 20, 2014 to encourage local businessmen and indigenous peoples groups to invest in the upland areas by presenting three options: oil palm plantation with ABERDI, Arabica coffee plantation with Rocky Mountain or robusta coffee plantation with technical assistance from Nestle Philippines, and cassava plantation with San Miguel Foods. The said companies will provide technical assistance and markets for the produce. The DBP presented its financing packages.

*b. Planned Activities for the 11<sup>th</sup> Quarter*

The Project will focus on sustaining and reinforcing the Investment Promotions Center by (1) institutionalizing the link with BOI- Cagayan de Oro and DTI-National Economic Research and Business Action Center (NERBAC) to cooperate or transfer technology on business facilitation and development; (2) improving its physical facilities; and (3) conducting training activities for IPC staff. A launching event for the Investment Promotions Center will be conducted in the middle of June.

**4. Building Partnerships**

*a. Key Accomplishments*

Among the key accomplishments in the area of partnership-building during the quarter are as follows:

- (1) Presentation of the initial findings of Mindanao University of Science and Technology on the OBO IT capability and a proposed system for documents tracking of construction permitting at the Office of the Building Official;



- (2) Active involvement of DTI Regional and Provincial Offices and the BOI Extension Office in the mounting of the City Business Forum, especially in preparing for and managing the networking meeting and assistance in the follow-through activities;
- (3) Active participation of both the Oro Chamber and Promote CDO in the Organizing Committee of the CBF. Promote CDO, with the LEIPO, undertook the generation of sponsors for the event which covered the production of the promotional collaterals, i.e., the CDO Factbook, the printing of the investment folder, the video and the City Profile; and
- (4) Continued partnership with Promote CDO and Oro Chamber in the local Agribusiness Forum.

*b. Planned Activities for the 11<sup>th</sup> Quarter*

In the next quarter, the Project will sustain the partnership among the business groups and the City government by setting up a network for business information and facilitation services through NERBAC and BOI. A networking seminar for investment promotions will be conducted in May to be sponsored by DTI NERBAC.

## **5. CDI-Related Activities**

The City participated in the conceptual planning for city extension which, among others, will open new investment opportunities by developing new growth areas following the principles of social integration and sustainable design. The workshop was organized and facilitated by UN Habitat.

## IV. GENDER AND DEVELOPMENT

In the promotion of sustainable and inclusive economic development, the Project supports gender equality and full and equal participation of men and women in fostering economic growth in the partner cities. The Project recognized the challenges of local growth and inclusion being closely intertwined, creating better opportunities for both men and women can contribute to broader economic growth.

To ensure that gender perspectives contribute to the process of making the target cities competitive, a gender and development action plan (GAP) was formulated initially in November 2011. The plan was revisited in January 2013 using the revised guidelines of the USAID which was incorporated in project activities. The plan is aimed at:

1. Building the capacities of project personnel to promote gender equality and integrating GAD in their respective responsibilities and activities;
2. Integrating gender equality concerns in the project workplan and monitoring and evaluation system; and
3. Providing equal opportunities for men and women to avail of capacity development programs supported by the project.

### A. KEY ACCOMPLISHMENTS

Given these objectives, the Project conducted the following activities:

1. Prepared the first draft of the business profiling study. The contracted STTA prepared and submitted the initial draft of the business profiling study, which comprised a gender and development section. Data gathering phase was completed which included the classification of businesses in each of the partner city by gender, using as basis, the names of the company President/Treasurer as indicated in the business application form. The data generated is aimed at improving gender analysis in business and investment planning and promotion.
2. Ensuring that the business permitting processes are gender-sensitive. As the partner cities plan the lay-out of their Business One-Stop Shop, the Project ensured that the city government provides a special lane for pregnant women.
3. Monitoring female/male participation in the activities of the Project. During this quarter, the Project conducted four (4) workshops/focused group discussions and two (2) national forums, which were attended by about 689 participants (Table 13). Majority of these are males (62.4%) considering that three of the six workshops dealt with the risk-based assessment on construction permitting systems and fire safety inspections in local government units, where personnel are in male-dominated professions like engineers (e.g. sanitary, electrical) and fire marshalls.

Male dominance with almost 66% of the 299 participants was also noted in the Business Forums of the cities of Cagayan de Oro and Iloilo which were attended by members of the business groups, local and foreign chambers of commerce, which again are mostly composed of male members.

Meanwhile, it is important to note that female participation was significant, with almost two-thirds (74%) of the attendees, in the workshop on Sanitation Permitting and Licensing Processes held in the Project's Mindanao leg. This is consistent with the results of the 2009 Annual Survey of Philippine Business and Industry (ASPBI) of the National Statistics Office (NSO) revealing that although males outnumber females in most of the 14 sectors, female dominance is shown in two sectors namely: Private Education (64.6%) and Health and Social Works (66.9%).

**Table 13. Participants to INVEST-supported Activities, by Gender**

Events / Workshops	Date	Venue	Participants				Total
			Female		Male		
			No.	%	No.	%	
<b>Component 1: Streamlining Business Registration Processes and Lowering Transaction Costs</b>							
Training on Setting Reasonable Fees and Charges for Inspection Services Rendered by Local Government	14 January 2014	PHALTRA, Quezon City	22	59.5	15	40.5	37
Focus Group Discussion for Private Sector Organizations on the Building Construction and Occupancy Permitting Systems	28 February 2014	Oakwood Premier Joy-Nostalg Center, Manila	8	34.8	15	65.2	23
Workshop on Streamlining Processes for Securing Fire Safety Inspection Certificates	4-6 March 2014	DILG-NAPOLCOM Center, Quezon City	28	38.4	45	61.6	73
Focus Group Discussion on Reforms in Securing Sanitary Permits and Licensing Processes (Mindanao Leg)	26 March 2014	The VIP Hotel, Cagayan de Oro City	17	73.9	6	26.1	23
<b>Component 1 Total</b>			<b>75</b>	<b>48</b>	<b>81</b>	<b>52</b>	<b>156</b>
<b>Component 2: Improving Investment Planning and Promotion in Partner Cities</b>							
Cagayan de Oro City Business Forum	11 February 2014	Intercontinental Hotel, Makati City	75	32	159	68	234
Iloilo City Business Forum	12 March 2014	Intercontinental Hotel, Makati City	109	36.5	190	63.5	299
<b>Component 2 Total</b>			<b>184</b>	<b>34.5</b>	<b>349</b>	<b>65.5</b>	<b>533</b>
<b>TOTAL</b>			<b>259</b>	<b>37.6</b>	<b>430</b>	<b>62.4</b>	<b>689</b>

## **B. PLANS FOR THE 11<sup>TH</sup> QUARTER**

For the next Quarter, the Project intends to undertake the following activities in relation to gender and development:

1. Finalize the report of the business profiling study, which included a gender profile of business applicants in the partner cities;
2. Ensure that pregnant women are given a special window/lane in the BOSS of each city;
3. Finalize the processed INVEST-sponsored customer satisfaction surveys from each city including an analysis of responses by gender; and
4. Continue to monitor male/female participation in INVEST-sponsored activities.

**SUCCESS STORIES**

**AND**

**NEWS COVERAGE**

## Annex A. Success Story on Cagayan de Oro Business Forum

# Business Forum Showcases Cagayan de Oro City as Investment Destination

USAID supports Cagayan de Oro City's goal to become the investment hub of the Southern Philippines



USAID Mission Director Gloria Steele delivers a message of support to Cagayan de Oro during the business forum.



CDO Mayor Oscar Moreno talks about the role of Cagayan de Oro in promoting inclusive development in Mindanao.

**February 13, 2014.** USAID, through the Investment Enabling Environment (INVEST) Project, assisted the Cagayan de Oro City Government in organizing its Business Forum (dubbed as “*Connect and DO Business in Cagayan de Oro*”) which showcased the potential of the city as an investment hub in the Southern Philippines. Ms. Gloria Steele, USAID Mission Director for the Philippines, delivered a message of support where she commended the city government for the reforms that it initiated under the Cities Development Initiative, a program under the Partnership for Growth (PfG). She assured the city government of continued USAID assistance in accelerating the development of the city, especially in the areas of urban planning with disaster resiliency, infrastructure, education, health and tourism under the new PfG projects, such as COMPETE, HEP, and STRIDE.

The Cagayan de Oro Business Forum is a significant milestone in the promotion of the city's potentials as a strategic investment destination. The Forum was the product of the partnership among the City Government, Cagayan de Oro Chamber of Commerce and Industry, Promote CDO Foundation, and USAID. The American Chamber of Commerce of the Philippines (AmCham) and financial institutions like the Bank of the Philippine Islands and Security Bank also gave their support. These two banks are currently managing a credit guarantee program under the US Development Credit Authority.

Testimonials on the city's strengths and advantages were given by top representatives of leading private investors and organizations such as A Brown Company, Inc., Pueblo de Oro Development Corporation, PHINMA Corporation, Ayala Land, Inc., and the AmCham.

The Forum also highlighted the goal of the City to promote inclusive growth with the signing of two Memoranda of Understanding on agricultural investments in remote *barangays* of the city that will benefit rural farmers and indigenous people. The environment was also on the forefront with the signing of an MOU on solid waste management and on training vulnerable *barangays* on disaster preparedness. An academe-industry memorandum of commitment, under the USAID-supported Philippine Business for Education was also signed by the president of Xavier University-Ateneo de Cagayan, on behalf of academe, and the presidents of OroChamber and Promote CDO for the business sector.

