

# DOING BUSINESS MADE EASIER

April 14, 2015 | AIM Conference Center, Makati City



NATIONAL COMPETITIVENESS COUNCIL



DEPARTMENT OF FINANCE



DEPARTMENT OF INTERIOR AND LOCAL GOVERNMENT



DEPARTMENT OF TRADE & INDUSTRY



BUREAU OF INTERNAL REVENUE



SECURITIES AND EXCHANGE COMMISSION



LUNGSOD NG QUEZON



SOCIAL SECURITY SYSTEM



PHILIPPINE HEALTH INSURANCE CORPORATION



PAG-IBIG FUND



LAND BANK OF THE PHILIPPINES



DEVELOPMENT BANK OF THE PHILIPPINES

# **GLOBAL COMPETITIVENESS REPORT CARD**

# 2014 GLOBAL COMPETITIVENESS REPORT CARD

REPORT	2014 RANK	2013 RANK	CHANGE	ASEAN RANK	TOP 1/3
IFC - Ease of Doing Business	95 / 189**	108 / 189*	▲ 13	5 of 10	63
WEF - Global Competitiveness Report	52 / 144	59 / 148	▲ 7	5 of 9	48
TI - Corruption Perception Index	85 / 175	94 / 177	▲ 9	3 of 9	58
HF - Economic Freedom Index	89 / 178	97 / 177	▲ 8	5 of 9	59
WEF - Global Information Technology Report	78 / 148	86 / 144	▲ 8	6 of 10	49
WEF - Travel and Tourism Report	n/a	82 / 140	▲ 12	7 of 8	46
WEF - Global Enabling Trade Index	64 / 138	n/a	▲ 8	6 of 10	46
IMD - World Competitiveness Report	42 / 60	38 / 60	▼ 4	5 of 5	20
WIPO - Global Innovation Index	100 / 143	90 / 142	▼ 10	6 of 8	47
WB - Logistics Performance Index	57 / 160	n/a	▼ 5	6 of 9	53
FFP - Fragile States Index***	52 / 178	59 / 178	▼ 7	8 of 10	118
WEF - Global Gender Gap Report	9 / 142	5 / 136	▼ 4	1 of 9	--

\* Ranking based on the 2015 Doing Business Report

\*\* Ranking based on the 2014 Doing Business Report

\*\*\* Reverse ranking (1 as worst) – Fragile States Index

# PERFORMANCE OVER 3 OR 4 YEARS

REPORT	BEFORE	AFTER	IMPROVEMENT
IFC - Ease of Doing Business	148 / 183	95 / 189	▲ 53
WEF - Global Competitiveness Report	85 / 139	52 / 144	▲ 33
TI - Corruption Perception Index	134 / 178	85 / 175	▲ 49
HF - Economic Freedom Index*	115 / 179	89 / 178	▲ 39
WEF - Global Information Technology Report	86 / 138	78 / 148	▲ 8
WEF - Travel and Tourism Report	94 / 139	n/a	▲ 12
WEF - Global Enabling Trade Index	92 / 125	64 / 138	▲ 28
IMD - World Competitiveness Report	41 / 59	42 / 60	▼ 1
WIPO - Global Innovation Index	91 / 125	100 / 143	▼ 9
WB - Logistics Performance Index	44 / 155	57 / 160	▼ 13
FFP - Fragile States Index	50 / 177	52 / 178	▼ 2
WEF - Global Gender Gap Report	9 / 139	9 / 142	▬ 0

\* With 2015 results

# GLOBAL COMPETITIVENESS REPORT CARD

## HIGHLIGHTS

Philippines recognized as the most improved Economy in 4 major competitiveness reports.

REPORT	PERFORMANCE 3 or 4 years
IFC - Ease of Doing Business	▲ 53
WEF - Global Competitiveness Report	▲ 33
TI - Corruption Perception Index	▲ 49
HF - Economic Freedom Index*	▲ 39

