



Republic of the Philippines
PROVINCE OF LEYTE
City of Baybay
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Office of the Sangguniang Panlungsod

Excerpt from the

MINUTES OF THE 11TH REGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF BAYBAY CITY, LEYTE HELD AT THE SESSION HALL ON March 28, 2016.

CITY ORDINANCE NO. 001 S. 2016

AN ORDINANCE ADOPTING THE BAYBAY CITY INVESTMENT CODE.

SPONSORED BY HONORABLE EDEN C. BUTAWAN

Book 1

GENERAL PROVISIONS

Section 1 Title. This ordinance shall be known as "The Baybay City Investment Code."

ARTICLE 1

DECLARATION OF POLICY

1. It is the declared policy of the City to encourage the entry, expansion, diversification and modernization of enterprises in various areas of the commercial, industrial and service sectors through the provision of appropriate incentives packages.
2. These incentives packages shall be geared towards:
 - 2.1 Accelerating a sound development of the local economy in consonance with the principles and objectives of the national government economic development programs.
 - 2.2 A city government that encourages Filipino and foreign investments as herein set out, in projects to develop agricultural, manufacturing and heavy industries, increasing the income of the city most at the least cost, increase exports, and bring greater economic stability.
 - 2.3 Encouraging the inflow of domestic and foreign investments of Baybay City in order to attain inclusive economic growth as characterized by the creation of more jobs and income generating opportunities, as well as an expansion of the City's revenue base, raising the standards of living of the people and of every baybayanos.
 - 2.4 Promoting collaborative efforts with the private sector, among themselves or with government, in support of the City's socio-economic development objectives by means of various tools and modalities such as, but not limited to, Public- Private Partnerships, Corporate Social Responsibility projects, Social Enterprises, and cooperatives.
 - 2.5 Welcome and encourage foreign capital to establish pioneer enterprises that are capital intensive, utilizing a substantial amount of domestic raw materials, and employ substantial manpower.

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- 2.6 To attract and encourage investments in priority areas; Such as agri-business, light manufacturing, eco-tourism, and other activities that will significantly contribute to the socio- economic development of the city.
- 2.7 To promote as a favorable Investment Destination with adequate power and adequate water resources.
- 2.8 That the "aftercare program" for investors will be open to assist and to take care of those that took the risk in investing in the City of Baybay. That all city government agencies and/or offices concern shall immediately respond and efficiently assist any existing investors that may need help and assistance relative to their company and/or business in the City of Baybay.

ARTICLE II

SCOPE, NATURE AND PURPOSE

This Code applies to all direct investments in the City, including domestic and foreign; and resident and non-resident, but excluding portfolio investments and ordinary trade transactions and short-term monetary operations.

Provided further, that this Code shall be consistent with the standards set by the existing 1987 Philippine Omnibus Investment Code, the Regulations of the Department of Trade and Industry (DTI) and the Department of Tourism, and shall be in conformity with the 1991 Foreign Investment Act, Retail Trade Liberalization Act of 2000, Republic Act 6977, as amended by R. A. No. 8289 and further amended by R. A. No. 9501 (Magna Carta for Micro, Small and Medium Enterprises (MSMEs)), the Special economic Zone Act of 1995 (R.A. No. 7916), the Tourism Act of 2009 (R.A. No.9593), and other related laws.

Provided finally, that this Code shall provide both the policy and implementing guidelines for the programming and prioritization of the City's development programs and projects as reflected in the approved policy mandates included in, among others, the approved Baybay City Comprehensive Land Use Plan, the Baybay City Tourism Development Plan, and the Revised Baybay City Zoning Ordinance. It should harmonize with and take advantage of the mandate and prescriptions of national development policies, plans and programs, such as Public-Private Partnership (of PPP) and the National Investments Incentives Code and the Philippine Economic Zone Authority (PEZA).