Around 280 high-level representatives from international and local businesses, trade associations, foreign chambers, trade missions, embassies, and government agencies learned about specific investment opportunities in Cagayan de Oro City in the areas of agribusiness, logistics, industry and services, and tourism. Some of the prominent government officials who graced the occasion include Undersecretary Nora Terrado of the Department of Trade and Industry (who delivered the message of support of DTI Secretary Gregory Domingo), Undersecretary Zenaida Maglaya of DTI, and Director Ana Bonagua of the Department of the Interior and Local Government.

## Annex A.2 Success Story on New Procedures in Business Permits

# Social Security Procedures in Business Permit Renewals Made Easy

**USAID supports efforts of Philippine government to improve efficiencies in governance and thus enhance their competitiveness as investment destinations**



From left to right: PhilHealth Vice - Pres. & COO Ramon Aristoza, Jr., USAID's John Avila, HDMF VP for Provident Operations Emetrio Gonzales, DTI Usec. Nora Terrado, Quezon City Mayor Herbert Bautista, Philhealth Pres. Alexander Padilla, DILG's Usec. Austere Panadero and SSS Pres. & CEO Emil de Quiros during the JMC-signing of Social Security Agencies



USAID's John Avila witnessed the MOA-signing between DILG's Usec. Austere Panadero and PhilHealth represented by its Pres. Alexander Padilla and VP Ramon Aristoza Jr.

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

**February 2014.** USAID, through the Investment Enabling Environment (INVEST) Project, assisted the Department of the Interior and Local Government (DILG) and the Department of Trade and Industry (DTI) in further streamlining the procedures for business renewals. With the new procedures, employers and business operators who were previously required to submit a Certificate of Coverage and Compliance from the Social Security System (SSS) and proof of payment of contributions from the Philippine Health Insurance Corporation (PhilHealth) no longer have to go to these agencies and secure clearances as requirements for renewing business permits starting April 2014. Instead, the social security agencies will provide cities and municipalities with a negative list of delinquent members which should not be granted a Mayor's Permit. Savings in terms of cost and travelling time of the business applicants will be generated from the new process.

A Joint Memorandum Circular (JMC) was signed on February 14, 2014 to implement the simplified procedures for business renewal coinciding with Philhealth's 19<sup>th</sup> anniversary. The signatories included the DILG Undersecretary Austere Panadero, DTI Undersecretary Nora Terrado, SSS President Emilio de Quiros, PhilHealth President Alexander Padilla, Vice-President for Provident Operations Emetrio Gonzales of the Home Development Mutual Fund and Mayor Herbert Bautista, representing the League of Cities of the Philippines (LCP). Witnessing the signing was Mr. John Avila, Program Management Specialist, representing USAID. Providing support to the initiatives was Secretary of Health, Enrique T. Ona, who gave a message during the event. The Circular also requests the League of Cities of the Philippines (LCP) and the League of Municipalities of the Philippines (LMP) to issue a resolution supporting the simplified requirements for business renewal adopted by the social security agencies.

To further enhance the use of statistics for more informed policy making at the local level, the JMC provided for the collection of statistical data from business establishments registering at the local level for nationwide consolidation to a central Business Registry Database to be managed by the DTI. The database will facilitate business matching activities of the DTI and business groups in the country.

A Memorandum of Agreement (MOA) between the DILG and PhilHealth was also signed on February 14, 2014 indicating the new procedures for securing PhilHealth clearances as mandated in the National Health Insurance Act of 2013. Mr. John Avila of USAID also witnessed the signing.

## Annex A.3 Success Story on Iloilo Business Forum

### Iloilo Business Forum Showcases Strong Government - Private Sector Partnership

USAID supports Iloilo City's initiatives to become more competitive and invite more businesses



USAID Deputy Mission Director Reed Aeschliman delivered a message of support during the Iloilo Investment Forum.



Senate President Franklin Drilon delivered the keynote address.



Iloilo City Mayor Jed Mabilog presented the city's priority areas and investment opportunities.

U.S. Agency for International Development  
[www.usaid.gov](http://www.usaid.gov)

**March 14, 2014.** USAID, through the Investment Enabling Environment (INVEST) Project, assisted the Iloilo City Government in organizing its Business Forum (dubbed "***Iloilo Means Business***") which showcased the strong partnership between the national government, the province, the city, and the private sector in promoting the development of Iloilo. Mr. Reed Aeschliman, USAID Deputy Mission Director for the Philippines, delivered a message of support where he discussed the competitive advantages of Iloilo City and the commitment of USAID to support its development. He also commended the leadership of the city and the province, and noted the strong partnership with the private sector as important factors in promoting economic development and competitiveness.

Senator Franklin Drilon, Senate President of the Republic of the Philippines and an Ilonggo, delivered the keynote address. He discussed the dream to transform Iloilo into a premier tourist and investment destination, the competitive strengths of Iloilo, and the strategy to reduce poverty and achieve high and sustained growth. He also cited the advantages of doing business in Iloilo--"*easier, cheaper, and corruption free.*" Secretary Rogelio Singson of the Department of Public Works and Highways was the luncheon speaker. He presented the strategic infrastructure policies and programs. He also announced the national government's commitment to provide P4 billion worth of infrastructure projects for Iloilo. Mr. Guillermo Luz, Private Sector Co-Chairman of the National Competitiveness Council, discussed the ranking of Iloilo City among local governments in the Philippines. He noted that in 2013, Iloilo City was the second most competitive city in the Philippines and the first in terms of governance.

Iloilo City Mayor Jed Mabilog presented the priority investment areas of the City and identified investment opportunities. This was supported by statements of commitment by local and foreign businessmen to invest Php 32 billion in specific projects in the City. The commitments came from Dr. Walter Brown (Executive Chairman of Palm Concepcion Power Corporation), Mr. Francisco Sebastian (Chairman of Global Business Power Corporation), Mr. Youn Pyo Hong (Chairman of Dream Engineering Company Ltd.), Mr. Nikesh Sinha (Director of NV Voght Singapore Pte. Ltd), Ms. Dion Ugbebor (CEO of Intracare Inc.), and Dr. Edgar Sia II (as President and CEO of Double Dragon Properties Inc.).

Iloilo Governor Arthur Defensor explained the link between the province and the city and highlighted the investment opportunities in other cities and municipalities of Iloilo.

The Forum also featured a panel discussion among top business leaders who have existing businesses in Iloilo: Mr. Antonio Aquino (President and CEO of Ayala Land Inc.), Mr. Francisco Sebastian (Chairman of Global Business Power Corporation), Mr. Ramon del Rosario (President and CEO of PHINMA Corporation), Mr. Jose Sio (EVP and Chief Financial Officer of SM Investments Corporation), Mr. Kevin Andrew Tan (First Vice President and Head of Commercial Division of Megaworld Corporation), and Dr. Edgar Sia II (CEO of Injap Investments Inc.). The Forum was moderated by ILED Vice



## Annex B. Cagayan de Oro Business Forum



**NONSTOP SHOP.** There's no stopping the Cagayan de Oro Business One-Stop Shop (CDO BOSS) as it opened a satellite counter at the Big R Supercenter during the business registration period early this year. The satellite unit boasted full connectivity to its headquarters, and a comfortable and spacious waiting area for clients needing everything from just a Community Tax Certificate (CTC) to having a new business registered.



**"MY HEART IS FULL."** Cagayan de Oro City Mayor Oscar S. Moreno proudly showcases the city's strategic advantages at the City Business Forum dubbed "Connect and DO Business in Cagayan de Oro" last 12 February 2014 at the InterContinental Manila, one of the fruits of the successful collaboration among the city government, the ORO Chamber, Promote CDO Foundation, and the United States Agency for International Development.



**CDO IS THE PLACE TO BE.** United in endorsing Cagayan de Oro as the right choice for business during the City Business Forum dubbed "Connect and DO Business in Cagayan de Oro" were (from left) A. Brown Company, Inc. Executive Chairman Walter Brown, Investment and Capital Corporation of the Philippines Chairman and CEO Guillermo D. Luchangco, PHINMA Corporation Chief Financial Officer Victor del Rosario, Ayala Land, Inc. Senior Vice President Emilio J. Tumbocon, and American Chamber of Commerce of the Philippines Executive Director David Ebb Hinchliffe.



**AGRISUCCESS.** The city government held an Agribusiness Forum in Cagayan de Oro soon after the successful City Business Forum in Manila. During the one-on-one Q&A after the forum (clockwise from top left), Development Bank of the Philippines (DBP) Manager Shirley Mae B. Serate goes into the finer details of financing while San Miguel Foods Technician John Bacarro, A. Brown Energy and Resources Development, Inc. (ABERDI) Compliance Manager Mary Shiela C. Mercurio, and Rocky Mountain Arabica Coffee Company President Roberto Ansaldo talk business with prospective partners.

## Annex C. Batangas City Business Matching with Turkish Chamber of Commerce of the Philippines

Turkish Business Matching (Report from Turkish Chamber of Commerce of the Philippines)

1/19/2014



TCCP

REPORT ON KASIAD PHILIPPINES BUSINESS MISSION JANUARY 19-22, 2014



With Batangas City Governor Vilma Santos-Recto

**Turkish Business Matching (Report from Turkish Chamber of Commerce of the Philippines)**



**KASIAD with Batangas City Officials and Businessmen**

# Turkish Business Matching (Report from Turkish Chamber of Commerce of the Philippines)



ATTY . Reginald Dimacuja presenting Investment and Business opportunities of Batangas City



MR. MESUT KAYA Chicken House General Manager presenting Chicken House Company profile



BUSINESS MATCHING

# Turkish Business Matching (Report from Turkish Chamber of Commerce of the Philippines)



DINNER AND BUSINESS MEETING WITH HON. MAYOR EDUARDO DIMACUHA and his staff –  
BATANGAS CITY MAYOR



Special thanks to Atty. Rd and Ms. Ofelia Templo and Mr. Jay De Quiros of USAID Invest Project

**INVEST AND USAID  
IN THE NEWS**

# **CAGAYAN DE ORO BUSINESS FORUM NATIONAL PRESS COVERAGE**

**Business Mirror – February 15, 2014**

04 15 2014 Last update 09:02:57 PM Headlines: GR dipped slightly in end-May... SEARCH



BusinessMirror  
A broader look at today's business

www.businessmirror.com.ph

HOME NEWS BUSINESS SPORTS LIFESTYLE FEATURES READERS' CORNER

## **Mayor extols Cagayan de Oro as Mindanao ‘growth driver’**

Print Details Category: Regions 15 Feb 2014 Written by Butch Enerio / Correspondent

CAGAYAN DE ORO CITY—This city's sitting mayor has invited businesses to locate to the city and neighboring areas during a business forum in Makati City last week, saying "this city is "the center of Mindanao, part of a bigger community relevant in nation building."