\* With 2015 results

# IFC-EASE OF DOING BUSINESS REPORT

## PHILIPPINES

# IFC-EASE OF DOING BUSINESS REPORT: PHILIPPINE RANKINGS (2014-2015)

INDICATORS	2015 (189)	2014 (189)	CHANGE 2014-2015	PERFORMANCE 2011-2015
<b>OVER-ALL RANKING</b>	98	108	▲ 13	▲ 53
<b>1. Starting a business</b>	161	170	▲ 9	▼ 5
2. Dealing w/ construction permits	124	99	▼ 25	▲ 32
3. Getting electricity	16	33	▲ 17	▲ 37
4. Registering Property	108	121	▲ 13	▼ 6
5. Getting Credit	104	86	▼ 18	▲ 24
6. Protecting Investors	154	128	▼ 26	▼ 22
<b>7. Paying Taxes</b>	127	131	▲ 4	▼ 3
8. Trading across borders	65	42	▼ 23	▼ 4
9. Enforcing contracts	124	114	▼ 10	▼ 6
10. Resolving Insolvency	50	100	▲ 50	▲ 103

Source: Published DB Reports (2011-2015)

# STARTING A BUSINESS

## OLD PROCEDURES



# STARTING A BUSINESS

## OLD PROCEDURES

STEP #	DAYS	DESCRIPTION
1	1	Verify and reserve your company name with the Securities and Exchange Commission (SEC).
2	1	Deposit the paid-in minimum capital at the bank.
3	1	Notarize articles of incorporation and treasurer's affidavit at the notary.
4	2	Register the company with the SEC and receive pre-registered Taxpayer Identification Number (TIN).
5	1	Obtain barangay clearance.
6	1	Pay the annual community tax and obtain the Community Tax Certificate (CTC) from the City Treasurer's Office (CTO).
7	6	Obtain the business permit to operate from the BPLO.
8	1	Buy special books of account at bookstore.

# STARTING A BUSINESS

## OLD PROCEDURES

STEP #	DAYS	DESCRIPTION
9	1	Apply for Certificate of Registration (COR) and TIN at the Bureau of Internal Revenue (BIR).
10	1	Pay the registration fee and Documentary Stamp Taxes (DST) at the Accredited Agent Bank (AAB).
11	1	Obtain the authority to print receipts and invoices from the BIR.
12	7	Print receipts and invoices at the print shop.
13	1	Have books of accounts and Printer's Certificate of Delivery (PCD) stamped by the BIR.
14	7	Register with the Social Security System (SSS).
15	1	Register with the the Philippine Health Insurance Company (PhilHealth).
16	1	Register with the Home Development Mutual Fund (Pag-IBIG).
<b>16</b>	<b>34</b>	<b>TOTAL STEPS AND DAYS</b>

# STARTING A BUSINESS

## CHANGING THE OLD PROCEDURES

# STARTING A BUSINESS

## CHANGING THE OLD PROCEDURES

STEP #	DAYS	DESCRIPTION	REFORM
1	1	Verify and reserve your company name with the Securities and Exchange Commission (SEC).	Merged with Steps 4, 14, 15, and 16. New Step 1 trimmed down to just 1 day.
2	1	Deposit the paid-in minimum capital at the bank.	Removed.
3	1	Notarize articles of incorporation and treasurer's affidavit at the notary.	Switched in order with existing Step 1.
4	2	Register the company with the SEC and receive pre-registered	Merged with Step 1.

# STARTING A BUSINESS

## CHANGING THE OLD PROCEDURES

STEP #	DAYS	DESCRIPTION	REFORM
5	1	Obtain barangay clearance.	Retained.
6	1	Pay the annual community tax and obtain the Community Tax Certificate (CTC) from the City Treasurer's Office (CTO).	Merged with step 7 and trimmed down to 5 days.
7	6	Obtain the business permit to operate from the BPLO.	Merged with step 6.
8	1	Buy special books of account at bookstore.	Removed.

# STARTING A BUSINESS

## CHANGING THE OLD PROCEDURES

STEP #	DAYS	DESCRIPTION	REFORM
9	1	Apply for Certificate of Registration (COR) and TIN at the Bureau of Internal Revenue (BIR).	Application for TIN merged with step 1. Application for COR retained.
10	1	Pay the registration fee and Documentary Stamp Taxes (DST) at the AAB.	Merged with step 9.
11	1	Obtain the authority to print receipts and invoices from the BIR.	Removed.
12	7	Print Receipts and invoices at the print shop.	In lieu of printed receipts, companies may opt to buy cash registers from BIR-accredited outlets.