ARTICLE III

DEFINITION OF TERMS

- A) "BCIPB" refers to the Baybay City Investment Promotion Board.
- B) "BTIPO" refers to Baybay Tourism and Investment Promotion Office
- C) "Foreign Investment" shall mean an equity investment made by a non-Philippine national in the form of foreign exchange and/or other assets actually transferred to the Philippines and the duly registered with the Bangko Sentral ng Pilipinas (BSP), which shall assess and appraise the value of such assets other than foreign exchange.
- D) "Foreign Loans" shall mean any credit facility or financial assistance other than equity investment denominated and payable in foreign currency or where the creditor has the option to demand payment in foreign exchange and registered with the Bangko Sentral ng Pilipinas (BSP) and the Board of Investments (BOI).

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E) "Baybay Tourism and Investment Promotion Office" means the office established in Article V of this Code.

F) CEIPO/IPO means City Economic and Investment Promotion Officer/Investment Promotion Officer

G) "Philippine National" shall mean a citizen of the Philippines; or a domestic partnership or association wholly owned by citizens of the Philippines; or a corporation organized under the laws of the Philippines of which at least sixty percent (60%) of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines.

H) "Rank and File Employee" – refers to any person in the employ of an employer. Such employee performs tasks that are routinary or clerical in nature, with no power to make any independent judgment in the interest of the employer. The term rank and file employee includes regular, casual seasonal, probationary, project/non-project, fixed-term, or field personnel.

I) "Registered Enterprise" shall mean any individual partnership, cooperative, corporation or other entity incorporated and/or organized, duly registered with the Securities and Exchange Commission (SEC) and/or Department of Trade and Industry as the case may be, with a legitimate license to operate business. The conduct of business to be approved by the Baybay City shall conform to existing national laws and local ordinances.

J) Investment shall mean the placing of money, capital or other resources for trade, business or industry;

K) Entrepreneur means one who undertakes to start and conduct an enterprise or business, assuming full control and risk

L) Capital or Capital of Investments means the wealth or property, assets available for producing more wealth as through investment

M) Tax Holiday means an exemption from Business Taxes and all other taxes due to the city government. The share of the city from real property tax collections shall be waived for a period of one year.

N) Registered Entrepreneur and investor/entrepreneur who has approved application of registration in this program with the Office of the City Mayor, provided that the latter has complied with all the necessary requirements of the national government and all involved national agencies; shall be defined as any business activity or enterprise whether partnership or corporation whose total assets, inclusive of those arising from loans but exclusive on the land on which the particular business entity's office, plant and equipment are situated.

O) Start of Operation shall mean the date when particular enterprise begins production of the products for commercial purposes, and that a written notice be furnished to the Office of the City Mayor within 10 days from the start of operations.

P) Initial Capital shall mean the amount before the start of operation which include the capital outlay;

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Q) Tourism Enterprises refers to facilities, services and attractions involved in tourism, such as, but not limited to: travel and tour services; tourist transport services, whether for land, sea or air transportation; tour guides; adventure sports services involving such sports as mountaineering, spelunking, scuba diving, and other sports activities of significant tourism potential; convention organizers; accommodation establishments, including, but not limited to, hotels, resorts, apartelles, tourist inns, motels, pension houses, and home stay operators; tourism estate management services, restaurants, shops and department stores, sports and recreational centers, spas, museums and galleries, theme parks, convention centers and zoos;

R) IPP means Investment Priorities Plan

S) Start of Operation shall mean the date when particular enterprise begins production of the registered products for commercial purposes, and that a written notice be furnished to the Office of the City Mayor within 10 Ten days from the start of operations copy furnished BCIPB.

ARTICLE IV BAYBAY CITY INVESTMENT PROMOTION'S BOARD

Section 1. CREATION AND ORGANIZATION. The Baybay City Investment Promotion's Board, herein referred to as the BCIPB shall composed of the following:

Chairperson –	Mayor
Vice-Chairperson –	Vice- Mayor
Members -	Chairperson, City Council Committee on Trade; Investments Commerce and Industry
	Chairperson, City Council Committee on Ways and Means
	Chairperson, City Council Committee on Tourism
	City Administrator
	City Legal Officer
	City Economic & Investment Promotion Officer (CEIPO)
	Chief, Business Permits and Licensing Office (BPLO)
	City Treasurer
	City Planning and Development Officer
	City Tourism Officer
	Representative, Business Sector