The business forum was organized by the city government in cooperation with the United States Agency for International Development (USAID). It showcased the investment potentials, not only in the city, but also in the neighboring areas of northern Mindanao.

Initially, Cagayan de Oro's focus was in agricultural and environmental development where Mayor Oscar Moreno wants projects implemented with the help of the private sector. Projects of the Moreno administration include the improvement of the existing dump, construction and operation of a new sanitary landfill, establishment of a solid-waste transfer station, sewage treatment plant, interceptor and sewer system at the bank of Cagayan de Oro river, establishment of a wastewater treatment plant, reforestation of the city's rivers banks and the establishment of an eco-tourism park.

To sustain the city's competitiveness, strategic projects are needed in the agribusiness sector such as a modern mechanized poultry dressing plant to help the expanding independent poultry growers and integrators access the export market; an international-standard slaughterhouse for hogs and cattle; a vegetable-processing plant to add value to the increasing vegetable production of farmers in the area; and a plantation for commercial crops to make use of idle agro-forest land.

Moreno said once the strategic projects are in place, developments in the hinterlands will follow, giving enormous livelihood opportunities to the local population.

"Economic progress in Cagayan de Oro should radiate to the hinter-barangays and other neighboring areas and share the opportunities to our people. Thus, we will be reducing poverty incidence," Moreno said.

Dr. Bernardo Villegas, director of the Research and Communication Center, said the city is the growth driver in northern Mindanao responsible for 7.8 percent of the region's gross domestic product.

Villegas said CdO is the best location for manufacturing as well as for 'bed and breakfast' investment, alluding to the tourism potential of the city.

He said that in order for a city to fully use its potential for development, leaders should forget partisan politics, which is an obstruction of project implementation. ■



## CDO: Emerging business leader in Northern Mindanao



*(The Philippine Star) | Updated March 10, 2014 - 12:00am*

MANILA, Philippines - Ranked as the country's most competitive city in 2013, Cagayan de Oro continues to attract investors with a booming BPO sector that is set to foster the city's overall sustainable and eco-friendly economic development.

This has been the overall sentiment of economists, government officials, business leaders and investors who attended the recent "Connect and Do Business in Cagayan de Oro" investment forum held at the InterContinental Hotel Manila in Makati City.

Economist and former director-general of the National Economic and Development Authority (NEDA) Cayetano Paderanga Jr. said that Cagayan de Oro's BPO sector has much room for growth, what with the city's five IT parks are two IT buildings.

"CDO had a very good chance to become Mindanao's new business and financial center. Its thriving economy is sustainable over the long run because it had robust fundamentals: peace and order, stable power, very good human resource and enough investors," Paderanga said.

Romolo V. Nati, executive chairman and CEO of ITPI Corp. (ItalpinasEuroasian Design and Eco-Development Corp.) said that advancing CDO's BPO sector will also be a sustainable

and eco-friendly growth driver because BPO operations produce less greenhouse gases and pollutants than manufacturing, especially if they are located in truly green buildings.

ItalPinas, one of the biggest investors in

CDO, specializes in sustainable property developments and green building design. Since it was formed by Nati, an Italy national and Filipino partner, Jojo Leviste in 2009, the company has taken a lead role in creating sustainable property developments in the country's secondary cities.

Nati also emphasized the wealth of CDO's human capital. Four of the biggest universities in Northern Mindanao are in CDO: Xavier University-Ateneo de Cagayan de Oro, Liceo University, Capitol University and Mindanao University of Science and Technology. The city also attracts graduates from eight universities, 70 colleges and six computer technology institutes throughout Region X, or Northern Mindanao. In 2013, these educational institutes produced a total of 23,000 graduates.

"The city also has a rich source of human capital, and the BPO sector takes advantage of this at the same time that it develops this resource even further to help optimize the country's young educated population as a prime asset," Nati said.

During the forum, Cagayan de Oro mayor Oscar Moreno invited businesses to locate to the city and neighboring areas, even as he said it was his administration's goal to make the city Mindanao's future economic powerhouse.



"That's our dream, that's our objective, that's our mission," Moreno said.

To boost CDO's sustainable growth, the local government is seeking private sector partnerships and investments in key agricultural and environmental developments.

Priority environmental projects include the improvement of the Carmen dumpsite, the new sanitary landfill in Pagatpat, the Agusan solid waste transfer station, the septage treatment plant in Pagatpat, an interceptor and sewer system, an eco-tourism park, urban catchment ponds and the reforestation of CDO river banks.

The city government is also seeking public-private partnerships in the following agricultural projects: a livestock auction market, an airport shuttle terminal, the expansion of Mindanao Container Terminal, Class AA poultry dressing plant, a meat processing center, a vegetable processing center, an Arabica coffee plantation and an oil palm plantation.

With 600,000 inhabitants with an annual growth population of 2.54 percent, CDO is the ninth most populous city in the Philippines.

The features that make it friendly to investors include strategically located international seaports, the prime location of cost-effective air, land and sea transit, a steady supply of cheap and abundant power, modern telecommunication facilities, adequate infrastructure, business support facilities, clearly delineated areas for industries and urban amenities.

The booming Northern Mindanao city is one of three Philippine cities being supported by the USAID under the Cities Development Initiative (CDI), which aims to empower secondary cities as engines of national growth. ■



## CDO biz forum in Makati a roaring start, thanks to help of Kagay-anons living in Metro Manila

By Froilan Gallardo on February 13 2014 5:35 pm

MAKATI CITY (MindaNews / 13 Feb) – With help from Kagay-anons living in Metro Manila, the Cagayan de Oro gamble to attract major investments in the city had a roaring start with at least 250 traders and business executives attending the business forum in Makati City on Wednesday.

Copies of fact books on how to “Connect and Do Business in Cagayan de Oro” ran out early as traders and executives read them to see how they can get into the economic dynamism that made the city the most competitive in the country in 2012.

“This is a coming-out party for Cagayan de Oro. Business has finally taken notice of the city’s resiliency and competitiveness,” an elated Mayor Oscar Moreno said.

The one-day business forum organized by the city government has already produced major potential investments in the agriculture sector that, if materialized, could spark livelihood in Cagayan de Oro’s mountain villages that were long-saddled with illegal mining issues.

Hector San Juan, a consultant of the Cagayan de Oro Agricultural Office, said Rocky Mountain Arabica Coffee Company has signified its willingness to invest P150 million for 1,000 hectares of coffee farms in the city’s hinterland villages of

Tignapoloan and Besigan, where illegal mining for gold is rampant.

“Most of these villages are located at least 3,000 feet above sea level. Rocky Mountain will either invest directly or engage local farmers to grow quality coffee,” San Juan said.

San Juan said most of the financing for the coffee farms will be handled by the Development Bank of the Philippines.

According to their website, Rocky Mountain Arabica Coffee Company has operational coffee farms in Tuba in Benguet province. It is currently developing coffee plantations in Miarayan in Talakag, Bukidnon; in the Kitanglad mountain range also in Bukidnon; and in Kiamba, South Cotabato. It is negotiating for another plantation at Camp John Hay in Baguio City.

San Juan said another company, A Brown Company, is also willing to invest for 1,000 hectares of oil palm plantation in Barangay Tignapoloan.

Moreno said it would take six months or more to finalize before all the investment proposals will be implemented.

“I am elated with the tremendous showing to the potential of Cagayan de Oro,” Moreno said.

The National Competitiveness Council (NCC) said Cagayan de Oro bested 50 other cities to be-

come the most competitive city in 2012.

The next four cities, in order, are Iloilo, San Fernando, Butuan, and Bacolod. The NCC said Cebu and Davao did not submit information that would have measured their competitiveness.

Roderick Toledo, vice president of Erehwon Artworld Corporation, said the local government of Cagayan de Oro should do at least one business forum so traders in Metro Manila know the updated economic master plan of the city.

“Businessmen want to know if there are good infrastructure in Cagayan de Oro. What is the real estate and power situation?” Toledo said.

Most importantly, Toledo said these business forums allow Kagay-anons living in Metro Manila to help.

“Kagay-anons who are successful here want to help our city and this is a good venue. We can bring potential investors to these forums,” said lawyer Armi Jane Borje, head of Jollibee’s Government Affairs department.

Borje said she loved the way the local government showed testimonies from business companies who were successful in their investments in Cagayan de Oro.

“It showed how our city has become a dynamic city and we, Kagay-anons, can proudly tell our colleagues here,” she said.

Manny Boniao, a trustee of the Cagayan de Oro Chamber of Commerce and Industry (ORO-CHAMBER) for the agricultural sector, said a Kagay-anon, Ricky Tamparong, is bringing a group of traders to engaged in corn farming in nearby Bukidnon province.