# STARTING A BUSINESS

## CHANGING THE OLD PROCEDURES

STEP #	DAYS	DESCRIPTION	REFORM
13	1	Have books of accounts and Printer's Certificate of Delivery (PCD) stamped by the BIR.	Removed.
14	1	Register with the Social Security System (SSS).	Merged with step 1.
15	7	Register with the Philippine Health Insurance Company (PhilHealth).	Merged with step 1.
16	2	Register with Home Development Mutual Fund (Pag-IBIG).	Merged with step 1.

# STARTING A BUSINESS

## NEW PROCEDURES



# STARTING A BUSINESS

## NEW PROCEDURES

STEP	DAYS	STEP DESCRIPTION
1	1	Prepare articles of incorporation, by-laws, and treasurer's affidavit signed by the incorporators for notarization.
2	1	Obtain SEC Registration Number, BIR Tax Identification Number Pag-IBIG fund, PhilHealth, and SSS Employer numbers (ERNs) at the Securities and Exchange Commission through its Integrated Business Registration System. Applicant will receive a Unified Registration Form (URF).
3	1	Obtain Barangay Clearance
4	2-3	Obtain Business Permit to Operate from the Business Process and Licensing Office and pay necessary fees
5	1	Secure Certificate of Registration and Registration of Books of accounts at the Bureau of Internal Revenue (BIR)
6	1 day or 7 days	A. Registration Cash Register Machine (CRM) / Point of Sale (POS) B. Secure Authority to Print Receipts/Invoices (Manual Receipts)
<b>6</b>	<b>8</b>	<b>TOTAL</b>

# SAMPLE UNIFIED REGISTRATION FORM



## UNIFIED REGISTRATION RECORD (URR)

<b>COMPANY NAME</b> ONE ORANGE COMMUNICATIONS INC.		<b>SEC REGISTRATION NUMBER</b> CS201504528	
<b>DOING BUSINESS AS (list down trade names)</b> Telecommunications		<b>TAX IDENTIFICATION NUMBER (TIN)</b> 008008000	
<b>PRINCIPAL ADDRESS</b> 123 marvex pineda Kalookan City Metro Manila		<b>PAG-IBIG EMPLOYER NUMBER (Eyer ID)</b> 800170635509	
		<b>PHILHEALTH EMPLOYER NUMBER (PEN)</b> 002000008635	
		<b>SSS EMPLOYER NUMBER (ER No.)</b> 0392534831	
<b>PHONE NO.</b>	7846498	<b>FAX NO.</b>	7772345
<b>MOBILE NO.</b>		<b>E-MAIL ADDRESS</b>	
<b>AUTHORIZED REPRESENTATIVE (to be filled up by company - for presentation to social agencies)</b>			