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Section 2. Powers and Duties of BCIPB

They shall be responsible for the implementation of this Code. To achieve this end, it is tasked to promote, regulate and monitor investments in Baybay City. It shall develop policies to enhance the business climate, attract investors and support existing businesses. It shall conduct at least one meeting every quarter of the year. In addition to its regular meetings, the Chairperson of the BCIPB or upon the request of the majority of the BCIPB members, may convene a special meeting, provided further that the matters taken up in such special meetings shall cover no other matters than those provided for in the Notice of Special Meeting and its corresponding agenda. A majority of the members of the majority of the BCIPB shall constitute a quorum. The affirmative vote of the majority of the BCIPB members present at a meeting validly held shall be deemed necessary to exercise its powers and perform its duties, which shall be as follows:

1. Approve the Baybay City Economic Development and Investment Plan (BCEDIP) and cause its updating every three (3) years, in accordance with the Comprehensive Land Use Plan and the Comprehensive Development Plan implementation, and with consideration of economic developments and investment priorities and trends in the Philippines, in the Asian region and in the rest of the world that have an impact on Baybay City.
2. Approve an Investment Priorities Plan (IPP) to be drafted by the Baybay Tourism and Investment Promotions Office (BTIPO) within the guidelines of the Baybay Economic Development and Investment Plan (BEDIP) and Baybay City's Annual Investment Plan, and specifies the manner in which it shall be updated, revised or amended.
3. Review, evaluate and approve or disapprove the applications for incentives packages of prospective local/foreign businessmen/entrepreneurs who would want to avail themselves of the incentives provided by this Code.
4. Recommend, for the action of the City Mayor, agreements and/or contracts that can be entered into by the City Government of Baybay with other government agencies and/or private organizations for the purpose of improving the ease of doing business in Baybay City through but not limited to systems integration and simplification, technical cooperation, data sharing, and other ways of expediting and/ or simplifying transactions and procedures.
5. Conduct hearings if necessary, on issues concerning possible violations committed against any provisions of this Code and likewise, invoke the proper sanctions/penalties (such as but not limited to reprimand, cancellation of business license, withholding of benefits or incentives) to all violators of any of the terms and conditions stipulated herein.
6. Periodically review, evaluate and update the operations of Business-One-Stop-Shops (BOSS), in order to ensure optimum efficiency as well as the integration of inter and intra office processes to ensure compliance with the principles and model of a business-friendly city.
7. Review annually the process for the assessment and payment of business taxes in coordination with the Business Permit and Licensing Office (BPLO) and recommend ways to improve them in the interest of speed, comfort, fairness and transparency, without sacrificing the welfare of the City and its people, taking into consideration feedback generated from the private sector.
8. Recommend to the City Council any amendment, revision and/or modification to the existing Baybay City Incentives Code.

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ARTICLE V

BAYBAY TOURISM AND INVESTMENT PROMOTION OFFICE

Section 1. Baybay Tourism and Investment Promotion Office (BTIPO) shall be installed and will operate as a department and shall be called the Baybay Tourism and Investment Promotion Office, headed by the Tourism and Investment Promotions Head also acting as CEIPO to be appointed by the City Mayor as Chairperson of the BCIPB; the CEIPO/BTIPO Head shall report directly to the BCIPB. The BTIPO HEAD/CEIPO shall have Operations, Promotions and Marketing, and Support Services staff manned by the number of personnel, necessary to fulfill its mandate; provided that the compensation of such personnel are within the capacity of the Office's allocated budget; provided further, that any increase in personnel shall be approved by the BCIPB.

Section 2. The CEIPO/BTIPO shall be the implementing arm of the Baybay City Incentives Code. It shall also function as the Technical Secretariat of the BCIPB. Likewise, it shall coordinate the drafting of the Baybay City Investment Priorities Plan, which shall be based primarily on the development agenda set forth by the City as embodied in its various national government agencies. The CEIPO/BTIPO shall ensure compliance with the IPP, and monitor and evaluate its effectiveness.