“Because he is a Kagay-anon, Tamparong knows this venture will eventually benefit Cagayan de Oro because we are the gateway,” Boniao said. ■

Tuesday, March 18, 2014

# SUN STAR

NO. 1 IN READERSHIP IN NORTHERN MINDANAO CAGAYAN DE ORO

**FOR ORO'S  
AGRIBUSINESS  
DEVELOPMENT**

**DBP  
earmark  
P300  
million**

**By Butch D. Enerio**  
*Correspondent*

THE Development Bank of the Philippines (DBP) announced that it has available windows for financing, particularly for projects relating to agribusiness for the economic development of this city and its neighboring areas.

Neogen Chaves, DBP senior assistant vice president and head, Regional Marketing Center for northern Mindanao, said that there are a lot of under

► **DBP, 11**

### **DBP...** *from page 1*

developed investment potentials in agribusiness in Cagayan de Oro and neighboring areas that if given the financial support could spur the region's economic growth.

"DBP is here to support the city's agribusiness investment projects that we can readily make available financing amounting to P300 million or more," Chaves said.

DBP is one of the presenters in the CDO agribusiness forum at the VIP hotel here on March 20 where the bank will appraise the participants with the kind of agribusiness endeavor it is willing to finance.

One of the projected agribusiness facilities that the city hopes to establish is the food terminal market (FTM) that DBP will support through private investors.

The operation of the FTM will involve a state of the art slaughter house; cold storage facility; and the animal auction market.

"The terminal would greatly help farmers to do business without the middlemen, who rake in more profit from their produce," Chaves said.

CDO's agribusiness forum in partnership with Promote Cagayan de Oro Foundation, Inc. is a follow through activity of the city's successful business forum held in Makati last February.

The forum is also supported by the Board of Investments, the Department of Trade and Industry (DTI), and the Cagayan de Oro Chamber of commerce and Industry (Oro Chamber).

Cagayan de Oro is a partner of the United States Assistance for International Development (USAID) under the "Cities Development Initiative" program that aims to empower secondary cities as engines of growth by strengthening and enhancing their competitive advantage.

"We expect that during the agribusiness forum we will hear from the investors definitive investment plans," said Eileen San Juan, CDO's Local Economic and Investment Promotions officer.

DBP said that it is also willing to support high ticket investments, such as plantations and manufacturing that would locate in Cagayan de Oro.

Chaves said that DBP's all out support for the city and the region's economic endeavors is in line with the country's preparation for the Asean integration in 2015.

## ILOILO CITY BUSINESS FORUM NATIONAL PRESS COVERAGE

Business Mirror – March 4, 2014

Philippine Star – March 11, 2014

Melva Evangelista-Valdez, Tips San Juan, Jun Mendoza, and Thelma Aglahi-Cesista

### → Iloilo to host forum for potential investors

ILOILO, the regional center of Western Visayas, will hold a one-day business forum on March 12 at the Ballroom of the Intercontinental Hotel, Makati City. With the theme, "Iloilo Means Business," the forum will showcase the massive infrastructure developments that the city and the province have undertaken in the past seven years.

Senate President Franklin Drilon, who has championed the growth and development of Iloilo over the years, will be the forum's first speaker, followed by City Mayor Jed Patrick Mabilog and Gov. Arthur Defensor, who will talk about the attractiveness of Iloilo as an investment destination. Major developers who have already invested in Iloilo, such as Megaworld, Ayala Land, the SM Group Injap Investments Inc., Global Business Power Corp, the Phinma Group and Palm Concepcion Power Corp., will share their reasons for investing in Iloilo and what their experience has been.

Over the years, Iloilo has experienced major developments, among them are the international-standard airport, which links Iloilo to seven domestic destinations and to Hong Kong and Singapore; the expansion of the Iloilo River Port and construction of passenger terminals; the 15-kilometer circumferential and radial roads that have decongested traffic in the city and allowed faster travel to and from the towns of the province; and the rehabilitation of the Iloilo fish port complex.

Other developments that will make Iloilo favorable for investments include the River Esplanade, which has given residents a place to relax and recreate; the widening of the Diversion Road, which adheres to the needs of pedestrians, the elderly and bikers; the Iloilo Convention Center to be completed during the first quarter of 2015, which will boost Iloilo's attractiveness as a center for business tourism and for meetings, conferences and events. Also under construction are the Richmond and Marriott Courtyard hotels in the Megaworld mixed-use development in what was once the 54-hectare old airport site in the city.

The forum, which has strong support from Iloilo's private business sector, led by the Iloilo Economic Development Foundation Inc., (ILED) has been organized by the city and provincial governments and ILED with the support of the Invest Project of the United States Agency for International Development.

The Philippine STAR **BUSINESS**

Cruz said Mighty is now under investigation by the Bureau of

implementation of the excise tax reform law.

### Iloilo to host biz forum

Iloilo, the regional center of Western Visayas, will hold a one-day business forum on March 12, 2014 at the Ballroom of the Intercontinental Hotel, Makati. With the theme, "Iloilo Means Business", the forum will showcase the massive infrastructure developments that the city and the province have undertaken in the past seven years.

These include the international-standard airport which links Iloilo to seven domestic destinations and to Hong Kong and Singapore; the expansion of the Iloilo River Port and construction of passenger terminals; the 15-km circumferential and radial roads that have decongested traffic in the city and allowed faster travel to and from the towns of the province; and the rehabilitation of the Iloilo fish port complex.

The beautiful river walk, the River Esplanade, has given residents a place to relax and recreate whilst the widening of the Diversion Road, with generous provisions for the needs of pedestrians, the elderly, and bikers, will further make Iloilo a livable city.

The Iloilo Convention Center to be completed first quarter of 2015, will boost Iloilo's attractiveness as a center for business tourism and for meetings, conferences and events.

Also under construction are

the Richmond and Marriott Courtyard hotels in the Megaworld mixed-use development located in what was once the 54-hectare old airport site in the city.

Senate President Franklin Drilon, who has championed the growth and development of Iloilo over the years, will be the Forum's first speaker followed by City Mayor Jed Patrick Mabilog and Gov. Arthur Defensor who will talk about the attractiveness of Iloilo as an investment destination. Major developers who have already invested in Iloilo such as Megaworld; Ayala Land, the SM Group; Injap Investments, Inc., Global Business Power Corp, the PHINMA Group; and Palm Concepcion Power Corp., will share their reasons for investing in Iloilo and what their experience has been.

The forum, which has strong support from Iloilo's private business sector led by the Iloilo Economic Development Foundation, Inc. (ILED) has been organized by the city and provincial governments and ILED with the support of the INVEST Project of the United States Agency for International Development (USAID).

Inquiries may be made with the forum secretariat at telephone numbers 926-0224 and 514-5714.

# Economy

de Leon

## Business Mirror

bought from a vegetable farm in Barangay Santa Isabel, Iligan City, Isabela. The young city is known as the country's top corn producer. LEONARDO PERANTE II

### Big investors to pour P50B into Iloilo

ILOILO is increasingly becoming more attractive as an investment destination, with major investors pouring ongoing and prospective investments in the region totaling at least P50 billion, with a substantial amount going to power projects.

About 20 companies representing heavyweight investors were present during the Iloilo Business Forum held on Wednesday at a Makati City hotel. They included Antonino T. Aquino of Ayala Land Inc., Francisco C. Sebastian of Global Business Power Corp., Ramon R. del Rosario Jr. of Phinma Corp., Jose T. Sio of SM Investments Corp., Kevin L. Tan of Megaworld Corp. and Edgar Sia of InJap Investments Inc.

"We as investors are bullish about Iloilo's economy due to the good governance measures and infrastructure development in the area," said Aquino, president and CEO of Ayala Land.

The five other investors echoed this sentiment, listing their existing investments in Iloilo.

Ayala said the firm has invested about P2 billion in residential and commercial development and expects the

same level of investments to be continued annually.

Phinma Corp. has contributed P7.5 billion in the local economy through a 54-megawatt (MW) wind farm in Guimaras. It pledged to invest more in the power and education sectors.

Francis Sebastian of Global Business Corp. said P15.6 billion will be infused into Iloilo's economy through the expansion of a 150-MW power plant.

InJap Investments Inc., said CEO Edgar Sia, will put in P1.4 billion through its property arm DoubleDragon Property Inc. in the building of a newly branded mall chain, five of which will be in Iloilo and finished by 2015.

For SM Investments Corp., Sio said total investments in retail, property and other sectors has been at P10 billion, but at current prices can be as much as P20 billion.

Other investors aired their investment pledges for Iloilo.

Dr. Walter Brown of Palm Concepcion Power Corp. said the company aims to reduce the power-needs costs of the region with an investment of P14 billion for a power-plant complex by 2016

and an additional P10 billion by 2019.

Youn Pyo Hong, chairman of Dream Engineering Co. Ltd., committed several projects that include a waste-to-energy power plant in Iloilo and a cable car project, both of which will amount to P10 billion.

Energy Renewables Asia plans to put P2.5 billion for a solar-powered plant in Jaro, Iloilo, said President James Buskowitz.

Nikesh Sinha, director of NV Vogt Singapore, also pledged P2.5 billion for a 5-MW to 10-MW solar power plant, as well. For retirement, health care and hospitality investments, Dion Ughebar pledged a starting investment amount of P150 million from her firm Intra-Care Inc.

The business owners cited Iloilo's ramping up of infrastructure projects, including the commitment of the Department of Transportation and Communications of P500 million for expansion of the Iloilo international airport and initial allotment of P180 million from the Philippine Ports Authority to upgrade the Dumangas port.