# STARTING A BUSINESS

## PROCEDURES FLOWCHART

# STARTING A BUSINESS

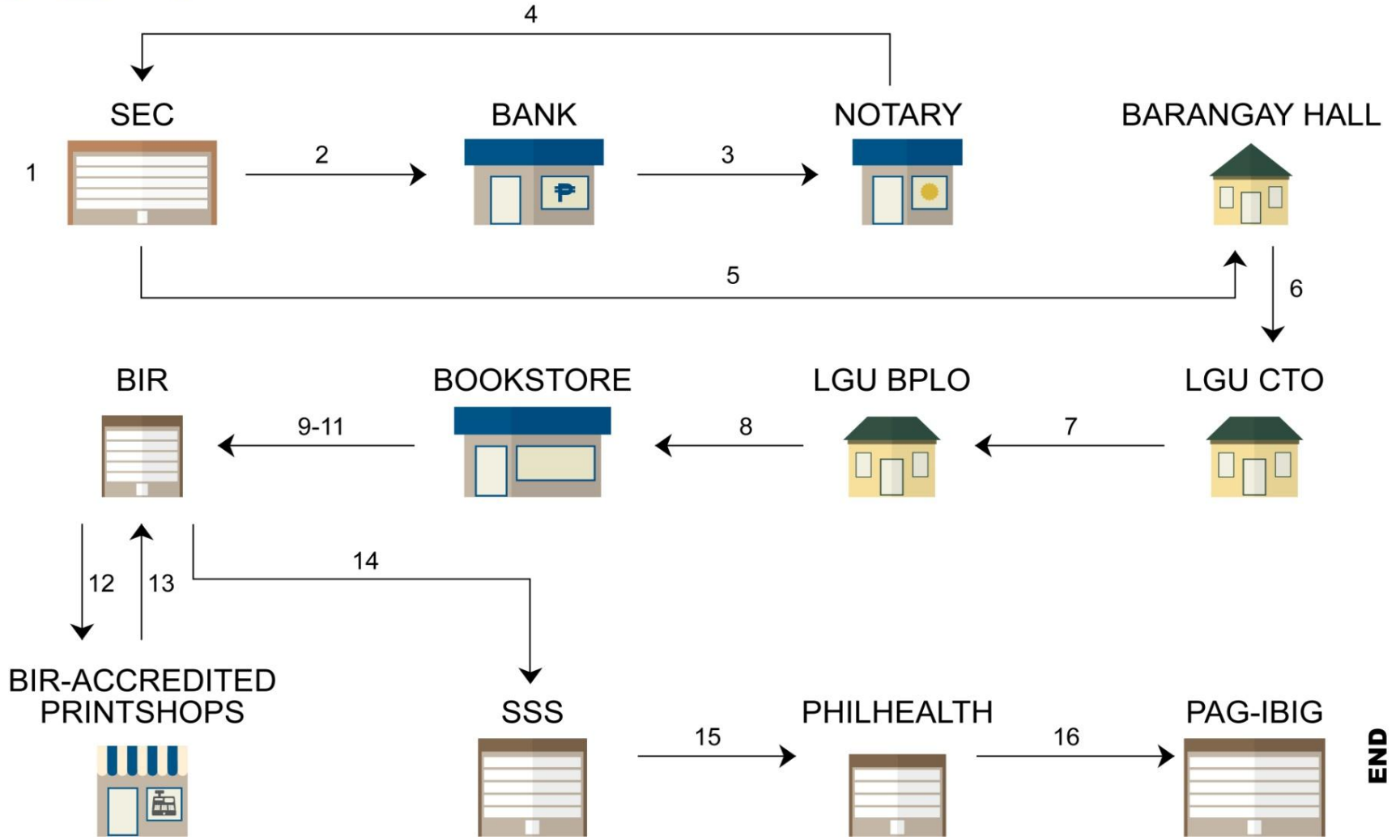
## OLD FLOWCHART

- 1** Verify and reserve the company name with SEC  
(1 day, Php 40)
- 2** Deposit Paid in Capital at the bank  
(1 day, Php 0)
- 3** Notarize articles of incorporation and treasurer's affidavit.  
(1 day, Php 500)
- 4** Register the company with SEC and receive pre-registered TIN.  
(2 days average, see procedure details)
- 5** Obtain barangay clearance.  
(1 day, Php 500)
- 6** Pay annual community tax and obtain community tax certificate.  
(1 day, Php 500)
- 7** Obtain business permit from BPLO.  
(6 days, see procedure details)
- 8** Buy special books of account at bookstore.  
(1 day, Php 400)
- 9** Apply and pay for Certificate of Registration and obtain TIN at BIR.  
(1 day, see procedure details)
- 10** Pay registration fee and documentary stamp taxes  
(1 day, see procedure details)
- 11** Obtain authority to print receipts and invoices from BIR.  
(1 day, Php 0)
- 12** Print receipts and invoices.  
(7 days, Php 3,500)
- 13** Have books of accounts and Printer's Certificate of Delivery stamped by BIR.  
(1 day, Php 0)
- 14** Register with SSS.  
(7 day, Php 0)
- 15** Register with PhilHealth.  
(1 day, Php 0)
- 16** Register with Pag-IBIG.  
(1 day, Php 0)

can be completed in **34** days

# STARTING A BUSINESS

## OLD AGENCY FLOWCHART



# STARTING A BUSINESS

## NEW FLOWCHART

**1** Prepare articles of incorporation, by-laws, and treasurer's affidavit signed by the incorporators for notarization.

**1 DAY**

**2** Obtain SEC Registration Number, BIR Tax Identification Number Pag-IBIG fund, PhilHealth, and SSS Employer numbers (ERNs) at the Securities and Exchange Commission through its Integrated Business Registration System. Applicant will receive a Unified Registration Form (URF).