Section 3. Immediate Staff of the CEIPO/BTIPO Head. The immediate staff shall serve the Tourism and Investment Promotions Head with staff advice and assistance on personnel information, records and statistics of arrival for tourism, communications, supplies, equipment, and disbursements, budgeting of the CEIPO/BTIPO, operational expenses and other custodial work, and such other functions as may be assigned to it by the Tourism and Investment Promotions Head.

Section 4. Functions, Duties and Responsibilities. The BTIPO shall have the corresponding functions, duties and responsibilities, to wit:

a. Operations

- i. Formulate annual and medium-term plans for Tourism and Investment Promotions and Development together with the BCIPB;
- ii. Prepare investment opportunity profiles, including but not limited to industry profiles, project profiles, and viability/feasibility studies;
- iii. Identify support investment activities, such as but not limited to trade agreements with other LGUs for sourcing of raw materials; cooperation agreements with other government entities to facilitate investor transactions; and Public-Private Partnership (PPP) arrangements.
- iv. Monitor the performance of investments;
- v. Continuously review the local investment climate and incentives program in order to recommend improvements in coordination with the BCIPB;
- vi. Provide advisory and other support services to new investors to facilitate their investments;
- vii. Provide advisory and other support services to established investors to promote investment retention and/or investment expansion;
- viii. Prepare presentations and materials for BCIPB when meeting with Investors;
- ix. Advise qualified investors on the preparation of their applications for incentives packages.

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- x. Provide and assist the "After Care Program" to all investors in the City of Baybay.
- xi. To network with counterpart investment promotion organizations and coordinate with support agencies of government and the private sector in investment promotion efforts; and,
- xii. To build the competence of BTIPO staff to conduct investment and environmental management promotion functions together with the City Environment and Natural Resources Office.

b. Promotions and Marketing

- i. Promote and market Baybay City as an attractive, friendly investment/business destination;
- ii. Identify key investment opportunities from among those provided by the Operations unit to be highlighted in promotions and marketing efforts;
- iii. Disseminate information about such to potential investors through: trade missions, trade fairs and exhibits, for a/seminars, briefings/orientations, etc;
- iv. Prepare investment promotion materials(i.e. presentations of industry and project profiles; competitive analysis vis a vis other LGUs; competitive advantages of Baybay City; other general business information);

c. Support Services

Provide facilitation services to investors, which shall include assistance in the following requirements:

- a) Registration requirements of the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) or Cooperative Development Authority (CDA) as the case maybe;
- b) Obtaining of Barangay Clearance/Certification;
- c) Securing of Locational Clearance;
- d) Securing of Fire Safety Inspection Certificate (FSIC);
- e) Processing of Mayor's Permit
- f) Applications for Certificate of Registration (COR) and TIN at the Bureau of Internal Revenue (BIR);
- g) Registration with the Social Security System (SSS);
- h) Registration with the Philippine Health Insurance Corporation (PhilHealth);
- i) Applications for the conduct of Department of Labor and Employment (DOLE) approved time and motion studies; and
- j) Applications for Environmental Clearance Certificates (ECC) from the DENR
- i. Establish and maintain a database of investment opportunities and investors;
- ii. Operate an information assistance desk;
- iii. Recommend and/or implement improvements in systems and processes towards simplification or improved productivity;
- iv. Coordinate access to skilled, City-based manpower resources.

Section 6. Reportorial Duties of BTIPO. The BTIPO shall prepare yearly reports on the status of the existing investors/industrial companies in the City, including but not limited to:

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- a. List of existing Registered Entrepreneurs/Investors before the grant of incentives packages provided hereunder;
- b. List of Registered Entrepreneurs/Investors that have applied form incentives packages;
- c. List of Registered Entrepreneurs/Investors invited by the Baybay City and/or CEIPO to invest in Baybay City and the total number that have made investments in the City as a consequence of the invitation;
- d. List of Registered Entrepreneurs/Investors that have ceased operations, including the reason/s for closure;
- e. Analysis of the increase or decrease of investments in Baybay City vis-à-vis the business climate;
- f. Performance evaluation of the qualified INVESTORS; and
- g. Recommended strategies to further increase investments of INVESTORS or prevent decrease thereof based on the findings from letters a- f of this section.