Catherine Pillas

Shipping  
Classified Ads  
PSE Quotations  
BSP Reference Rates

**MANILA BULLETIN**  
THE PHILIPPINE LEADING NATIONAL NEWSPAPER

**Business**

Editor: LORETO D. CABAÑES  
Asst. Editor: BERNIE CAHILES-MAGKILAT

plant operator Power Sector Assets and the benefit of legal basis or any outcome when the common good so **►B-12**

## Due To Favorable Business Environment Iloilo Draws ₱150 Billion Investments

By BERNIE CAHILES-MAGKILAT

The country's top six business conglomerates and foreign investors are investing over ₱150 billion in ongoing and future projects, one third of which goes to power ventures, in Iloilo, drawn by the province's right business environment, quality human resources and quality of life.

Company CEOs took turns to confirm these investments at yesterday's Iloilo Business Forum, the third in a series of regional investment promo-

tions sponsored by the USAID in Makati City. The first two being Batangas and Cagayan de Oro City, also held in Makati City.

The confirmed investments are from Ayala Land Inc. (ALI), Global Business Power Corp. (GBPC), Phinma Corp., SM Investments Corp., Megaworld Corp., and In Japan Investments Inc.

All these investors, who come from the province, cited Iloilo's good governance policy, skilled manpower, good infrastructure facilities, good education, rich natural resources, and local

officials working together harmoniously as factors that attract them to invest in Iloilo.

Iloilo Governor Arthur D. Defensor Jr. told reporters the province has enough room to absorb all these investments.

"We are ready for that," Defensor said noting that the local government is even spearheading the ₱500 million development of a new containerized port in Dumangas. The airport is also being expanded to accommodate additional international **►B-11**

**MANILA BULLETIN**  
THE PHILIPPINE LEADING NATIONAL NEWSPAPER

## Classified Ads

### ◀B-1 Iloilo...

flights. At present, the airport hosts three weekly international flights and over 50 daily domestic flights.

ALI President and CEO Antonino T. Aquino told the forum that his company has invested ₱2 billion annually in the past two years for the development of the Ayala Techno park, which is a subset of its Makati and Global City development.

"I believe this annual investment is sustainable over the next five to ten years due to our tourism projects in the northern part of Iloilo which will be developed similar to the El Nido Palawan," Aquino said.

Aquino cited Iloilo City's good governance policy, good infrastructure, and adequate supply of power and water.

The only missing link in Iloilo is a major seaport infrastructure, he said.

GPBC chairman Francisco C. Sebastian said the company has \$1 billion in investments already in the province mostly in power projects.

INJAP CEO Edgar J. Sia II also an-

nounced that his property firm Double Dragon Properties is the first property developer to establish residential condominium in Iloilo City in 2011 and a 21 storey building structure will be completed this year.

Sia further said that Citimall Center Inc. is investing ₱1.4 billion for the establishment of 5 Citi malls over a three year period in Iloilo.

According to Sia, Citimall Center Inc. is 34 percent owned by SM Investments Corp. and 66 percent by his company Double Dragon. Citimall plans to put up 100 malls in five years in the Visayas and Mindanao. Twenty five Citimalls including the five in Iloilo are expected to be in place by 2015.

"Iloilo is not only a good place to expand, but a place to start a business from scratch," Sia stressed.

SMIC EVP and chief financial officer Jose T. Sio said his company's total original investments in Iloilo already reached ₱10 billion but could have been doubled at today's prices.

Sio noted that the quality of Iloilo's human resources and the quality of life are two factors that make the province and city very attractive.

"The quality of people and leaders will determine the future of a country

and the quality of life will sustain that," Sio said noting that the leaders of Iloilo are all working together in harmony in moving the province forward.

Kevin Andrew L. Tan, first vice-president of Megaworld Corp., said the country's largest condominium developer is investing ₱35 billion over a 10 year period for the development of the country's largest township called the Iloilo Business Park in the old Iloilo airport.

Tan said that 10 to 12 buildings are expected to be completed in 5 to 7 years to serve the booming IT-BPO firms, which are relocating and expanding in Iloilo given its 92 percent literacy rate.

Three of these buildings, which could house 25,000 employees are ready for turnover end this year.

Megaworld is also investing ₱2 billion for two luxury hotels Richmond and Courtyard by Marriott.

Ramon del Rosario Jr. said the company has poured in ₱7.5 billion for its power project under Trans-Asia Power and its investment in education via the University of Iloilo-Phinma, which has 7,500 students or a 30 percent increase in enrollment.

# Iloilo attracts P150-b projects

By Othel V. Campos

ILOILO province has attracted P150 billion worth of investments that are expected to lift the local economy in the coming years, Iloilo Gov. Arthur Defensor Sr. said Wednesday.

Defensor said in a "Iloilo Means Business" forum at the Intercontinental Hotel Manila in Makati City the provincial government was overwhelmed by the magnitude of interest among local and foreign investors.

"We're glad that this is happening now. Iloilo is capable of handling this much investment. We are still looking forward for more projects that will benefit the local economy," he told reporters at the sidelines of the event.

Defensor said of the total investments, investment commitments for new projects accounted for P55.7 billion. One of the new projects is the P14-billion power plant of Palm Concepcion Power Corp. of W Brown Group in Concepcion, Iloilo.

The 225-megawatt project recently started groundworks and is expected to be commissioned by June 2016. Its second phase would involve another P20 billion in investment.

Other energy projects in the province are the 130-MW power plant of Global Business Power that will cost P15.6 billion, the P1.5-billion, 10-MW project of Energy Renewables Asia Inc., and the P1-billion proposed power plant of NV Vost Singapore Pte Ltd.

Double Dragon Properties Inc. will construct five community malls in Iloilo for P1.4 billion while California-based IntraCarr Inc. will put up two boutique hotels on a P200-million budget.

Meanwhile, Iloilo City is fast-tracking the construction of the P1-billion Iloilo Convention Center for the Ministerial On Food Security, one of the major discussions in the upcoming Asia-Pacific Economic Conference 2015 that will be held in the Philippines.

# S

ardtoday.com

go down, the expected decline did not materialize. "Consumption was not affected. Nothing had happened," Lacey said. He said consumers were now seeing the benefits of the equal playing field since the implementation of the sin tax law. "Sin tax is formally locked in place and we are now seeing the benefits of free liberal market," he said. **Jennifer Ambanta**

## Iloilo business forum

ILOILO, the regional center of Western Visayas, will hold a one-day Business Forum on March 12, 2014 at the Ballroom of the Intercontinental Hotel, Makati.

With the theme "Iloilo Means Business," the forum will showcase the massive infrastructure developments that the city and the province have undertaken in the past seven years, including the international airport, which links Iloilo to seven domestic destinations and to Hong Kong and Singapore, and the 15-kilometer circumferential and radial roads that decongested traffic in the city and allowed faster travel to and from the towns of the province, and the rehabilitation of the Iloilo fish port complex.

Senate President Franklin Drilon will be the forum's first speaker followed by City Mayor Jed Patrick Mahlig and Gov. Arthur Defensor.

quarters raid and ambush dem-

## Businessmen commit P31.48 billion to Iloilo

SOME P31.48 billion in investments were pledged by seven blue-chip investors at a business forum showcasing the business potential of Iloilo.

Some 300 businessmen attended the "Iloilo Means Business" summit on Wednesday at the Intercontinental Hotel in Makati City. At the summit, power projects dominated the commitments.

The Palm Concepcion Power Corp. is constructing a P5-billion coal-fired power plant in Concepcion, Iloilo. Global Business Power Corp. is building a similar plant at a cost of P15.6 billion in Iloilo City. Dream Engineering is investing P10 billion on a solid waste to energy project in Iloilo City, while Energy Renewables Asia Inc. is committing P1.2 billion on a solar farm project in Tacas, Iaro, Iloilo City. NV Vogt Singapore Pte. Ltd. has earmarked a P500-million initial investment for a solar plant in Iaro, Iloilo City. Intracare Inc. has set aside P1 billion for tourism projects including a cable car in Guimaras island province. Double Dragon Properties Inc. has allotted P1.4 billion for five city malls in Iloilo City.

Ramon del Rosario Jr., president and chief executive of Phinma Corp., admitted his group invested in education by expanding the curriculum of the University of Iloilo to make it more competitive. Phinma is also investing in renewable energy with a wind power farm in Guimaras.

For its part, the government is planning more infrastructure projects in Iloilo attract more in-

vestments there.

Senate President Franklin Drilon said this infrastructure development aims to transform Iloilo as a prime area for investment and tourist destination.

The Department of Transportation and Communications (DOTr) has allotted P500 million for the expansion of the Iloilo International Airport. The airport is now the fourth busiest airport in the country.

Iloilo is also expanding its Dumagas Port, which serves as passenger and cargo terminal and offers 24/7 Roll-On, Roll-Off facility.

Mayor Jed Patrick Mabilog of Iloilo City has invited the private sector to partner with the government for the P180-million Dumagas Port expansion that the province hopes to upgrade into an international seaport.

There are also road projects such as the four-lane, 14-kilometer Iloilo Circumferential Road and the expanded 150-kilometer Iloilo-Capiz-Aklan Highway to ease traffic and logistics situations.

The province also has conducive areas for information and communications technology ventures because of its affordable business cost, available basic infrastructure, rapid urbanization, and competitive pool of talents, Mabilog said.

The government is also mulling the Ialau River Multi-Purpose Project, which will provide irrigation for 32,000 hectares of farm land, benefit 783,000 farmers, create 17,000 jobs, and double Iloilo's rice production.

LYDIA C. PENON AND PNA

NATIONAL GRID CORPORATION OF THE PHILIPPINES			
Power Situation Outlook for Thursday, 13 March 2014			
	Load	Reserve	Misbalance
Available Capacity (MW)	8,827	1,658	1,128
System Peak (MW)	7,229	1,366	1,271
Great Reserve (MW)	1,598	292	-143

\* Revised data announced as of 12:00 PM Mar 13, 2014.  
\*\* Subject to change depending on actual power system conditions.  
\*\*\* For more details regarding grid and contingency reserve levels, please visit [www.ngc.com.ph](http://www.ngc.com.ph).