**1 DAY**

**3** Obtain Barangay Clearance

**1 DAY**

**4** Obtain Business Permit to Operate from the Business Process and Licensing Office and pay necessary fees

**2-3 DAYS**

**5** Secure Certificate of Registration and Registration of Books of accounts at the Bureau of Internal Revenue (BIR)

**1 DAY**

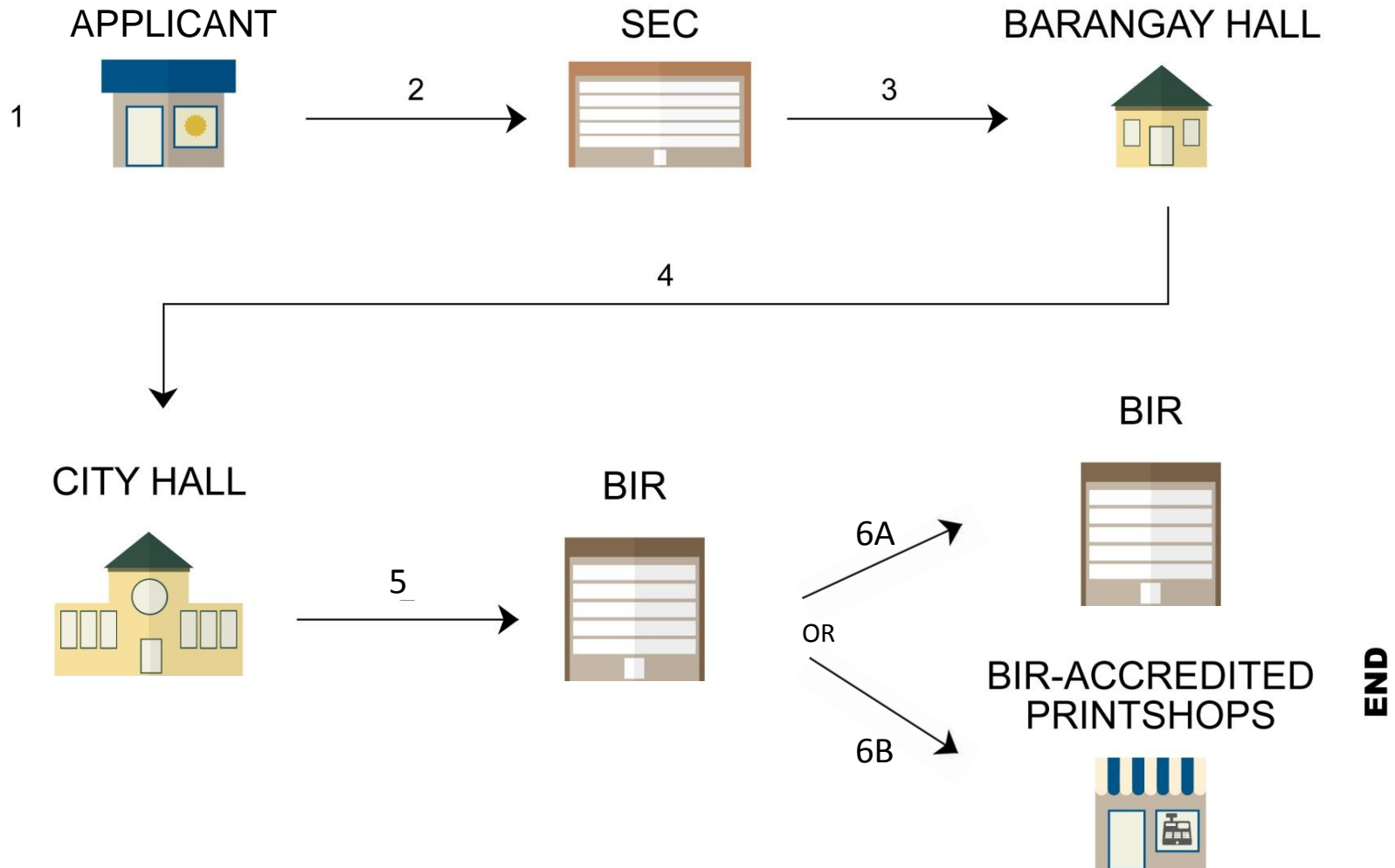
**6** A. Registration Cash Register Machine (CRM) / Point of Sale (POS)  
B. Secure Authority to Print Receipts/ Invoices (Manual Receipts)