The term "List" in this section shall contain the name of the company or corporation, with information as to whether it is a principal or franchise, the amount of capitalization, the nature of investment, its investment strategies, and other information necessary to assist the BCIPT in carrying out its mandate.

BOOK II

THE BAYBAY ECONOMIC DEVELOPMENT AND INVESTMENT PLAN (BEDIP) AND INVESTMENT PRIORITIES PLAN (IPP)

ARTICLE I

BAYBAY ECONOMIC DEVELOPMENT AND INVESTMENT PLAN (BEDIP)

Section 1. Baybay Economic Development and Investment Plan (BEDIP). The Baybay Tourism and Investment Promotion's Office (BTIPO), after consultation with the private sector, the national government through the appropriate offices, such as but not limited to the National Economic and Development Authority, the Department of Trade and Industry (and their affiliate Board of Investments), Department of Tourism and the Department of the Interior and Local Government (DILG) shall submit to the BCIPB the Baybay Economic Development and Investment Plan (BEDIP), which shall define and outline the economic directions and investment priorities of the City.

The BEDIP shall provide the Role of the City Government of Baybay as discussed in Article IV of this Code, relative to the needs and concerns of the qualified pioneer Investors, in order to achieve equally beneficial arrangements between both parties in consonance with the objectives provided herein.

Upon evaluation and approval of the Baybay Economic Development Plan by the BCIPB, the same shall be forwarded by the Board to the Baybay City Council for confirmation through a Resolution.

The BEDIP shall be in effect for three (3) years, unless otherwise amended or revised earlier by the BCIPB by a three-fourths (3/4) vote of all its members in a meeting duly called for the purpose. Any amendment or revision of the BEDIP shall be made only after a comprehensive review and analysis demonstrates that the proposed amendment or revision is reasonable and necessary in terms of current investment trends, both local and international.

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ARTICLE II

INVESTMENT PRIORITIES PLAN (IPP) and INVESTMENT PRIORITY AREAS (IPA)

Section 1. Formulation of the IPP. The BTIPO shall annually formulate an Investment Priorities Plan (IPP) or every after two (2) years that will reflect the relative importance of investments within the guidelines of the Baybay Economic Development and Investment Plan and Baybay City's Annual Investment Plan.

Section 2. Contents of the IPP.

The IPP shall contain the following:

- a. List of preferred and/ or mandatory activities in the identified preferred areas of investment listed in the Baybay Economic Development Investment Plan;
- b. Guidelines for the approval of the applications of the INVESTORS in preferred and/ or mandatory activities; and
- c. Extent of entitlement to incentives of qualified INVESTORS engaged in the preferred and/or mandatory activities in the identified preferred areas of investment.

Section 3. Adoption and Review of the IPP. The IPP prepared by the BTIPO/CEIPO shall be subject to the approval of the BCIPB through a majority vote, in a meeting duly called for the purpose.

The IPP shall be in effect for one (1) year or (2) two years, unless otherwise amended or revised by the BCIPB, through a majority vote, in a meeting duly called for the purpose.

Section 4. Criteria in Determining Investment Priority Areas. – Economic activity that shall be included in the Investment Priorities Plan must be environmentally, socio-economically, technically and financially sound after thorough investigation and analysis by the Board. The determination of preferred areas of investment to be listed in the Investment Priorities Plan shall be based on the following:

- a) Long-run comparative advantage
- b) Economic soundness
- c) Extent of contribution of the activity to a specific development goal.
- d) Market and technical considerations
- e) Value of social objectives
- f) Other indicators of comparative advantage.

Section 5. Preferred Investment Areas. _ in the initial years of implementation, the following shall be adopted as priority investment areas by the board:

Tourism/Nature Tourism /Eco-tourism

- Accommodation facilities
- Nature Parks/Mountain Resort
- Transportation Services
- Restaurants/ Food Outlets
- Other Tourism- Related Services

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Agri-Business/Agriculture

- Post-harvest facilities
- High Value Crop Production
- Feed Mill
- Coconut
- Abaca
- Rice
- Banana
- Corn
- Manufacturing

Services

- Media/Advertising
- Medical Services/Facilities
- Information Technology
- Financial Services
- Engineering/ Architectural Services
- Training and Sports Facilities
- Human Resource Development

ARTICLE III

ROLE OF THE CITY GOVERNMENT OF BAYBAY

Section 1. The City Government is committed and dedicated in enhancing and maintaining a friendly business climate by way of the following support programs, among others:

- Sufficient and Adequate Infrastructure and Ease of Access. The City government shall enact policies and programs that will facilitate access to investment sites, whether by way of road and sidewalk infrastructure or by way of traffic and transportation policies and programs.
- Development of Information and Communications Technology (ICT) Infrastructure. The City Government shall promote investments in ICT infrastructure and facilities. It shall also maximize the use of e-governance systems and mechanisms for promoting and facilitating interaction, access to information, and ease of private enterprise-local government transactions in the City, with both local and international publics.
- Public Private Partnership (PPP). This Code recognizes the PPP as a potentially significant investment strategy for the City being a success story in the implementation of Local Regional Economic Development approach. The City may, by itself or in cooperation with the National Government, provide incentives to private sector proponents of PPP projects. Further, the City may explore other forms of PPP in such a way that qualified investors and/or MLEs may be given access to and allow investment in government owned properties by means of joint venture agreements for the Establishment of factories and/or manufacturing industries and including any tourism related establishments in preferred areas of investment to be determined in the Baybay Economic Development Investment Plan. To address this, idle and forfeited lands of the City may be made available for investments. Finally, private properties available for investments may also be acquired and made available for public consumption only upon payment of just compensation

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- d. Ease of Doing Business. It is the duty of the City Government to promote an environment conducive to the entry and growth of enterprises in the City, by way of clarity and transparency in tax assessment procedures, provision of express lanes in new business registration and renewals, and express lanes for the issuance of construction permits; provision of services that can act speedily on request for redress; provision of point person through BTIPO and/or direct lines to address immediate concerns of INVESTORS and existing investors also known by this city government as the "AFTER CARE PROGRAM;" and other measures to fully effect the thrust of creating a Business-Friendly City.
- e. Links to Human Resource Needs. The City Government shall provide links to qualified manpower sources, such as colleges, universities and training centers, as well as to the manpower recruitment and the services of the City Government's Public Employment Services Office (PESO) and Visayas State University (VSU). To this effect, the BCIPB through the PESO and VSU shall establish systems to assist and endorse qualified employees from among the bona fide residents of Baybay City for employment to the qualified Investors.
- f. Clean and Green Environment. It is the duty of the City Government to ensure a clean, green and pleasant environment to enhance its livability. To this end, it is the City's policy to redevelop blighted and devastated areas in cooperation with private capital and assist informal settlers with their shelter needs.
- g. Safety and Security. Ensuring the safety of investors and taking into consideration the peculiar security needs of global enterprises that undertake their operations during irregular work hours, it is the duty of the City Government to work more closely with the Philippine National Police to strengthen security and safety measures in these areas of operation as well as to further train and equip local public order and safety officers and staff as a force multiplier.
- h. Industrial and Labor Relations. The City Government should create ways to promote industrial peace and mutual growth and benefit among the qualified Investors. They should encourage and support all forms of employee participation in production. The rights of the employee to participate in policy or decision-making on matters affecting their rights, duties, benefits or welfare shall also be recognized.
- i. Economic Support and Safety. The City may find means to help lessen the cost inputs including power and other utilities to attract more quality investments. The BCIPB may be empowered to negotiate and enter into contracts with all utility providers to such effect. Creative alternatives to reduce the costs of inputs and utilities must also be facilitated.

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BOOK III
ARTICLE 1

REGISTERED ENTREPRENEUR/INVESTOR

Section 1. REGISTERED ENTREPRENEUR/INVESTOR who has an approved application of registration in this program with the Office of the City Mayor, provided that the latter has complied with all the necessary requirements of the national government and all involved national agencies; shall be defined as any business activity or enterprise whether partnership or corporation whose total assets, inclusive of those arising from loans but exclusive on the land on which the particular business entity's office, plant and equipment are situated and falling into the following category:

- a. **Registered Entrepreneur/Investor** minimum capital of P50 Million above but not more than P70 million **SMALL ENTERPRISE**
- b. **Registered Entrepreneur/Investor** minimum capital of P70 million and above but not more than P150 million **MEDIUM ENTERPRISE**
- c. **Registered Entrepreneur/Investor** minimum capital of P150 million and above **LARGE ENTERPRISE**

Section 2. Coordination. The BCIPB through its Chairman shall coordinate with the Micro, Small and Medium Enterprise Development (MSMED) Council, Board of Investments (BOI), Philippine Economic Zone Authority (PEZA), and other National Government Agencies by entering into a Memorandum of Agreement or Understanding (MOA or MOU), as may be necessary to ensure that the rights and benefits of The Registered Entrepreneur/Investor in the City are protected and available.

BOOK IV
INVESTMENT INCENTIVES TO QUALIFIED INVESTORS

ARTICLE I
INCENTIVES

Section 1. Non-Fiscal Incentives. In addition to services to be provided by the BTIPO under Book I, Article IV, Section 4 of this Code, qualified investors shall be entitled to the following non-fiscal incentives:

- a) A point person or account officer shall be assigned by the BTIPO to assist pioneer or new enterprises in obtaining the requirements enumerated in Book I, Article 5, Section 4.c.i, provided that said enterprise has no previous operation in the City and that the qualifications set forth in Book III, Article I, Section I have been duly complied with;
- b) Transparency in the process of registering and qualifying for the grant of City Government incentives;
- c) No modifications by the City Government of regulatory or contractual requirements and arrangements or interference in the internal operations of the enterprise, after the granting of local government incentives to the enterprise, unless such modifications are the result of mutual agreement between the registered enterprise and the City Government;

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- d) Access to comprehensive information on investing and doing business in Baybay City, including all plans and policies of the City Government as they relate to economic growth and development;
- e) Facilitate employment of qualified foreign personnel, as may be required for the efficient operation of the enterprise or for technology transfer, provided that no Philippine national is qualified or available for the tasks or jobs they are to undertake;
- f) Expeditious certification, registration, licensing and permitting operations through the installation of systems and procedures that guarantee minimal red tape and express processing;
- g) Promotion of public safety for the enterprise and its personnel through police, fire and disaster-related public assistance services;
- h) Resolution of all gray areas in the interpretation of benefits and incentives granted under this Code, in favor of the investor.

Section 2. Fiscal Incentives. Qualified Investors shall be entitled to the following fiscal incentives according to the amount of capital of investments as follows:

- a. **Registered Entrepreneur/Investor** minimum capital of P50 Million above but not more than P70 million will qualify for 2 Years Tax Holiday on Mayor's Permit and other Local Taxes
- b. **Registered Entrepreneur/Investor** minimum capital of P70 million and above but not more than P150 million will qualify for 3 Years Tax Holiday on Mayor's Permit and other local taxes
- c. **Registered Entrepreneur/Investor** minimum capital of P150 million and above will qualify for 4 Years Tax Holiday on Mayor's Permit and other local taxes
- d. **Registered Entrepreneur/Investor** minimum capital of P20 Million for any **TOURISM RELATED ESTABLISHMENT** will qualify for a 1 year Tax Holiday on Mayor's Permit and other local taxes with facilitations on marketing and promotion.

Section 3. Board Of Investments and Provincial Incentives:

- a. **Board of Investments Incentives**
- years Income Tax Holiday
 - Tax and duty free importation of raw materials
- b. **Provincial Incentives (6 years)**
- Full exemption from fees and charges under Provincial Tax Ordinance
 - Graduated tax exemption on Transfer of Real Property Ownership, Business of Printing and Publication, Franchise Tax, Amusement Tax
 - Real Property Tax Holiday

Section 4. Employment of Bona Fide Residents of Baybay City

The employment of a bonafide Baybay City residents is a must. However, a certain percentage from the company's workforce or manpower should be a resident of Baybay. The number of employees or workforce coming from Baybay City will vary according to the amount of Capital of Investments and will be determined by the BCIPB.

ARTICLE II

REGISTRATION OF ENTERPRISES ENGAGED IN INVESTMENTS PROVIDED IN BEDIP

Section 1. A Registration Certificate shall be granted to all qualified enterprises, whose applications for incentives packages have been approved by the BCIPB.

ARTICLE III

IMPLEMENTING RULES AND REGULATIONS

Section 1. Within ninety (90) days after the passage of this ordinance, the BCIPB shall adopt its Implementing Rules and Regulations (IRR).

ARTICLE IV

RESPONSIBILITIES OF REGISTERED ENTERPRISES/ENTREPRENEURS

Section 1. Reportorial Obligations. Registered enterprises shall submit reports to the BCIPB on the operations of the enterprise twice yearly, before the end of the second and fourth quarter of the calendar year respectively, and the annual audited financial report on operations. The CEIPO/BTIPO HEAD may require other data/documents to be included in the said report.

Section 2. Visitorial Requirements. The BCIPB, through its implementing arm (BTIPO) shall, in consultation and in coordination with the registered enterprise, undertake visits to the enterprise and request to be briefed on the status of operations, to be assured of the enterprises compliance with the grant of preferences and investment incentives, and to be alerted to nay assistance or support that can be provided by the City Government.

ARTICLE V
APPROPRIATIONS

Section 1. BCIPB. The Maintenance and Other Operating Expenses of the newly created DEPARTMENT for Calendar Year (CY) 2016 shall be taken from the balance of the budgetary allocation through the Supplemental Budget from the General Fund, or from any available funds of the City Treasury.

The annual fund necessary for the maintenance and operation of the BCIPB and BTIPO shall be included in the yearly appropriations from the General Fund of the Baybay City Government.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 1. Reimbursement/Return of the Fiscal Incentives- The INVESTORS shall be required to reimburse or return the equivalent amount of the fiscal incentives duly received in any of the following instances:

- a. The Registered Investors/Entrepreneur's failure to comply or maintain the qualifications set forth under Book III, Article I, Section 1 or 2, except otherwise provided therein; or

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- b. The investor is found guilty of misrepresentation or fraud for the purpose of availing the incentives contained in this Code.

Provided further, the Board shall determine after due notice and hearing, whether or not a reimbursement of the fiscal incentives is in order and shall make a determination of the amount to be reimbursed or returned. This section is without prejudice to the powers and functions of the Board:

Section 2. Transitory Provisions – Within thirty (30) days after the enactment of this Ordinance, the City Mayor shall convene the BCIPB. Likewise, the City Mayor shall delegate the existing Tourism and Investment Promotions Head to continue performing its mandates under this Code.

Section 3. Separability Clause. The provisions of this Code are separable. If for any reason, any section of the Code shall be declared to be unconstitutional or invalid, the validity of other provisions shall not be affected and shall continue to be in full force and effect.

Section 4. Repealing Clause. All local legislation and executive directives inconsistent or in conflict with this Code are hereby repealed or modified accordingly.

Section 5. Effectivity. This code shall take effect upon its approval.

ENACTED: March 28, 2016

I HEREBY CERTIFY to the correctness of the foregoing ordinance which was duly adopted by the Sangguniang Panlungsod during its regular session held on March 28, 2016.

AMELITO V. BORNEO
SP Secretary

ATTESTED AND CERTIFIED TO
BE DULY ADOPTED:

MICHAEL L. CARI
City Vice Mayor
Presiding Officer

APPROVED BY HER HONOR:

CARMEN L. CARI
City Mayor

ALAN D. FERNANDEZ
SP Member

EDGARDO R. OMPOY
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