CURRENCY	NT DOLLAR	1.467	0.000	0.028
REFERENCE RATE: P/US DOLLAR	51.944	0.000	0.000	0.000
BASED ON THE PHILIPPINE RATE AS OF MARCH 13, 2014				

SOURCE: NGC

## 9 firms commit to invest P100 B in Iloilo

By LOUELLA D. DESIDERIO

More than P100 billion worth of investments have been committed by nine companies for different projects in the province of Iloilo.

Among the firms which announced plans to pour in funds in the province is Ayala Land Inc. (ALI) which will spend as much as P25 billion in the next 10 years.

Speaking at the Iloilo Means Business forum held in Makati City yesterday, ALI president and chief executive officer Antonio Aquino said the firm has already spent about P2 billion a year over the past two years for projects in the province and the plan is to sustain that level of commitment in the next five to 10 years.

"Our vision is to develop something similar to what we did in El Nido, Palawan in North Iloilo. We will be investing a billion a year in the next five years for that particular venture," he added.

ALI is expanding the El Nido Resorts to cater to more guests amid rising tourist arrivals.

Kevin Andrew Tan, first vice president and head of commercial division at Megaworld Corp., said in the same event Megamall is spending P35 billion in the next 10 years for the development of the 72-hectare Iloilo Business Park, which would have office as well as retail spaces.

"The Iloilo Business Park, by far, is the largest township in the Philippines," he said.

For his part, Palm Concepcion Power Corp. executive chairman Walter Brown said the company plans to invest P24 billion for two power plants in the province.

Global Business Power Corp. chairman Francisco Sebastian said the firm is investing P15.6 billion for a 150-megawatt power plant in Iloilo, with commercial operations expected by June 2016.

Turn to B-10



## TURKISH BUSINESS MATCHING NATIONAL PRESS COVERAGE

Sun Star People's Courier – February 2, 2014



## Turkish Business Matching Local Press Coverage



## Turkish Business Matching TV Coverage

ABS-CBN Southern Tagalog TV Patrol: January 22, 2014 Episode

## 2014 BPLS-BOSS Streamlined Process Client Feedback (PIO Interviews on Facebook)

<https://www.facebook.com/photo.php?v=648137245243531>



The image shows a Facebook video player interface. At the top, there is a search bar with the text "Search for people, places and things" and a magnifying glass icon. To the right of the search bar is the name "Emil Francis" next to a profile picture. The video itself shows a man in a black t-shirt with a graphic design, speaking and gesturing with his hands. He is in a room with rows of white and green plastic chairs. In the background, there is a banner with text and a television screen. Below the video player, the post is from "Pio BatangasCity". The text of the post reads: "Interviews with Business One-Stop-Shop (BOSS) clients. January 11, 2014 — with Bok Acosta Sanohan, Victor Reginald Abaya Dimacuha, Eduardo Borbon, Ditas Aguado, Vanessa Mayo Garcia and Marie Lualhati." To the right of the text, it says "Shared with: Public". Below the text are the options "Tag This Video", "Embed Post", and "Report Video". At the bottom left of the post, it says "Unlike · Comment · Share · January 11 · ©".

## 2014 BPLS-BOSS Streamlined Process Client Feedback

ABS-CBN Southern Tagalog TV Patrol – January 14, 2014 episode

# Batangas City Launching of Mobile Payment System for Business Taxes

2014 BPLS-BOSS Streamlined Process City Government Online Article

<http://batangascity.gov.ph/batangas2/home/?p=1297#more-1297>

Mobile Payments for Business Taxes Press Release



# MOBILE PAYMENTS FOR BUSINESS TAXES PRESS RELEASE

Business Mirror - April 8, 2014

## Batangas City and USAID Launch Mobile Money Payment System for Business Taxes

### Batangas City and USAID launch mobile money payment system for business taxes

**T**HE city government of Batangas, in cooperation with the United States Agency for International Development (USAID), recently launched an innovative payment system that will enable 4,000 business owners in the city to pay their business taxes using mobile phones.

The mobile money payment system was introduced through USAID's Scaling Innovations in Mobile Money (SI-MMM) project and is expected to improve transparency, accountability, and security in government financial transactions by digitizing payment and collection systems.

USAID/Philippines Mission Director Gloria D. Steele said, "The new payment system is set to streamline and modernize the city government's business tax transactions. This supports our US-Philippines joint goal of broad-based, inclusive

and sustainable growth by promoting financial inclusion through increased access to banking and financial services as well as transparency in government transactions."

Business permit registration and tax payment has always been a time-consuming and costly activity for business owners in Batangas City, usually taking more than three days to complete and having to travel several times to the City Hall during registration and payment period. This has always been considered a major barrier to promoting more investments in the city. Thus, the city government saw the value of streamlining its registration process and automating its payment system.

USAID facilitated the city government's partnership with G-Exchange Inc. to enable the use of the GCash platform for the business tax payment.

Business tax mobile money payment—which can be done remotely in less than 10 minutes—complements the recent success of the city government in streamlining its business permit registration process. With the support of the USAID/Investment Enabling Environment (Invest) Project, this process has been reduced from 17 steps, which can take up to three days to complete, to two simple steps completed in just two hours.

The USAID/Invest Project aims to improve the business environment and the competitiveness of Philippine cities, by streamlining business registration processes, reducing transactions costs and improving investment planning and promotion.

"We believe that adopting technology in government transactions can be beneficial to our citizens.

With mobile phones, business owners can now pay their business taxes anytime, without having to leave their shops or homes," Batangas City Mayor Eduardo Dinacuba said.

In addition to mobile money, Batangas City will soon accept online and point-of-sale payments for other government fees as it works to digitize all its financial transactions.

Batangas City is one of three cities under USAID's Cities Development Initiative (CDI), a program under the US-Philippines Partnership for Growth, that seeks to assist the Philippines promote higher, sustained, and more inclusive growth by providing a range of development interventions in targeted secondary cities. The CDI was launched in Batangas City on May 3, 2012, with the signing of a memorandum of agreement between the city government and USAID.

**SMART 'A DEALS' OF POPULAR MOBILE APPS AT A DISC**

**W**HIO know you access to your f apps on a h response to growing de from mobile apps, mod Trade Smart Commit (Smart) has recently lau Deals, a new suite of m offers available in afford through PowerApp.

Mobile users who access to the latest and mobile apps can now st PowerApps App Deals, affordable unlimited app following mobile apps for Tumblr (P5/day), Swatch WeChat (P10/day), Line (Waze (P5/day).

Through PowerApp world's first mobile app users to access the info affordable rates with abs hidden charges, users c unlimited access to the not have to worry abou ing on their mobile cre

"With the new App available through Power ce by these new and gi without burning a hole i lets," said Michele Curar international services in at Smart. "PowerApps alls to affordably and confir their favorite mobile app they go."

### Bringing appliances Filipinos 'actually' need

**I**T is critical for any new product or brand to fully understand the market where it intends to operate, or what the mind set of consumers is in terms of responding to a new player coming into their consciousness.

These information were fully reviewed, researched, studied and considered by new appliance player Concepcion Midea Inc. (CMI) when it entered the Philippine market. Already a market chock-full of major appliance brands from Europe, South



## Batangas Launches USAID-supported Reforms

Search results - sherylperal x (7347 unread) - tuliphe - Y x USAID INVEST Project x Batangas launches USAID-supported reforms

www.philstar.com:8080/banking/2014/04/08/1309956/batangas-launches-usaid-supported-reforms

THE PHILIPPINE STAR | PILIPINO STAR NGAYON | THE FREEMAN | PANG-MASA | BANAT

Fri | 04/25/2014 05:41pm | Forex: \$1:44.710

**BUSINESS**

Home | **Headlines** | Opinion | Nation | World | **Business** | Sports | Entertainment | Lifestyle | Other Sections

NETWORKS | BUSINESS AS USUAL | BANKING | MOTORING | SCIENCE AND TECHNOLOGY | REAL ESTATE | AGRICULTURE | TELECOMS

Stock Update As of	260	AAA	ABA	ABG	ABS
04/25/2014 03:46 PM	32,000 5.12%	42,000 -2.38%	1,235,000 0%	32,500 -2.56%	495,600
	2.67	2.05	0.53	11.42	36.55

### Batangas launches USAID-supported reforms

(The Philippine Star) | Updated April 8, 2014 - 12:00am

MANILA, Philippines - Batangas City in cooperation with the United States Agency for International Development (USAID) has launched an innovative payment system that will enable 4,000 business owners in the city to pay their business taxes using their mobile phones.

Mobile money payment system was introduced through USAID's Scaling Innovations in Mobile Money (USAID/SIMM) project and is expected to improve transparency, accountability, and security in government financial transactions by digitizing payment and collection systems.

USAID/Philippines mission director Gloria D. Steele said that the new payment system is set to streamline and modernize the city government's business tax transactions.

"This supports the joint goal of broad-based, inclusive and sustainable growth by promoting financial inclusion through increased access to banking and financial services, as well as transparency in government transactions," Steele said.

Business permit registration and tax payment has always been a time-consuming and costly activity for business owners in Batangas City, usually taking more than three days to complete and having to travel several times to the city hall during registration and payment period.

This has always been considered a major barrier to promoting more investments in the city. Thus, Batangas saw the value of streamlining its registration process and automating its payment system.

USAID facilitated the city government's partnership with G-Xchange Inc. to enable the use of the GCash platform for the business tax payment.

Business tax mobile money payment – which can be done remotely in less than 10 minutes– complements the recent success of the city government in streamlining its business permit registration process.

#### BREAKING NEWS

- Crash survivor assumes as new Philippine Air Force chief  
April 25, 2014 - 5:33pm
- Isabela City woos tourists, wants to shed terror lair tag  
April 25, 2014 - 5:28pm
- Peso jumps on Friday  
April 25, 2014 - 5:20pm
- Gov't denies barring NDF consultants from visiting Tiamzons  
April 25, 2014 - 5:15pm
- Sagada routs Pampanga, advances in Little League series  
April 25, 2014 - 5:10pm
- (UPDATE) Drunk passenger causes hi-lack scare in Bali

Waiting for www.google.com... ling Environment (INV/EST) project, this process has been

1461148\_4198755314...jpg

Start | Batangas launches U... | 10QPR-PressReleases,d...

Show all downloads... x

5:41 PM

<http://www.philstar.com:8080/banking/2014/04/08/1309956/batangas-launches-usaid-supported-reforms>

## Batangas, USAID Roll out Mobile Payment System

Search results - shery/peral... x (7347 unread) - tulipshe - Yo x USAID INVEST Project x Batangas, USAID roll out mo... x

www.bworldonline.com/content.php?section=Economy&title=Batangas%2C-USAID-roll-out-mobile-payment-system&id=85717

Home About BusinessWorld Wired Calendar Advertise Subscribe Contact Us Site Map

**BusinessWorld**  
ONLINE

April 25, 2014 | MANILA, PHILIPPINES

Home Top Stories Finance Corporate Economy Nation Stock Market Arts & Leisure Sports Opinion  
Weekender Entrepreneurs Research Herword High Life Special Feature Codex Fora RSS Directory Downloads

Breaking News : Imports growth muted in February

ADVERTISEMENT

**Economy**

Posted on April 04, 2014 08:27:17 PM

### Batangas, USAID roll out mobile payment system

Like 40 Facebook Tweet LinkedIn Google+ ShareThis

THE BATANGAS City government and the United States Agency for International Development (USAID) have launched a mobile payment system to benefit 4,000 business owners in the city.

"Mobile money payment system was introduced through USAID's Scaling Innovations in Mobile Money (USAID/SIMM) project and is expected to improve transparency, accountability, and security in government financial transactions by digitizing payment and collection systems," USAID, under the US Embassy in Manila, said in a statement yesterday.

The agency said it facilitated the Batangas government's partnership with G-Xchange, Inc. -- the mobile commerce unit of Globe Telecom, Inc. -- to enable the use of the G-Cash platform for business tax payment.

USAID Philippines Mission Director Gloria D. Steele was quoted saying: "The new payment system is set to streamline and modernize the city government's business tax transactions."

"This supports our [countries'] joint goal of broad-based, inclusive and sustainable growth by promoting financial inclusion through increased access to banking and financial services, as well as transparency in government transactions," Ms. Steele continued.

According to the statement, the mobile payments complement the USAID / Investment Enabling Environment Project, which was said to have helped reduce the business permit registration process in Batangas City from 17 steps over up to three days to two steps in just two hours.

Besides accepting "mobile money", Batangas City will soon accept online and point-of-sale payments for other government fees as it works to digitize all its financial

RELATED STORIES

- Construction to start for waste-to-fuel plant
- Five charged in Batangas drug raid
- New geothermal plant starts operation
- Recto exonerated in murder suit
- First Gen power unit back online

ADVERTISEMENT

MORE STORIES

- China ties seen improving
- MB keeps sunny outlook
- ADB shifts priorities to reduce poverty
- Customs computerization seen done mid-2015
- Zamboanga abaca sector seeks government help
- Probe of alleged flour dumping starts
- Dolefil growers said ready for integration
- Rice prices increase
- Hospital work leads health, social work industry: NSO
- Oxford Business Group: "The Philippines is set to continue expanding 3G and 4G LTE coverage"

MOST READ MOST E-MAILED

- The Philippines is set to continue expanding 3G and 4G LTE coverage
- National Statistician appointed
- Submission of draft Bangsamoro bill eyed
- Century Pacific cites strong demand
- LRT-1 deal sweetened

ACNNEWSWIRE Asian PR News

- Eastman Announces First-Quarter 2014 Financial Results
- Minerals Technologies Reports First Quarter Earnings of \$0.58 per Share, Excluding Special Items, a 5-Percent Increase over Prior Year
- Cytokinetics to Announce First Quarter Results on May 6, 2014

1461148\_419875314...jpg Show all downloads... x

Start Batangas, USAID roll ... 10QPR-PressReleases.d... 5:45 PM

<http://www.bworldonline.com/content.php?section=Economy&title=Batangas%2C-USAID-roll-out-mobile-payment-system&id=85717>

## Philippine Information Agency website - April 8, 2014

### Mobile Tax Payment System, Inilunsad sa Lungsod ng Batangas

The screenshot shows a web browser window with the URL [news.pia.gov.ph/index.php?article=681396925510](http://news.pia.gov.ph/index.php?article=681396925510). The page features a banner for the Philippine Information Agency receiving the Philippine Quality Awards Level I. The main article is titled "Tagalog news: Mobile tax payment system, inilunsad sa lungsod ng Batangas" and is dated Tuesday, 8th of April 2014. The article text describes the launch of a mobile payment system for business taxes in Batangas, supported by USAID. It mentions that the system is being implemented in a simple ceremony at Bahay Kaalaman ng Batangas National High School. The article also notes that the system is part of a project to scale up mobile money (SIMM) and that it will be used to pay taxes at city halls. A sidebar on the right lists news by region, including National Capital Region, Cordillera Administrative Region, Ilocos Region, Cagayan Valley Region, Central Luzon Region, CALABARZON, MIMAROPA, Bicol Region, Western Visayas Region, Central Visayas Region, Eastern Visayas Region, Zamboanga Peninsula Region, Northern Mindanao Region, Davao Region, SOCCSKSARGEN Region, CARAGA Region, and Central Office. The bottom of the page shows the Windows taskbar with the Start button, several open applications, and the system clock showing 3:31 PM.

PHILIPPINE INFORMATION AGENCY  
receives the PHILIPPINE QUALITY AWARDS  
Level I: Recognition for Commitment to Quality Management

Information to Empower Filipinos

**Tagalog news: Mobile tax payment system, inilunsad sa lungsod ng Batangas**  
Tuesday 8th of April 2014

Share This 4 | Facebook Share 4 | Tweet 0 | Email 0

LUNGSOD NG BATANGAS, Abril 8 (PIA) --Inilunsad ng pamahalaang lungsod ng Batangas at United States Agency for International Development (USAID) ang mobile payment for [business tax](#) collection sa isang simpleng seremonya sa Bahay Kaalaman ng Batangas [National High School](#) (BANAHS) kamakailan.

Ang naturang proyekto ay bahagi ng Scaling Innovations in Mobile Money (SIMM) ng USAID at layong mapabuti at maipatupad ng maayos ang mga transaksyon ng pamahalaan sa pamamagitan ng digitized payment at [collection systems](#).

Layon din nitong mapabilis ang pagbabayad ng business taxes na hindi na kailangang pumunta pa at pumila sa city hall bagkus ay gagamit na lamang ng [mobile phone](#) para dito.

Nauna na rito, inilunsad noong nakaraang taon ang USAID Project Invest kung saan mas pinabilis ang proseso ng pagrerehistro ng negosyo at pagbabayad ng buwis na isa sa nakikitang dahilan upang mas makaakit ng mas maraming investments ang pamahalaang lungsod.

Sa pamamagitan ng mobile payment system na ito kinakailangang magregister sa GCash gamit ang isang Globe o TM sim at sundin ang mga instructions ukol dito. Mas mabilis at iwas aberya ang ganitong sistema bukod pa sa nakatitipid sa oras ng pagpila at pagpunta sa city hall.

Kaugnay nito, nagsagawa ng memorandum of agreement signing sa pagitan ng pamahalaang lungsod na kinatawan ni Mayor Eddie Dimacuha at Globe exchange Inc. na kinatawan ni Ricardo Alair, [corporate planning](#) and business operations group head.

Alinsabay nito isang actual demonstration ang isinagawa upang ipakita ang mabilis na proseso ng mobile payment system na ito. (MPDC-PIA Batangas)

News by Regions | Infographics | Infolinks

- \* National Capital Region
- \* Cordillera Administrative Region
- \* Ilocos Region
- \* Cagayan Valley Region
- \* Central Luzon Region
- \* CALABARZON
- \* MIMAROPA
- \* Bicol Region
- \* Western Visayas Region
- \* Central Visayas Region
- \* Eastern Visayas Region
- \* Zamboanga Peninsula Region
- \* Northern Mindanao Region
- \* Davao Region
- \* SOCCSKSARGEN Region
- \* CARAGA Region
- \* Central Office

Latest News | Popular News | Dialect

- \* President Aquino, PHP discuss security for World Economic Forum, Asia-Pacific Economic Cooperation
- \* Ploy meets with Philippine National Police for Holy Week preparations

<http://news.pia.gov.ph/index.php?article=681396925510>

## LOCAL NEWS

Pahayagang Balikas – April 7-13, 2014

### Batangas Pioneers in Mobile Payment







**Konstruksyon ng Colegio ng Lungsod ng Batangas (CLB)**  
 Inaugurasyon na ng pamahalaang lungsod ng Batangas ang clearing operations sa pagtatayo ng 3-story Colegio ng Lungsod ng Batangas (CLB) building sa Batangas City Sports Complex Compound.  
 Ayon sa plano, ang tatlong gusali ay may kompletong pasilidad. Ito ay may 27 silid aralan, dalawang computer laboratories, science laboratory at electronic laboratory, na pagmamit sa computer hardware servicing ng mga Information Technology students.  
 Sa second floor ng gusali ay ang College Library na kayang maglaman ng 400 na deang magasana, at Audio Visual room (AVR).  
 May mga opisina rin dito tulad ng admin office, registrar, guidance at clinic na may inayon na pasilidad at kagamitan para sa medical at dental services.  
 Kabilang sa pasilidad ng gusali ay ang mga "ramps" para sa mga may kapansanan, big dalawang magkahiwalay na comfort rooms para sa mga babae at lalaking estudyante sa bawat palapag at ang malawak na parking area.  
 Ayon pa rin sa plano ang konstruksyon ng 3-story building ay may dalawang phases. Nakatakdang umplisahan ang 1st phase ng konstruksyon sa Marso at uunahang matatapos ang buong proyekto bago magtapos ang taong 2014.