**1-7 DAYS**

can now be completed in **8** days

# STARTING A BUSINESS

## NEW AGENCY FLOWCHART



# **PAYING TAXES**

**(Social Service Contributions/Payments)**



# PAYING TAXES (Social Service Contributions/Payments)

2015	
PAYMENTS	DESCRIPTION
1	Corporate Income Tax
1	<b>Local Business Tax</b>
1	<b>Community Tax Certificate</b>
1	Real Property Tax
1	Employer paid-SSS
12	<b>Employer paid- Health Insurance</b>
12	<b>Employer paid- Home Mutual Development Fund</b>
1	Tax on interest
1	Environmental Tax
0	Employer paid-Employer's compensation
1	Vehicle Tax
1	Value added tax (VAT)
1	Tax on check transactions
0	BIR Certificate
1	Tax on insurance contracts
1	Stamp Duty
<b>36</b>	<b>TOTAL</b>



2016	
PAYMENTS	DESCRIPTION
1	Corporate Income Tax
1	<b>Community Tax Certificate to be paid jointly with Local Business Tax</b>
1	Real Property Tax
1	Employer paid-SSS
1	<b>PhilHealth Electronic Payment System (ePayment)</b>
1	<b>Pag-IBIG Hub (Collection thru partnered banks)</b>
1	Tax on interest
1	Environmental Tax
0	Employer paid-Employer's compensation
1	Vehicle Tax
1	Value added tax (VAT)
1	Tax on check transactions
0	BIR Certificate
1	Tax on insurance contracts
1	Stamp Duty
<b>13</b>	<b>TOTAL</b>

# PAYING TAXES (Social Service Contributions/Payments)

36 PAYMENTS

Corporate  
Income Tax

Local  
Business Tax

Community  
Tax Certificate

Tax on  
Interest

Real Property  
Tax

Environmenta  
l Tax

Stamp Duty

Employer  
Compensatio  
n

Value Added  
Tax

Tax on Check  
Transactions

Tax on  
Insurance  
Contracts

SSS

Health  
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# PAYING TAXES (Social Service Contributions/Payments)

## REDUCED NUMBER OF PAYMENTS

Corporate Income Tax	Local Business Tax	Community Tax Certificate	Tax on Interest	Real Property Tax	Environmental Tax
Stamp Duty	Employer Compensation	Value Added Tax	Tax on Check Transactions	Tax on Insurance Contracts	SSS
Health Insurance	Health Insurance	Health Insurance	Health Insurance	Health Insurance	Health Insurance
Health Insurance	Health Insurance	Health Insurance	Health Insurance	Health Insurance	Health Insurance
Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund
Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund	Pag-IBIG Fund

# PAYING TAXES (Social Service Contributions/Payments)

13 PAYMENTS

Corporate  
Income Tax

Community Tax Certificate paid  
jointly with Local Business Tax

Tax on  
Interest

Real Property  
Tax

Environmenta  
l Tax

Stamp Duty

Employer  
Compensatio  
n

Value Added  
Tax

Tax on Check  
Transactions

Tax on  
Insurance  
Contracts

SSS

Health Insurance

Pag-IBIG Fund



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LUNGSOD NG  
QUEZON



*SOCIAL SECURITY SYSTEM*

SOCIAL SECURITY SYSTEM



**PhilHealth**  
*Your Partner in Health*

PHILIPPINE HEALTH  
INSURANCE CORPORATION



PAG-IBIG FUND



**LANDBANK**

LAND BANK OF THE PHILIPPINES



DEVELOPMENT BANK  
OF THE PHILIPPINES

**DOING BUSINESS MADE EASIER**

April 14, 2015



**National Competitiveness Council**

[www.competitive.org.ph](http://www.competitive.org.ph)



**Department of Finance**

[www.dof.gov.ph](http://www.dof.gov.ph)



**Department of Interior and Local Government**

[www.dilg.gov.ph](http://www.dilg.gov.ph)



**Department Trade and Industry**

[www.dti.gov.ph](http://www.dti.gov.ph)



**Bureau of Internal Revenue**

[www.bir.gov.ph](http://www.bir.gov.ph)



**Securities and Exchange Commission**

[www.sec.gov.ph](http://www.sec.gov.ph)



**Quezon City Local Government**

[www.quezoncity.gov.ph](http://www.quezoncity.gov.ph)



**Social Security System**

[www.sss.gov.ph](http://www.sss.gov.ph)

SOCIAL SECURITY SYSTEM



**Philippine Health Insurance Corporation**

[www.philhealth.gov.ph](http://www.philhealth.gov.ph)



**Pag-IBIG Fund**

[www.pagibigfund.gov.ph](http://www.pagibigfund.gov.ph)