**Konstruksyon ng Batangas City Public Market (Julian Pastor Memorial Bldg.)**  
 Kasama pa rin sa priority projects ng pamahalaang lungsod sa taong ito ay ang konstruksyon ng Batangas City Public Market (Julian Pastor Memorial Bldg) ang Bagong Palengke sa Ingg. Cuta.  
 Ayon sa plano, ito ay malibatalad sa mga malalaking supermarket, na may malawak na espasyo para sa mas maginhawa at maabang pamimili. May angkop at magkahiwalay na lugar din sa bawat section ng paninda kagaya ng meat at fish section, fruits and vegetables at dry good sections.  
 Naglaan din ng lugar dito para sa mga magtinding Madlan.  
 Ang batayang pangkalo ay may Atrium na maaring lugar para sa tianggap.

**Housing Project at Barangay San Isidro**  
 Prioridad rin ng pamahalaang lungsod ng Batangas ang muring pabahay o "low-cost housing project" para sa mga kwalipikadong empleyado ng city government na wala pang sariling bahay.  
 May prebasyon din sa housing project na ito ang mga "qualified informal settlers" sa Itanog ng City Social Welfare and Development Office.  
 Kasagay nito ay nagbuo ang city government ng Batangas City Housing Project for Qualified Employees and Informal Settlers Committee na siyang nagagawa ng pag-aral at namamahala sa nasabing proyekto.

**Bulding Permit One-Stop-Shop Sinimulan na**  
 Batangas City - Sinimulan na ng pamahalaang lungsod ng Batangas ang bagong Building Permit One-Stop-Shop (BPOSS) na naglalayong mapabililit ang proseso ng pagkubha ng permit.  
 Matatagpuan ang lahat ng mga opisnang kukubanan ng mga requirements para sa building at occupancy permit sa 2nd floor ng Gusali ng Kalakasan at Kagayapan. Ang mga opisnang ito ay ang City Planning and Development Office (CPDO), City Environment and Natural Resources Office (CENRO), City Engineer's Office (CEO), Office of the City Veterinarian and Agricultural Services (OCVAS) at Bureau of Fire Protection (BFP).  
 Sa halip na isa isang puntahan ng mga aplikante ang mga nangutang opisina, sama-sama na ang mga ito ngayon kaya madali na ang pagproseso ng mga dokumento.  
 Ayon kay City Engineer Adela Hernandez, lahat ng magpatatayo ng istruktura tulad ng residential, commercial, industrial o institutional buildings ay kinalakhang, kumaha ng building permit. Ito anyia ay ayon sa National Building Code of the Philippines.  
 Bago zambigyan nito, kinalakhang magkaron muna ng certificate of zoning compliance (CZC) mula sa CPDO, city environmental certificate (CEC) mula sa CENRO at Fire safety evaluation clearance o PSEC (building permit at fire safety inspection certificate o PSEC (occupancy permit) mula sa BFP. Mayroong form na kailangang punsan ng mga aplikante at mga requirements na kailangang isumit sa bawat tanggapan.  
 Kapag natatupad ng order of payment, sa City Treasurer's Office isasagawa ang pagbabayad ng kaulakhang fees.  
 Mula sa 5 hanggang 7 araw, 2-3 araw na lamang ang pagproseso at pagkubha ng building at occupancy permit.  
 Ito ang unang pagkakatona na magpatupad ng BPOSS ang local na pamahalaan. Ang BPOSS ay tatagal buong taon.  
 Plano ng BPOSS na gawing computerized ang proseso upang higit itong mapadali.  
 Marami ng munisipyo at Local Government Units sa lalawigan ang bumanta dito upang pag-aralan ang posibleng pagtatayo din ng BPOSS sa kanilang lugar.  
 "Kinilala ng United States Agency for International Development (USAID) sa pansaragitan ng isang libam ang implementasyon ng programang ito ng pamahalaang lungsod ng Batangas," dagdag pa ni Engr. Hernandez. (Romina Eudaya Contreras)

SunStar People's Courier MARCH 03-09, 2014 9 |

Painless Business Permits

The screenshot shows a web browser window with the URL [opinion.inquirer.net/70443/painless-business-permits](http://opinion.inquirer.net/70443/painless-business-permits). The article title is "Painless business permits" by Cielito F. Habito, published on Monday, January 27th, 2014. The article text discusses the implementation of painless business permits in Iloilo City, mentioning Mayor Jed Patrick Mabilog and the International Finance Corporation (IFC). It highlights the streamlining of business registration processes and the use of online systems. The browser interface includes a navigation bar with categories like NEWS, SPORTS, LIFESTYLE, ENTERTAINMENT, BUSINESS, TECHNOLOGY, OPINION, and GLOBAL NATION. A sidebar on the right features an advertisement for "Office to Rent in Manila" and a "HOT READS" section with a list of trending articles.

**No Free Lunch**  
**Painless business permits**  
By Cielito F. Habito  
Philippine Daily Inquirer  
8:55 pm | Monday, January 27th, 2014

8+1 | 2 | Tweet | 4 | Share | 483 | f Share | 371 | f Recommend | 162

**Office to Rent in Manila**  
Ready-to-Go Offices to Rent. Top Locations - Quick Quote Now!  
[regus.com.ph/Manila\\_Serviced\\_Office](http://regus.com.ph/Manila_Serviced_Office)

Ads by Google

I could understand why Iloilo City Mayor Jed Patrick Mabilog, who is among the most business-friendly mayors I've known, was unhappy with my recent piece citing results of the 2011 'Doing Business' report of the International Finance Corporation (IFC). That report found his city taking the longest time to process new business permits among 25 Philippine cities rated (with [General Santos City](#) doing it fastest). But the good mayor need not fret; that IFC report is based on early 2010 data not yet reflecting improvements he had introduced since taking the helm in July 2010. I'm pretty sure that the next IFC report would show Iloilo City jumping toward the top of the list, together with two other cities assisted by the Investment Enabling Environment Project (INVEST, for short) of the US Agency for International Development (USAID).

The INVEST project, under USAID's Cities Development Initiative (CDI), aims to boost local and [foreign investments](#) in the country by cutting red tape and lowering transaction costs in [setting up businesses](#). CDI is premised on the belief that the development of the regional cities will in turn spur the development of the rural economies surrounding them, to which they are inextricably linked. Batangas City, Cagayan de Oro and Iloilo City have been the initial focus cities of CDI, and INVEST is helping them streamline business registration processes and improve their investment planning and promotion. Among other things, the project has provided the cities technical guidance toward eliminating bureaucratic obstacles in their business permit and licensing system (BPLS), thereby lowering the cost of doing business in these areas and making them attractive to investments.

INVEST found Mayor Jed a proactive partner for instituting such reforms. A pioneering feat Iloilo City is proud of is how it has made possible for business renewals registration to be done online. The declaration of gross receipts is submitted online, from which is determined the amount of tax, and fees to be paid, with the tax order of payment e-mailed to the applicant. The applicant then goes to the City Hall to make the payment and obtain the Mayor's Permit via a special lane, all within 15-30 minutes. Around 400 applicants have used the online registration option as of Jan. 15, 2014. In the months ahead, [payments online](#) via [credit cards](#) and through automated teller machines will be made possible. Batangas City is piloting a similar web-based registration system with some 100 pre-selected business taxpayers, and Cagayan de Oro will soon follow suit.

For new business applicants, major changes introduced have also dramatically shortened processing times and reduced the steps needed to obtain their permit. Before, various city departments such as the City Planning and Development Office and the City Environment and Natural Resources Office required separate forms for securing zoning and environmental clearances, taking three to five days to complete. In 2010, the Department of Interior and Local Government and the Department of Trade and Industry mandated the use of a Unified Application Form in applying for and renewing business permits.

By 2013, the three CDI cities had further improved on the unified form. Batangas City eliminated the need to fill up and submit an application form for both new and renewal applicants. The renewal applicants only need to provide their tax identification number with the required barangay clearance and a copy of the Income Tax Return. Information provided in previous years are retrieved by the Business Permits and Licensing Office staff from a consolidated database, and used to print the form for the applicant's signature. For new applicants, the required information and support documents are obtained and encoded through an interview.

**INQUIRER.net**  
803,361

EDITORS' PICKS | IN THIS SECTION

Editorials

- A changed society
- Labor today
- Historic and high-drama
- Why De Lima should release her list now
- The spirit behind it
- Competition law needed
- Hard slog
- 'Tamang daan'
- Military hardware speaks louder than nationalist rant

**HOT READS**

TODAY | LAST 7 DAYS | LAST 30 DAYS

1. China didn't know where the Spratlys were
2. Our failure to harness the Pacquiao effect
3. A changed society
4. Editorials
5. Labor today
6. Why De Lima should release her list now
7. Blame MRT's Vitangool for this: lack of foresight
8. Corruption not invincible after all

Start | Batangas Mobile Payme... | Quarterly Report | Painless business pe... | 10QPR-PressReleases... | 10th QPR\_Introduction... | 05-01-14FINAL-10 QP... | 7:48 PM