**Land Bank of the Philippines**

[www.landbank.com](http://www.landbank.com)

LANDBANK



**Development Bank of the Philippines**

[www.devbnkphl.com](http://www.devbnkphl.com)

**DOING BUSINESS MADE EASIER**

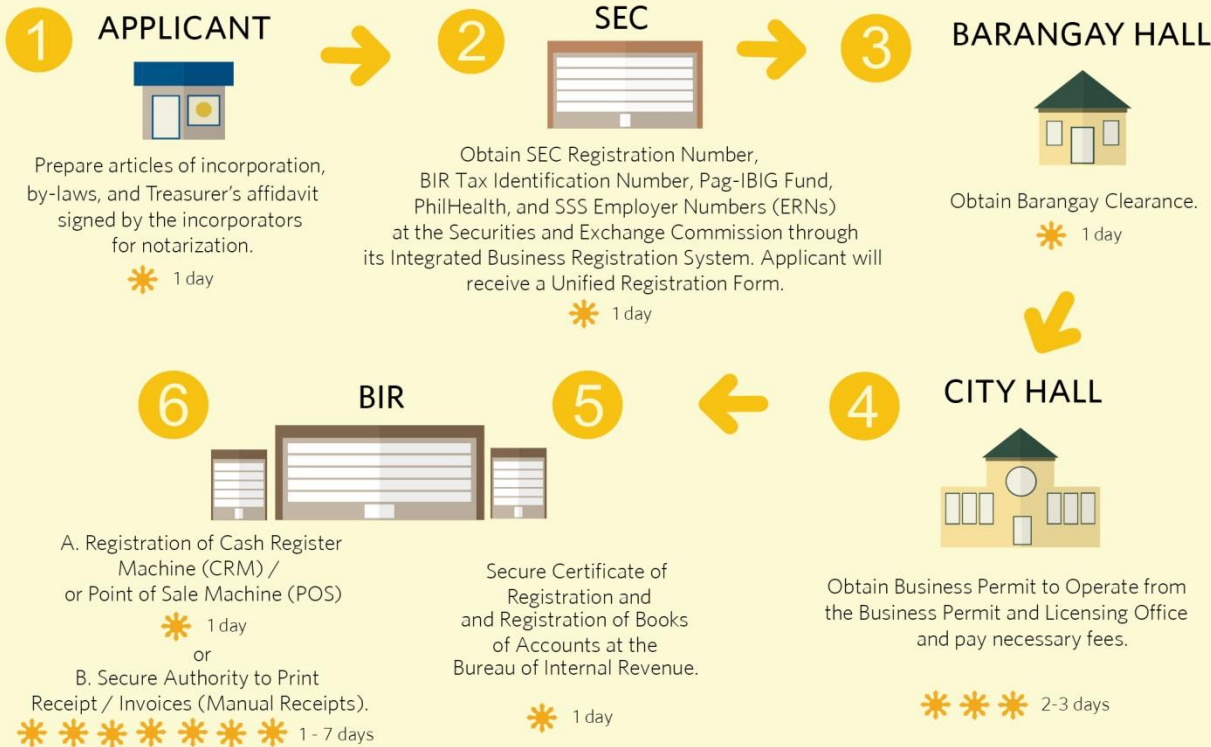
April 14, 2015

# PHILIPPINES MAKES DOING BUSINESS EASIER

Starting a Business simplified to 6 steps, 8 days;  
 Paying Taxes (Social Service Contributions / Payments) reduced to 13 payments from 36

## Starting a Business

Starting a business is now simpler due to reforms that synergize steps.  
 From 16 steps and 34 days, the process has been reduced to only 6 steps and 8 days.



## Social Service Contributions / Payments (Pag-IBIG Fund, PhilHealth, SSS)



Social Service Contributions made easier through technology, reducing the number of payments from 36 to 13.

- ✓ Accessible and convenient online payment
  - Through commercial and government banks (i.e. Land Bank of the Philippines & Development Bank of the Philippines)
  - To offer **"No Average Daily Balance"** for corporate accounts made available to employers in LBP & DBP.
- ✓ Boosting of e-Government facilities (Pag-IBIG Fund, PhilHealth, & SSS)
  - Through regular conduct of capacity building programs on e-Gov services.
  - Through active stakeholders engagement.

Made possible through:

