



# Energy Investors' Guidebook



## TABLE OF CONTENTS

<b>Introduction</b>	
<b>I. Requirements from Different Government Agencies</b>	<b>6</b>
<b>II. Basic Company Registration Processes and Requirements</b>	
• SEC : General Registration for Corporations/Partnership	10
• DTI : Business Name Registration	23
• LGU : Local Government Unit	24
• BIR : Bureau of Internal Revenue	25
• SSS : Social Security System	26
<b>III. Renewable Energy Project Registration and other Requirements</b>	
• DOE : Service/Operating Contract Application	27
• DOE : Accreditation of Manufacturers, Fabricators and Suppliers of Locally Produced Renewable Energy Equipment and Components	30
• DOE : Application for Accreditation to Manufacture Biofuels	31
• NWRB : Application for Water Permit	32
<b>IV. Coal, Oil and Gas Project Registration</b>	
• DOE : Coal Operating Contract Application	35
• DOE : Petroleum Service Contract Application	38
• PCG : Maritime Environmental Protection Concern	44
<b>V. Downstream Oil Project Requirements</b>	<b>47</b>
• DOE : Endorsement for BOI Registration	47
• DOE : 2 <sup>nd</sup> Endorsement for SEC	48
• DOE : Certificate of Availing of Export Incentives	48
• DOE : Endorsement to Marina for Chartering/Importation	49
• DOE : Certificate of Compliance/Exportation of Crude Oil, etc.	49
• DOE : Acknowledgment of Notices	50
• DOE : Acknowledgment for Notice Prior to Engagement	50
• DOE : Certificate of Accreditation of Oil Company Participants to the Bioethanol Program	51
• DOE : Certificate of Compliance	51
• DOE : Standards Compliance Certificate & Certificate of Non-Coverage (CNC) for Auto-LPG	52
• DOE : Documentary & Reportorial Requirements for Auto-LPG Business	52
• DOE : Checklist of Documentary Requirements for Refiller, Dealer and Retailer	53
• DOE : Registration of Fuel Additives	54
<b>VI. Natural Gas Industry</b>	
• DOE : Application for Permit in the Downstream Natural Gas Sector	55
• House of Representatives : Application for Legislative Franchise	64
<b>VII. Power Project Registration Requirements</b>	
• DOE : Certificate of Endorsement for BOI Registration	65
• DOE : Certificate of Endorsement for SEC	66
• DOE : Certificate of Endorsement for ERC's COC	67
• DOE : Certificate of Endorsement for NGCP	67
• DOE : Requirements for the ER 1-94 Trust Account	67
• DOE : Qualification Criteria for the Qualified Third Party	68
• ERC : Certificate of Compliance for Generating Companies	71
• ERC : Registration of Wholesale Aggregators	73

• ERC : Certificate of Authority for WESM Metering Service Providers	74
• ERC : Retail Electricity Suppliers' License Application	76
• ERC : Application/Petition for Approval of Bilateral Power Supply Contracts of Distribution Utilities (DUs) or Consortium of DUs with Generation Companies (GenCos)	78
• NGCP : Transmission Service Application	80
• NGCP : Connection for Load Customers	81
<b>VIII. DOE: Certificate of Accreditation for Natural Gas Vehicles</b>	<b>84</b>
<b>IX. DOE : Application for Energy Service Company Accreditation</b>	<b>84</b>
<b>X. Common Requirement for Energy Projects from Other Agencies</b>	
• BOI : Project Registration for Availing Incentives Under EO 226	85
• DENR : Application for Environmental Compliance Certificate	89
• DENR : Permit to Operate – Air Pollution Source and Control Installation	93
• DENR : Special Land Use Permit (SLUP)	96
• DENR : Forest Landuse Agreement (FLAg)	94
• NCIP : Certification Precondition	97
• DAR : Guidelines for the Processing of Land Use Conversion	99
• DOLE : Boilers and Unfired Pressure Vessels	106
• DOJ : Application for Non-Immigrant Visa	108
• BI : Philippine VISA	110
• BI : Philippine Special Work Permit	110
• DOLE : Application for Alien Employment Permit	111
• CAAP : Aerodome Rating Certificate/Temporary Permit to Operate A Helideck	112
• CAAP : Application for Height Limitation	113
• CAAP : Application for Height Clearance Permit	114
• CAB : Application for Issuance of Foreign Air Carriers Permit (FACP)	115
• BOC : Certificate of Accreditation as Importer	117
• PNP : License to Possess Explosives	118
• PNP : Permit to Unload Explosives from Vessel and Transfer to Destination	119
• PNP : Permit to Transport and Move Explosives	119
• PNP: Permit to Import Explosives / Explosives Ingredients	120
• PNP: Permit to Export Explosives / Explosives Ingredients	120
• PNRI : Radioactive Material License	121
• PNRI : Authority to Transport	121
• PEZA : Registration for Export Enterprises / IT Enterprises	122
• PEZA : Registration for Ecozone Developers	122
• SBMA : Registration for Ecozone Developers	124
• CDC : Registration for Ecozone Developers	125
• CEZA : Registration for Ecozone Developers	126
• PHIVIDEC : Registration for Ecozone Developers	127
• ZEZA : Registration for Ecozone Developers	129
<b>XI. Financing Mechanisms for Energy Projects</b>	
• Land Bank of the Philippines	130
• Development Bank of the Philippines	137
• Allied Banking Corporation	139
• Philippine Export-Import Credit Agency	140
<b>XII. Existing Incentives in the Energy Sector</b>	<b>142</b>
<b>XIII. Directory</b>	<b>147</b>

## INTRODUCTION

The Energy Investors' Guidebook is now in its second edition which is an updated version of the previous publication.

This Guidebook contains all the necessary information on the requirements and procedures of different agencies involved in the development process of energy projects as well as from selected banks and financing institutions. The requirements are categorized according to the registration, regulatory, and operational phases in project implementation. In addition, the detailed requirements of each agency are grouped into renewable energy, coal, oil and gas, downstream oil, natural gas, and power sectors.

We would like to commend the efforts and inputs provided by all our partners in the private and government sectors for their valuable contribution in the full realization of this Guidebook.

Investment Promotion Office  
Department of Energy

## REQUIREMENTS FROM DIFFERENT GOVERNMENT AGENCIES

Government Agency/Office	Requirement/Document
<b>Registration Requirements</b>	
<i>Securities and Exchange Commission</i>	<ul style="list-style-type: none"> <li>• Registration of Corporations and Partnerships</li> <li>• Registration of Foreign Corporations</li> </ul>
<i>Department of Trade and Industry</i>	<ul style="list-style-type: none"> <li>• Registration of Business Name for Single Proprietorship</li> </ul>
<i>Cooperative Development Authority</i>	<ul style="list-style-type: none"> <li>• Registration for Cooperatives</li> </ul>
<i>Local Government Unit</i>	<ul style="list-style-type: none"> <li>• Barangay Clearance for Business Permit Purposes</li> <li>• Municipal / Sanitary Permit</li> <li>• Municipal / City Business Permit</li> <li>• Building Permits / Civil / Structural Permits</li> <li>• Locational clearance/business permit in the localities where the business will be established</li> </ul>
<i>Bureau of Internal Revenue</i>	<ul style="list-style-type: none"> <li>• Tax Identification Number</li> <li>• Certificate of Registration</li> <li>• Application for Authority to Use Computerized Accounting System or Components Thereof/ Loose-Leaf Books of Accounts</li> <li>• Application for Registration Information Update <i>This is also where books of accounts and authority to print are registered.</i></li> </ul>
<i>Social Security System</i>	<ul style="list-style-type: none"> <li>• Employer Registration</li> <li>• Specimen Signature Card</li> </ul>
<i>Philippine Health Insurance Corp.</i>	<ul style="list-style-type: none"> <li>• Employer Data Record</li> <li>• Member's Data Form <i>Note : Membership for local employees only</i></li> </ul>
<i>Bureau of Fire Protection</i>	<ul style="list-style-type: none"> <li>• Evaluation Clearance – Fire Safety Permit</li> </ul>
<i>Home Mutual Development Fund</i>	<ul style="list-style-type: none"> <li>• Member's Data Form</li> <li>• Remittance Form <i>Note : Membership Registration for local employees only</i></li> </ul>
<i>Department of Labor and Employment</i>	<ul style="list-style-type: none"> <li>• Alien Employment Permit</li> </ul>
<i>Philippine Economic Zone Authority</i>	<ul style="list-style-type: none"> <li>• Permit to locate (if applicable)</li> <li>• Registration with other Investment Promotion Agencies for availing of incentives (for Ecozone business locators only)</li> </ul>
<i>Bangko Sentral ng Pilipinas</i>	<ul style="list-style-type: none"> <li>• Registration of Foreign Investments for Purposes of Capital Repatriation and Profit Remittances</li> </ul>
<i>Metro Manila Development Authority</i>	<ul style="list-style-type: none"> <li>• Locational clearance</li> <li>• Business Permit for firms locating in Metro Manila</li> </ul>
<i>Authorized Agent Banks</i>	<ul style="list-style-type: none"> <li>• Opening of Letter of Credit (L/C)</li> <li>• Information sheet for first-time exporters</li> </ul>

Government Agency/Office	Requirement/Document
<b>Regulatory Requirements</b>	
<i>Department of Environmental and Natural Resources</i>	<ul style="list-style-type: none"> <li>• Environmental Compliance Certificate</li> <li>• Certificate of Non-Coverage</li> <li>• Wastewater Discharge Permit</li> <li>• Permit to Operate – Air Pollution Source and Control Installation</li> <li>• Hazardous Waste Generator ID</li> <li>• Pollution Control Officer Accreditation / Appointment</li> <li>• Permit to construct/operate pollution control devices</li> </ul>
<i>Department of Environmental and Natural Resources – Forest Management Bureau</i>	<ul style="list-style-type: none"> <li>• Special Land Use Permit (SLUP)</li> <li>• Forest Land Use Agreement (FLAg)</li> </ul>
<i>Department of Agrarian Reform</i>	<ul style="list-style-type: none"> <li>• Land Use Conversion Permit</li> </ul>
<i>National Water Resources Board</i>	<ul style="list-style-type: none"> <li>• Certificate of Water Availability</li> <li>• Water Permit Application</li> </ul>
<i>Bureau of Immigration</i>	<ul style="list-style-type: none"> <li>• Philippine VISA</li> <li>• Philippine Special Work Permit</li> <li>• Special Investor’s Resident Visa</li> <li>• Alien Certification of Registration</li> </ul>
<i>Energy Regulatory Commission</i>	<ul style="list-style-type: none"> <li>• Certificate of Compliance for generating companies</li> <li>• Registration of Wholesale Aggregators</li> <li>• Certificate of Authority for WESM Metering Service Providers</li> <li>• Retail Electricity Suppliers’ License</li> </ul>
<i>Department of Energy</i>	<ul style="list-style-type: none"> <li>• Certificate of Endorsement to SEC for Company Registration with Energy Related Activities</li> <li>• Certificate of Endorsement to BOI for Project Registration to avail Incentives under EO 226</li> <li>• Certificate of Accreditation for Natural Gas Vehicles</li> </ul>
<i>Department of Energy – Renewable Energy Management Bureau</i>	<ul style="list-style-type: none"> <li>• Registration of Renewable Energy Projects               <ul style="list-style-type: none"> <li>- RE Service/Operating for Developers</li> <li>- Certificate of Accreditation for Suppliers/Manufacturers</li> <li>- Accreditation to Manufacture Biofuels</li> </ul> </li> </ul>
<i>Department of Energy – Oil Industry Management Bureau</i>	<ul style="list-style-type: none"> <li>• Certificate of Compliance for Downstream Oil Activities</li> </ul>
<i>Department of Energy – Energy Resource Development Bureau</i>	<ul style="list-style-type: none"> <li>• Coal Operating Contract</li> <li>• Petroleum Service Contract</li> <li>• Clearance for Coal, Oil and Gas exploration activities</li> <li>• Certificate of Compliance for Coal Importation</li> </ul>

Government Agency/Office	Requirement/Document
<i>Department of Energy – Electric Power Industry Management Bureau</i>	<ul style="list-style-type: none"> <li>• Certificate of Endorsement for Power Generation Projects (requirement for ERC's COC)</li> <li>• Memorandum of Agreement (Establishment of Trust Account for Financial Benefits Accruing from the Electricity Sales of the Power Plant)</li> <li>• Letter of Endorsement to NGCP for the Conduct of the Grid Impact Study</li> </ul>
<i>Department of Energy – Energy Utilization Management Bureau</i>	<ul style="list-style-type: none"> <li>• Certificate of Accreditation for Energy Service Companies</li> </ul>
<i>National Commission on Indigenous Peoples</i>	<ul style="list-style-type: none"> <li>• Certification Precondition (Free, Prior and Informed Consent)</li> </ul>
<b>Operational Requirements</b>	
<i>Board of Investments</i>	<ul style="list-style-type: none"> <li>• Registration for availing of incentives under EO 226 or the Omnibus Investment Code</li> </ul>
<i>Philippine Ports Authority</i>	<ul style="list-style-type: none"> <li>• Clearance to Develop Private Port Facility</li> <li>• Permit to Construct Private Port Facility</li> <li>• Payment of wharfage fees/exemption from payment</li> </ul>
<i>Civil Aeronautics Board</i>	<ul style="list-style-type: none"> <li>• Charter Operations Permit – Permit to Operate Domestic and International Charter Flights (also called Foreign Air Carrier's Permit)</li> </ul>
<i>Philippine National Police – Firearms and Explosives Office</i>	<ul style="list-style-type: none"> <li>• License to Possess Explosives</li> <li>• Permit to Unload Explosives from Vessel and Transfer to Destination</li> <li>• Permit to Transport and Move Explosives</li> <li>• Permit to Import Explosives / Explosives Ingredients</li> <li>• Permit to Export Explosives / Explosive Ingredients</li> </ul>
<i>Bureau of Customs</i>	<ul style="list-style-type: none"> <li>• Certificate of Accreditation as Importer</li> <li>• Client Profile Registration System /Electronic to Mobile Registration for operation of Customs Bonded Manufacturing Warehouse</li> <li>• Registration of Customs Bonded Warehouse (on Expansion/Diversification)</li> <li>• Export Declaration (Authority to Load/Certificate of Origin)</li> </ul>
<i>Philippine Nuclear Research Institute – Department of Science and Technology</i>	<ul style="list-style-type: none"> <li>• Radioactive Material License</li> <li>• Authority to Transport (Import)</li> <li>• Authority to Transport (Export)</li> </ul>
<i>Securities and Exchange Commission</i>	<ul style="list-style-type: none"> <li>• General Information Sheet</li> <li>• Audited Financial Statement</li> <li>• Amendment of Articles of Incorporation / Partnership / By- Laws</li> </ul>



<i>Civil Aviation Authority of the Philippines</i>	<ul style="list-style-type: none"> <li>• Height Clearance Permit (if applicable)</li> <li>• Aerodome Rating Certificate / Provisional Permit to Operate a Helideck</li> <li>• Foreign Air Carrier Operations Specifications</li> <li>• Flight entry-Exit Blanket Clearance</li> </ul>
<i>Philippine Coast Guard – Maritime Safety Services</i>	<ul style="list-style-type: none"> <li>• Notice to Mariners</li> <li>• Special Permit to Dump/Discharge Waste and/or Other Matters (Vessels/Oil Rigs).</li> </ul>
<i>Maritime Industry Authority</i>	<ul style="list-style-type: none"> <li>• Exemption Permit</li> </ul>
<b>Government Agency/Office</b>	<b>Requirement/Document</b>
<i>Philippine Coast Guard – Marine Environmental Protection Command</i>	<ul style="list-style-type: none"> <li>• Garbage Management Plan and Garbage Record Book</li> <li>• Shipboard Oil Pollution Emergency Plan</li> <li>• Oil Record Book</li> <li>• International Oil Pollution Prevention Certificate</li> <li>• Oil Pollution Prevention Certificate</li> <li>• Oily Water Separator</li> <li>• Oily Waste Collector</li> <li>• Tank Cleaning Contractor</li> <li>• Oil Spill Dispersant</li> <li>• Oil Spill Boom/Oil Spill Materials</li> <li>• Oil Sorbent Materials</li> <li>• Marpol Surveyor</li> <li>• Sewage Treatment Plant</li> <li>• Oil Spill Contingency Plan</li> </ul>
<i>Social Security System</i>	<ul style="list-style-type: none"> <li>• Employment Report.</li> <li>• Contribution Collection List.</li> <li>• Contribution Payment Return.</li> </ul>
<i>Home Mutual Development Fund</i>	<ul style="list-style-type: none"> <li>• Membership Registration / Remittance Form</li> </ul>
<i>Bureau of Internal Revenue</i>	<ul style="list-style-type: none"> <li>• Annual Registration Fee</li> <li>• Expanded Withholding Tax Return</li> <li>• Withholding Tax Return on Compensation</li> <li>• Final Withholding Tax Return</li> <li>• Fringe Benefits Tax Return</li> <li>• Annual Information Return on Creditable Income Taxes Withheld (Expanded) / Income Payments</li> <li>• Annual Corporate Income Tax Return</li> <li>• Annual Information Return for WTC and FWT</li> <li>• Quarterly Corporate Income Tax Return</li> </ul>
<i>Ligherage Association of the Philippines</i>	<ul style="list-style-type: none"> <li>• Certificate of No Objection. This is a prerequisite to the application for MARINA Exemption Permit of foreign-registered rig/vessels. Processing time is approximately 2 to 4 weeks.</li> </ul>
<i>Philippine Economic Zone Authority</i>	<ul style="list-style-type: none"> <li>• Audited Financial Statement, ITR, etc.;</li> <li>• Registration of business/expansion for incentives</li> </ul>

## SECURITIES AND EXCHANGE COMMISSION

### GENERAL REGISTRATION FOR CORPORATIONS/PARTNERSHIP

Note :

- All applications and supporting documents must be in four (4) copies and have cover sheets.
- Documents signed abroad must be authenticated by the Philippine Embassy or Consulate in the country where it was signed.
- All audited Financial Statements (FS) and special audit reports must be certified by an independent Certified Public Accountant (CPA), with Statement of Representation filed with the SEC. Said Statement must indicate the CPA Cert. No., PRC/BOA No. and the PTR No. of the CPA.
- All applications must indicate the Tax Identification Number (TIN) of the incorporators, stockholders/ members for corporations, and partners for partnerships.

#### Registration Procedure:

1. Company representative submits necessary documents to Company Registration and Monitoring Department (CRMD), which checks documents for completeness;
2. Representative pays SEC cashier a filing fee of 1/5 of 1% of authorized capital stock of proposed corporation (Basic Fee) plus Legal Research Fee of 1% of Basic Fee;
3. Documents are forwarded to Financial Analysis and Audit Division of the CRMD for review of financial and accounting aspects;
4. Documents are forwarded to the Corporate and Partnership Registration Division of the CRMD, which ensures compliance with Philippine laws;
5. Documents are forwarded to the Assistant Director of the CRMD for approval and to the Director of the CRMD for final signature on the Certificate of Registration; and
6. Approved applications are brought to Central Records and Receiving Division for releasing.

#### I. REGISTRATION OF CORPORATIONS

##### A. Stock Corporation

###### Basic Requirements:

1. Name Verification slip ( *secure online or from SEC Name Verification Unit*);
2. Articles of Incorporation and By-Laws;
3. Treasurer's Affidavit; and
4. Joint affidavit of two incorporators undertaking to change corporate name, **as provided in its Articles of Incorporation or as amended thereafter**, immediately upon receipt of notice or directive from the Securities and Exchange Commission that another corporation, partnership, or person has acquired a prior right to the use of that name or that name has been declared misleading, deceptive, confusingly similar to a registered name, or contrary to public morals, good customs, or public policy. (not required if the Articles of Incorporation have a provision on this commitment).

**Additional Requirements:**

5. Endorsement/clearance from other government agencies, if applicable i.e. **Certificate Endorsement from Department of Energy for energy related business activity.**
6. For corporations with foreign equity: Proof of remittance by non-resident aliens and foreign corporate subscribers who want to register their investment with the Bangko Sentral ng Pilipinas (BSP) or an affidavit that they will not register their investment with the BSP.
7. For corporations with more than 40% foreign equity: application form (*SEC Form No. F-100*) required by the *Foreign Investments Act of 1991 (Rep. Act 7042, as amended)*.
8. For corporations with applications with the Philippine Economic Zone Authority (PEZA), Subic Bay Metropolitan Authority (SBMA), Clark Development Corporation (CDC), Cagayan Economic Zone Authority (CEZA) or other economic zones attach Certificate of Authority or Endorsement from said government agencies.
9. Additional requirement based on kind of payment subscription indicated hereunder:
  - a. **Cash**
    1. For corporations with foreign subscribers who want to register their investments with the BSP, submit BSP standard bank certificate of inward remittance.
  - b. **Land and/ Building/Condominium Unit**
    1. Description of the property showing the name of its registered owner, location, area, Transfer Certificate of Title (TCT) No., tax declaration number and the basis of the transfer value (market value/assessed value/zonal value or appraised value), signed by the treasurer of the corporation;
    2. Copy of TCT/Condominium Certificate of Title (CCT) and tax declaration sheet, as certified by the Register of Deeds and the Assessor's Office, respectively;
    3. If transfer value is based on zonal value: Latest zonal valuation certified by the Bureau of Internal Revenue;
    4. If transfer value is based on appraised value: Appraisal report by a licensed real estate appraiser (not more than six (6) months old);
    5. Deed of assignment;
    6. If property is mortgaged: Mortgagee/creditor's certification on the outstanding loan balance and his consent to the transfer of property;
    7. For assignment of a building where the assignor is not the owner of the land: Lease contract on the land and consent of the land owner to the transfer;
    8. Affidavit of the transferor that the building/condominium unit is existing and in good condition; and
    9. Affidavit of undertaking by any incorporator or director to submit the proof of transfer of the property within the prescribed period)
  - c. **Untitled Land**

If the property/ies involved are untitled lands classified by the Bureau of Lands and the Department of Environment and Natural Resources (DENR) as alienable and disposable lands are not covered by the *Comprehensive Agrarian Reform Law of 1988 (Republic Act 6657)*, the following documents should, in addition, be submitted:

1. Duplicate original or certified true copies, insofar as may be applicable, or:
    - i. Proof of possession or that the subject land had been in the possessor's open, peaceful, continuous and uninterrupted exclusive possession in the concept of an owner for at least thirty (30) years and that the possessor had introduced improvements thereon, if any, (submit a certification of the authorized officer of the barangay where the property is located, and at least two (2) adjoining property owners or possessors, attesting to the transferor's possession of the property or claimants of the property; and payment of corresponding local real estate taxes);
    - ii. Duplicate original or certified true copies of the tax declaration, tax receipts and local real estate tax clearance;
    - iii. Affidavit executed by the transferor attesting that:
      - a. His adverse, continuous and open possession of the untitled property may ripen into ownership by virtue of acquisitive prescription;
      - b. The subject property is not tenanted (submit Affidavit of Non-Tenancy);
    - iv. Duplicate original or certified true copies of any deed, conveyance, mortgage, lease, or other voluntary instrument affecting the untitled property duly recorded in the office of the Register of Deeds for the province or city where the land is situated, pursuant to *Sections 3 and 113 of PD No. 1529*;
    - v. Affidavit executed by the transferor attesting to the:
      - a. Existence (or non-existence) of easements over the untitled property;
      - b. Kind of description of the easement/s and its location; and
      - c. Whether the transferor is the dominant estate or the servient estate by virtue of such easement/s.
    - vi. Undertaking (under oath) of the transferor/subscriber to answer for any liability that the corporation might incur by virtue of the acceptance of said property as paid-up capital;
  2. Clearance or certification from the Department of Agrarian Reform attesting to the following:
    - i. There is no other application or claimant to the untitled land;
    - ii. It has not issued any Certificate of Land Ownership Award (CLOA) over the property to any other part; or
    - iii. The land is exempted from the coverage of the Comprehensive Agrarian Program of the government;
  3. Blue Print Survey of the Plan, as approved by the Bureau of Lands, showing the inclusion of such lands.
- d. Inventories/Furniture/Personal Properties**
1. Description of the property and the basis of transfer value (market value or book value) signed by the treasurer of the corporation;
  2. Special audit report by an independent Certified Public Accountant (CPA) on the verification and valuation of the Property, or appraisal report by an accredited appraisal company, which is not more than six (6) months old, on the valuation of the property;

3. Deed of assignment of the property to the corporation; and
  4. Affidavit of the transferor that the inventories/furniture/personal properties are existing and in good condition.
- e. Heavy Equipment and Machinery**
1. Description of the heavy equipment or property and the basis of transfer value (book value or appraised value) signed by the treasurer of the corporation;
  2. Appraisal report by a licensed mechanical engineer (not more than six (6) months old). If property is imported, the valuation report of the BSP shall be submitted; and
  3. Deed of assignment of the heavy equipment or property to the corporation.
  4. Affidavit of the transferor that the heavy equipment/machinery is existing and in good condition.
- f. Shares of Stock**
1. Description of the shares of stock showing the name of stockholder, stock certificate number, number of shares and the basis of transfer value (market value or book value) signed by treasurer of the corporation;
  2. Audited financial statements of the investee company as of the last fiscal year, stamped received by the SEC and BIR;
  3. Deed of assignment of the shares of stock to the corporation;
  4. Certification by the corporate secretary of the investee company that the shares are in the name of the assignor;
  5. Photocopy of the stock certificates (the original copy should be presented for verification);
  6. If shares of stock are listed in the stock exchange: Latest market quotation in the newspaper or certification from the stock exchange/broker on the latest market price of the shares of stock; and
  7. Affidavit of undertaking by any incorporator or director to submit the proof of transfer within the prescribed period.
- g. Motor Vehicles**
1. Description of the motor vehicles showing the name of the registered owner, make/model, plate number, chassis number, motor number, certificate of registration number, and market value signed by the treasurer of the corporation;
  2. Photocopy of the Certificate of Registration and official receipt of annual registration fee (the original copy should be presented for verification);
  3. Appraisal report by a licensed automotive engineer (not more than six (6) months old);
  4. Deed of assignment of the motor vehicle to the corporation;
  5. Affidavit of the transferor that the motor vehicle is existing and in good condition; and
  6. Affidavit of undertaking by any incorporator or director to submit the proof of transfer within the prescribed period.
- h. Sea Vessel/Aircraft**
1. Description of the vessel/aircraft showing the name of the registered owner, registry number, technical description, and appraised value signed by the treasurer of the corporation;

2. Certified true copy of the certificate of ownership;
  3. Certificate of seaworthiness/airworthiness issued by the appropriate government agency;
  4. Appraisal report by a licensed maritime or aeronautic engineer (not more than six (6) months old);
  5. Deed of assignment of the vessel/aircraft to the corporation;
  6. Affidavit of the transferor that the sea vessel/aircraft is existing and in good condition; and
  7. Affidavit of undertaking by any incorporator or director to submit the proof of transfer within the prescribed period.
- i. Intangibles**
1. Photocopy of the certificate of registration of intellectual property rights or mining permit (for mining claims/rights);
  2. Appraisal report by an accredited appraisal company (not more than six (6) months old); and
  3. Deed of assignment of intangibles to the corporation.
- j. Net Assets (by way of conversion of single proprietorship/ partnership into corporation or by way of spin-off)**
1. Articles of Dissolution of Partnership;
  2. Audited financial statements of the single proprietorship or partnership or division of a corporation (for spin-offs) as of the last fiscal year;
  3. Long-form audit report of item 2;
  4. Deed of assignment of the assets and liabilities to the corporation;
  5. Separate deed of the assignment for land with primary entry by the Register of Deeds;
  6. List of creditors, with the amount due to each creditor certified by the auditor or certified under oath by the company accountant and the written consent of each creditor;
  7. Description of the properties with certificate of registration/titles and their respective book values;
  8. Photocopy of the Certificate of Registration of the motor vehicle (the original copy should be presented for verification);
  9. Photocopy of the TCT/CCT and tax declaration sheet, as certified by the Register of Deeds and the Assessor's Office, respectively; and
  10. For single proprietorships: Department of Trade and industry (DTI) Certificate of Registration.
- Notes:*
- *Items 5 to 10 shall be complied with only if applicable*
  - *The corporation should use the name of partnership, drop the word "company" and add either the word "corporation" or "incorporated", or its abbreviation*
  - *The filing of the Articles of Dissolution and Articles of Incorporation or Increase of Authorized Capital Stock should be simultaneous*

## B. Non-Stock Corporation

### Basic Requirements:

1. Name Verification Slip;
2. Articles of Incorporation and By-laws;
3. Joint affidavit of two incorporators undertaking to change corporate name, as provided in its Articles of Incorporation or as amended thereafter, immediately upon receipt of notice or directive from the Securities and Exchange Commission that another corporation, partnership, or person has acquired a prior right to the use of that name or that name has been declared misleading, deceptive, confusingly similar to a registered name, or contrary to public morals, good customs or public policy. (not required if the Articles of Incorporation have a provision on this commitment);
4. List of members as certified by the corporate secretary, unless already stated in the Articles of Incorporation; and
5. List of names of contributors or donors and the amounts contributed or donated, as certified by the treasurer. There shall be no fixed amount of contribution required but only such reasonable amount as the incorporators and trustees may deem sufficient to enable the corporation to start operation, except in the case of foundations which must have a minimum contribution of at least One Million Pesos (Php 1,000,000.00).

## II. Licensing of Foreign Corporations

### A. Branch And Representative Office

1. Application Form
  - SEC Form F-103 – for Branch Office
  - SEC Form F-104 - for Representative Office
  - SEC Form F-108 – for non-stock corporations
2. Name Verification Slip;
3. Authenticated copy of the Board Resolution that (a) authorizes the establishment of branch/representative office in the Philippines; (b) designates the resident agent to whom summons and other legal processes may be served to the foreign corporation; and (c) states that in the absence of such agent or upon cessation of its operation in the Philippines, any summons or legal processes may be served to SEC as if the same is made upon the corporation at its home office;
4. Financial Statements as of a date not exceeding one (1) year immediately prior to the application, certified by an independent Certified Public Accountant (CPA) of the home country and authenticated before the Philippine Consulate/Embassy;
5. Authenticated copy of the Articles of Incorporation with an English translation if in foreign language other than English;
6. Proof of Inward Remittance, such as bank certificate;
7. Resident Agent's acceptance of appointment (not required if the resident agent is the signatory in the application form); and
8. For Representative Office and Branch Office of non-stock corporations: Affidavit signed by the resident agent stating that the applicant is solvent and in sound financial condition.

**B. Regional or Area Headquarters and Regional Operating Headquarters**

1. Application Form;
2. Name Verification Slip;
3. A certification from the Philippine Consulate/Embassy or the Philippine Commercial Office or from the equivalent office of the Philippine DTI in the applicant's home country that said foreign firm is an entity engaged in international trade with affiliates, subsidiaries or branch offices in the Asia Pacific and other foreign markets; in case the certification is issued by the equivalent office of the Philippine DTI, the same shall be authenticated by the Philippine Consulate/Embassy;
4. A certification from the principal officer of the foreign entity that the said foreign entity has been authorized by its board of directors or governing body to establish its regional or area headquarters or regional operating headquarters in the Philippines; and
5. Endorsement of the Board of Investments (BOI).

*Notes : Within 30 days from receipt of license, the following shall be submitted:*

- a. *For Regional or Area Headquarters: proof of remittance of at least USD 50,000*
- b. *For Regional Operating Headquarters : proof of remittance of at least USD 200,000 if not submitted with the application papers.*

**III. Registration / Recording of Partnerships****Basic Requirements:**

1. Name Verification Slip;
2. Articles of Partnership; and
3. Joint affidavit of two partners undertaking to change partnership name, as provided in its Articles of Partnership or as amended thereafter, immediately upon receipt of notice or directive from the Securities and Exchange Commission that another corporation, partnership, or person has acquired a prior right to the use of that name or that name has been declared misleading, deceptive, confusingly similar to a registered name, or contrary to public morals, good customs or public policy. (not required if Articles of Partnership has provision on this commitment).

**Additional Requirements:**

1. Endorsement/clearance from other government agencies, if applicable; and
2. For partnership with foreign partners
  - a. SEC Form F-105;
  - b. Bank certificate on the capital contribution of the partners;
  - c. For foreign partners who want to register their investments with the BSP: Proof of remittance.

*Note: If it is limited partnership, the word "Limited" or "Ltd." should be added to the partnership name. Articles of Partnership of limited partnerships should be under oath only (Jurat) and not acknowledged before a notary public.*

**IV. Other Applications****A. For Corporations****I. Amended Articles of Incorporation (for stock and non-stock domestic corporations)**

1. Amended Articles of Incorporation; and



2. Directors' or Trustees' Certificate – a notarized document signed by a majority of the directors or trustees and the corporate secretary, certifying (i) the amendment of the Articles of Incorporation and indicating the amended provisions, (ii) the vote of the directors or trustee and stockholders or members, (iii) the date and place of the stockholders' or members' meeting; and (iv) the tax identification number of the signatories which shall be placed below their names.
  3. Endorsement/clearance from other government agencies, if applicable. If the provision to be amended is the corporate name, submit the following:
    - a. Name Verification Slip
    - b. Affidavit of a director, trustee or officer undertaking to change corporate name in the event another person, entity or firm has acquired a prior right to the use of the same name or one similar to it.
- II. Amended By-Laws (for stock and non-stock domestic corporation)**
1. Amended By-laws; and
  2. Directors' or Trustees' Certificate – a notarized document signed by a majority of the directors or trustees and the corporate secretary, certifying to (i) the amendment of the By-laws, indicating the amended provisions, (ii) the vote of the directors or trustee and stockholders or members, (iii) the date and place of the stockholders' or members' meeting, and (iv) the tax identification number of the signatories which shall be placed below their names.
- III. Increase of Authorized Capital Stock**
- Basic Requirements:**
1. Certificate of Increase of Capital Stock;
  2. Treasurer's Affidavit certifying the increase of capital stock, the amount subscribed and the amount received as payment;
  3. List of stockholders as of the date of the meeting approving the increase, indicating the nationalities of the subscribers and their respective subscribed and paid-up capital on the existing authorized capital stock, as certified by the corporate secretary;
  4. Amended Articles of Incorporation; and
  5. Notarized directors' certificate certifying (a) the amendment of the Articles of Incorporation increasing the authorized capital stock, (b) the votes of the directors and the stockholders, and (c) the date and place of the stockholders' meeting, which shall be signed by a majority of the directors and the corporate secretary.
- Additional requirements depending on the kind of payment on subscription**
- a. **Cash EXCEPT**
    - i. Listed companies
    - ii. Public companies defined in the Securities Regulation Code
    - iii. Companies that offer or sell securities to the public
    - iv. Where the payment to the subscription to the increase is more than P10M
  - a. **Cash in cases covered by i to iv above.**
    1. Audited financial statements as of the preceding fiscal year, stamped by the SEC and the BIR;

2. A report by an independent CPA on the verification of the cash payment on subscription to the increase in accordance with the Guidelines on On-site Verification provided for in SEC Memorandum Circular No. 6, series of 2008;
3. Copy of the official receipt, deposit slip, bank statement or passbook and, for foreign Equity, Certificate of Inward Remittance;
4. Trial balance as of the end of the month immediately preceding the submission of the requirements, which shall include the additional capital infusion, as certified by the company accountant;
5. Written waiver of pre-emptive rights by non-subscribing stockholders; and
6. In case of Rural Banks:
  - a. Notarized bank certification to be signed by majority of the bank's board of directors in accordance with the Form required by BSP; and
  - b. List of stockholders of record with their respective subscribed and paid-up before and after the increase and list of subscribers to the increase with their respective subscription and payment as presented to and approved by the BSP.

*Note : Item 2 need not be submitted if payment on subscription is already reflected in the audited financial statements, and the additional capital infusion is reflected in the cash flow statement.*

**b. Conversion of Advances/Liabilities to Equity**

1. A report by an independent CPA on the verification of the advances to be converted to equity in accordance with the Guidelines on On-site Verification as provided for in SEC Memorandum Circular No. 6, series of 2008;
2. Detailed schedule of the liabilities to be offset, as of the date of trial balance, as certified by the company accountant;
3. Trial balance as of the end of the month immediately preceding the submission of the requirements, which shall include the subject advances or liabilities, as certified by the company accountant; and
4. Deed of Assignment signed by the creditor or subscriber assigning the advances as payment for his subscription.

**c. Stock Dividends**

1. List of stockholders entitled to the stock dividend with their respective outstanding shares and the allocation of the stock dividends, as certified by the corporate secretary;
  2. Certification by the corporate secretary on the treatment of the resulting fractional shares, if any; and
  3. Reconciliation of retained earnings available for dividend declaration, certified by an independent auditor as provided for in SEC Memorandum Circular No. 11, series of 2008.
- d. For other forms of property as payment, submit the additional requirements enumerated for registration of stock corporations.

#### IV. Merger/Consolidation

1. Articles of Merger/Consolidation;
2. Plan of Merger/Consolidation;
3. List of stockholders of the constituent corporations before the merger/consolidation, and list of stockholders of record of the surviving corporation after the merger/consolidation, as certified by the corporate secretary;
4. Certification, under oath, by the corporate secretary, on the meetings of the directors and stockholders of the constituent corporations approving the merger/consolidation;
5. Audited financial statements of the constituent corporations as of a date not earlier than 120 days prior to the date of filing of the application in accordance with PFRS 3 (Accounting Standard on Business combination);
6. For absorbed corporations: Long-form audit report of item 5;
7. Certification, under oath, by the president, chief finance officer or treasurer of the constituent corporations that all creditors (state cut-off date) have been properly notified of the proposed merger/consolidation;
8. If at least one of the constituent corporations is insolvent: Affidavit of publication in a newspaper of general circulation of the proposed merger/consolidation.

*Notes:*

1. *If the surviving corporation will not issue shares of stock or create additional paid-in capital: Disregard item 6.*
2. *If the merger will be effected via increase of capital stock: Submit also the requirements for increase of Authorized Capital Stock.*
3. *For consolidation: Submit also the requirements for the registration of a stock or non-stock corporation.*

#### V. Increase of Foreign Equity (for corporations registered under the Foreign Investments Act)

##### **Mode of Payment**

- a. Assignment of Filipino stockholdings to non-Philippine nationals
  1. SEC Form No. F-101 or F-102
  2. Original copy of the Deed of Assignment
- b. Issuance of new stocks from the unsubscribed capital stock
  1. SEC Form No. F-101 or F-102
  2. Form F-10-1
- c. Increase or Decrease of authorized capital stock
  1. SEC Form No. F-101 or F-102
  2. Requirements for Increase/Decrease of Capital Stock
- d. Merger or Consolidation
  1. SEC Form No. F-101 or F-102
  2. Requirements for merger or consolidation

#### VI. Dissolution (by shortening corporate term)

1. Amended Articles of Incorporation;
2. Notarized directors' certificate certifying (i) the amendment of the Articles of Incorporation shortening the corporate term, (ii) the votes of the directors/trustees and stockholders/members, and (iii) the date and place of the stockholders'/members' meeting which shall be signed by the majority of directors and corporate secretary;

3. List of creditors and the amount due each, if any, certified by the auditor or certified under oath by the company accountant and the written consent of each creditor, or certification as to non-existence of creditors;
4. Certification signed by the President and Treasurer certifying that-
  - i. The dissolution is not prejudicial to the interest of the creditors; and
  - ii. There is no opposition from any creditor from the time of the last publication of the notice of dissolution up to the filing of the application for dissolution with the Commission;
5. BIR tax clearance;
6. Affidavit of publication once a week for three (3) consecutive weeks in a newspaper published in the province or city where the principal office of the corporation is located, or if no newspaper is published in such place, in the business section of a national newspaper of general circulation in the Philippines of the notice of time, place and object of the meeting where the dissolution of the corporation was approved, and
7. Endorsement/clearance from other government agencies, if applicable.

#### **Additional requirements**

- i. Where the applicant has ceased operations for at least one (1) year, it shall submit :
  - a. Audited Financial Statements as of last fiscal year of operation; and
  - b. Affidavit of non-operation certified under oath by the President and Treasurer.
- ii. Where the applicant has no operation since incorporation, it shall submit:
  - a. Balance Sheet certified under oath by the Treasurer and President;
  - b. Affidavit of non-operation certified under oath by the President and Treasurer; and
  - c. Certificate of non-registration issued by BIR.
- iii. Where the applicant is a stock corporation with paid-up capital of less than P50,000.00, it shall submit its Balance Sheet as of last preceding fiscal year certified under oath by the President and Treasurer.
- iv. Where the applicant is a non-stock corporation with gross receipts of less than P100,000 or total assets less than P500,000, it shall submit its Balance Sheet as of last preceding fiscal year certified under oath by the President and Treasurer.
- v. For cases not covered by i to iv above, it shall submit its Audited Financial Statements as of last fiscal year of operation.

*Note : In cases where there are creditors and the consent of the creditors was not secured, the application should be in the form of a petition to be filed with Office of General Counsel of the SEC.*

#### **VII. Equity Restructuring**

1. Letter requesting approval to undergo equity restructuring;
2. Certification, under oath, by the corporate secretary, on the board resolution approving the equity restructuring plan; and
3. Audited financial statements as of the last fiscal year, stamped received by the SEC and the BIR.

**VIII. Creation of Additional Paid-In Capital**

1. Letter requesting approval for the creation of the additional paid in capital;
2. Certification, under oath by the corporate secretary, on the board resolution approving the creation of the additional paid-in capital; and
3. Audited financial statements as of the last fiscal year, stamped received by the SEC and the BIR.

*Note : For additional requirements: Refer to the additional requirements for Increase of the Authorized Capital Stock depending on the kind of payment on subscription.*

**IX. Certification of Percentage of Ownership**

1. Request for certification;
2. List of stockholders, showing the names, nationalities, amount subscribed and paid-up capital of each stockholder, certified by the corporate secretary.
3. Audited financial statements as of the last fiscal year, stamped received by the SEC and the BIR; and
4. Stock and transfer book of the corporation (to be presented for verification).

**A. For Partnership:****I. Amended Articles of Partnership (to change partnership name)**

1. Name Verification Slip;
2. Amended Articles of Partnership;
3. Affidavit of a partner undertaking to change partnership name; and
4. Endorsement/clearance from other government agencies, if applicable.

**II. Amended Articles of Partnership (to change partners)**

1. Amended Articles of Partnership; and
2. Deed of Assignment of partnership interest/letter of withdrawal of partner/ or affidavit of death of partner.

**III. For Other Amendments**

1. Amended Articles of Partnership

**IV. Dissolution of Partnership**

1. Articles of Dissolution; and
2. BIR Tax Clearance.

**B. For Foreign Corporations****I. Deposit or Substitution of Securities Deposited by the Branch Office**

1. Cover letter requesting acceptance of the securities deposit;
2. Photocopy of the confirmation of sale or original copy of the government bonds;
3. Letter request for earmarking of treasury bills for SEC deposit, stamped received by the Bureau of Treasury; and
4. Audited financial statements as of the last fiscal year, stamped received by the SEC and the BIR.

## II. Amendment of License of Foreign Corporations

### Basic Requirements:

1. Petition for amendment of license; and
2. Board resolution approving the amendments

### Additional requirements:

1. Amendment of corporate/partnership name
  - a. Name Verification Slip
  - b. Affidavit of a director/partner undertaking to change company name
2. Change/Appointment of resident agent
  - a. Board resolution or letter of appointment
  - b. Acceptance by the resident agent

## III. Amendment of License of Regional or Area Headquarters and Regional Operating Headquarters

### Basic Requirements:

1. Petition for amendment of license; and
2. Board Resolution approving the amendments.

### Additional Requirements

1. Amendment of corporate/partnership name
  - a. Name Verification Slip
  - b. Affidavit of a director/partner undertaking to change company name
2. Conversion of Area Headquarters to Regional Operating Headquarters
  - a. Bank Certificate or Proof that the headquarters has USD 200,000 or more.

# DEPARTMENT OF TRADE AND INDUSTRY

## BUSINESS NAME REGISTRATION

### Registration Procedure

1. Single proprietorships are required to register a business name in DTI. Registration with the DTI is optional for partnerships and corporations. However, all three are required to register their business names with the SEC.
2. Pay registration processing fee.
3. Fill-out registration form as required.
4. Obtain registration form (registration valid for five(5) years).

### Business Name Application for Single Proprietorship

1. Applications may be done through DTI's online facility, Web-enabled Business Name Registration System (WEBNRS) – <http://www.bnrs.dti.gov.ph>. Complete BTRCP Form No. 16.

*Note: It is suggested to choose three business names in case the first preference cannot be registered*

2. Documentary Requirements to be submitted to the DTI Office where the business is located
  - For Filipino citizen
    - a. Must be a Filipino citizen, at least 18 years old.
    - b. Filipinos whose names are suggestive of alien nationality must submit proof of citizenship such as birth certificate, PRC ID, voter's ID, passport
      - 1) If the applicant has a foreign sounding name acquired Filipino citizenship by naturalization, election or by other means provided by law, he must submit proof of his Filipino citizenship such as:
        - Naturalization certificate and Oath of Allegiance
        - Affidavit of election or ID card issued by the Bureau of Immigration and Deportation, or
        - Valid ID card issued by the Integrated Bar of the Philippines (IBP) or Professional Regulatory Commission
    - c. The Department of Trade and Industry (DTI) is now implementing the following registration fees for business name registration (original or renewal) depending on the territorial jurisdiction covered in the application:

Barangay	PhP 200.00
City/Municipality	PhP 500.00
Regional	PhP 1,000.00
National	PhP 2,000.00
    - d. Payment of the application fee can be made at the DTI office indicated in the Transaction Reference Number (TRN) acknowledgment form.
  - For Foreign Investor (Single Proprietorship)
    - a. Photocopy of Alien Certificate of Registration (ACR) updated the current year. Present original for comparison.
    - b. Accomplished DTI Form No. 17 under R.A. 7042
    - c. Current written appointment of Filipino Resident Agent
    - d. Clearance from other involved agencies such as Department of Science and Technology (DOST), Philippine National Police (PNP), etc.
    - e. In case of alien retailer, current year's permit to engage in retail business per R.A. 1180.

*Note : The registrant should comply with all the requirements for registration within fifteen (15) working days for the application to be processed. Otherwise, the application shall be considered abandoned.*

## LOCAL GOVERNMENT UNIT (Municipal / City Hall / Barangay Hall)

### BARANGAY CLEARANCE

*Note: This is obtained annually within the month of January. The fee and requirements vary per Barangay or village.*

#### Requirements:

- Photocopy of SEC Registration
- Articles of Incorporation/Partnership
- By-Laws
- Locational Map of the Business Site
- Lease of Contract/Agreement/Certificate
- Clearance Application Form

### LOCATIONAL CLEARANCE

*Note: The fee and requirements vary per Barangay or village.*

#### Requirements:

- Location Map
- Barangay Clearance
- Lease Contract
- SEC Registration documents
- Occupancy Permit (Building / Unit)
- Business Permit Application Form

### MAYOR'S / BUSINESS PERMIT

#### Note:

- All business establishments are required to secure a Business Permit or Mayor's Permit before the start of operations
- The permit must be renewed every January. Penalties are imposed after this period.
- Every city, municipality and LGU has a slightly different procedure, requirements and fees in their city/municipal hall.

#### Requirements:

- Accomplished Business Permit Application Form
- SEC registration documents or DTI – Business Name Certificate
- Sketch of the business location
- Locational Clearance
- Fire Safety Inspection Clearance
- Sanitary Permit (from City Health Officer)
- Barangay Clearance
- If leased, Lease Contract and attach Mayor's Permit registration of the building owner/landlord as Real Estate Lessor
- If owned, attach Transfer Certificate of Title (TCT) or Tax Declaration (photocopy)
- Registration fee (the amount depends on the type of business)
- Community Tax Certificate
- Land Tax Clearance
- Police Clearance
- City Trial Court Clearance
- Health Certificate
- Tax Identification Number



# BUREAU OF INTERNAL REVENUE

## TAX IDENTIFICATION NUMBER (TIN)

*Note: For SEC registered companies, TIN is generated in SEC upon registration*

### Requirements:

- SEC registration documents or DTI – Business Name Certificate
- In case of resident foreign corporation, “License to do Business in the Philippines”
- Mayor’s Permit
- Lease Contract
- Annual Registration fee of Php 500 paid on or before January 31 of every year

## BIR REGISTRATION OF NEW TAXPAYER

### Documentary Requirements:

1. Application for Registration
  - Application for Authority to Use Loose-leaf/Computerized Books of Accounts and/or Accounting Record (*Form No. 1900*)
  - Application for Registration for Corporations/Partnerships (Taxable/Non-Taxable) including LGUs (*Form No. 1903*)
  - Application for Registration Information Update (*Form No. 1905*)
  - Application for Authority to Print Receipts and Invoices (ATP) (*Form No. 1906*)
2. TIN Application Form
3. Sketch of business site of taxpayer, if necessary
4. Registration fee, if applicable
5. Photocopy of the following:
  - Mayor’s Permit & municipal license
  - SEC Certificate of Registration for corporation or partnership or DTI Certificate of Registration of business for single proprietorship
  - Articles of Incorporation or Partnership

## AUTHORITY TO PRINT (ATP)

### Requirements:

1. BIR Form 1906 – Application to Print Receipts and Invoices;
2. BIR Form No. 0605 – Annual Registration Fee for both taxpayer and printer;
3. BIR Form No. 1556/2306 – Certificate of Registration of taxpayer and printer;
4. Previously issued ATP (if applicable);
5. Job Order;
6. Authority to use loose-leaf (if applicable); and
7. Sample forms.

## SOCIAL SECURITY SYSTEM OFFICE

### EMPLOYER REGISTRATION

Requirements:

- Accomplished R1 form in 2 copies
- Accomplished Employment Report (SS form R1-A)
- Specimen Signature Card (SS form L-501)
- Sketch of the business location
- Certificate of Operation from the main office signed by the President, Chairman or Corporate Secretary
- Miscellaneous Payment Return (SSS Form R6) and special Bank Receipt

**DEPARTMENT OF ENERGY  
RENEWABLE ENERGY MANAGEMENT BUREAU**

**RENEWABLE ENERGY SERVICE/OPERATING CONTRACT APPLICATION**

**Nature of RE Contract**

An RE Contract is a service agreement between the Government, through the President or the DOE, and an RE Developer over an appropriate period as determined by the DOE in which the RE Developer shall have the exclusive right to explore, develop or utilize a particular RE area: Provided, That an agreement between the Government and the RE Developer for the exploration, development or utilization of biomass resources shall be covered by an RE Operating Contract only, subject to the provisions of Section 25 of this Circular: Provided, further, That *JAO No. 2008-1, Series of 2008 under R.A. No. 9367* shall govern the registration and accreditation of biofuel producers, in lieu of an RE Contract.

**a. Stages of RE Contract**

The RE Contract shall be divided into two (2) stages, namely:

- i. Pre-Development Stage – involves the preliminary assessment and feasibility study up to financial closing of the RE project; and
- ii. Development/Commercial Stage – involves the development, production or utilization of RE resources, including the construction and installation of relevant facilities up to the operation phase of the RE facilities.

**b. Conversion of RE Contract**

- i. From Pre-Development Stage to Development Stage/Commercial Stage – Upon declaration of Commerciality by an RE Developer and after due confirmation by the DOE, the RE Developer shall apply for the conversion of the RE Contract, prior to its expiration, from Pre-Development Stage to Development/Commercial Stage. The Declaration of Commerciality shall be based on the feasibility studies and/or exploration activities conducted by the RE Developer.
- ii. From Existing Service Contract/Agreement on RE Resources to RE Contracts under the Act and this Circular - For an existing RE project, the contract holder may elect to convert its Service Contract/Agreement under applicable laws by applying for an RE Contract under the Act and this Circular. The approval of such application shall be carried out on the basis of its prior rights over the contract area.

Any individual or juridical entity with a valid and existing service or development contracts and agreements with the DOE/Government for the exploration, development or utilization of RE resource shall be deemed provisionally registered as an RE Developer under the Act, which registration shall subsist until the issuance of DOE Certificate of Registration provided under Section 18 of the IRR. For this purpose, the DOE shall issue the corresponding provisional certificate of registration, pursuant to Section 39 of the IRR, upon receipt of the RE Developer's letter of intent from conversion to RE Contracts.

**Who may apply :**

All applicants for the issuance of an RE Contract shall comply with the following requirements:

1. For RE contract both during Pre-Development and Development/Commercial Stages covering all RE resources and including hybrid systems, the RE Applicant must be a Filipino or, if a corporation, must be a Filipino corporation at least sixty percent (60%) of its capitalization must be owned by Filipinos and duly registered with the Securities and Exchange Commission (SEC);
2. In the case of the exploration, development or utilization of geothermal resources, the applicant may either be a Filipino, natural or juridical, or a foreign corporation;
3. Consistent with Article XII, Section 2 of the 1987 Philippine Constitution and applicable existing laws, any foreign-owned corporation duly authorized to operate in the Philippines may apply for an RE Contract in the nature of a financial or technical assistance agreement for large-scale exploration, development or utilization of geothermal resources; and
4. In case the RE applicant is a joint venture or consortium, the partners of the joint venture or the members of the consortium shall organize themselves as a corporation registered under the Corporation Code of the Philippines.

**Checklist of Requirements****I. RE Contract Application/Proposal**

1. Letter of Intent
2. Blocking Map (showing coordinates in closed polygon)
3. Duly Accomplished RE Application Form

**A. Legal Requirements:**

1. Individual or Single Proprietorship
  - a. Birth Certificate – duly authenticated by National Statistics Office (NSO);
  - b. Certified true copy of a valid Business Permit; and
  - c. Department of Trade and Industry (DTI) Registration (if applicable).
2. Corporation/Joint Venture/Consortium
  - a. Securities and Exchange Commission (SEC) Registration – SEC certified;
  - b. By-Laws and Articles of Incorporation – SEC certified;
  - c. Original certification authorizing Company's representative to negotiate and enter into RE Contract with the DOE;
  - d. Certified true copy of a valid Business Permit;
  - e. Controlling Stockholders and Percentage of their Holdings (SEC certified General Information Sheet (GIS));
  - f. Organizational Chart of the Company;
  - g. Parent/Subsidiary/Affiliates as per latest GIS submitted to SEC (SEC Certified); and
  - h. Company Profile

**B. Technical Requirements:**

1. Track Record or Experience;
2. Work Program with Financial Commitment covering two years of Pre-Development Activities up to Financial Closing;
3. Comprehensive Curriculum Vitae of Technical and Management Personnel (with Service Agreement);
4. List of Technical Consultants with corresponding Contract between the Developer and Consultants showing their respective qualifications; and
5. List of existing company-owned and leased equipment appropriate for the RE project with corresponding description.

**C. Financial Requirements:**

1. Audited Financial Statement for the last two (2) years;
2. Unaudited Financial Statement (FS);
3. Original copy of Bank Certification to substantiate the cash balance in the un-audited FS;
4. Projected cash flow statement for the following 2 years;
5. In case of insufficient funds (newly-organized or subsidiary corporation) to finance the proposed Work Program, kindly submit financial documents of parent company or subsidiary in addition to Items C.1, C.2, C.3 and C.4 to wit:
  - a. If the parent company or subsidiary is a local/domestic entity:
    - i. Audited FS of parent company or subsidiary for the last 2 years;
    - ii. Un-audited FS of parent company or subsidiary if the filing date is 3 months beyond the date of submitted audited FS;
    - iii. Bank Certification to substantiate the cash balance in the latest FS (exact amount in words and numbers); and
    - iv. Duly certified and/or notarized guarantee or Letter of Undertaking/Support from its parent company or subsidiary to fund the proposed Work Program.
  - b. If parent company or subsidiary is a foreign entity, the requirements stated in Items C.5.a.i, C.5.a.ii, C.5.a.iii, and C.5.a.iv shall be authenticated by Philippine Consulate that has consular jurisdiction over the said parent company or subsidiary.

**II. Requirements for Conversion from Pre-Development Stage to Development / Commercial Stage**

1. Letter of Declaration of Commerciality declaring the RE project is commercially feasible and viable; and
2. Feasibility study and / or detailed engineering design of the RE project with the following corresponding documents:
  - a. Resolution of Support from host communities and host municipality;
  - b. Proof of Public Consultation;
  - c. Any form of legal documents showing the consent of the landowner if the project falls under a private land;
  - d. Department of Environment and Natural Resources (DENR):
    - i. Environmental Impact Study;
    - ii. Environmental Compliance Certificate (ECC) or Certificate of Non-Coverage (CNC); and
    - iii. Special Land Use Permit (SLUP) (*maximum duration of the permit is 3 years*) for area applied in public domain and Forest Land Use Agreement (FLAg) when converting to commercial stage.
  - e. National Commission on Indigenous Peoples (NCIP): Free and Prior Informed Consent (FPIC) / Certificate of Pre-Condition or Certification of Non-Overlap;
  - f. National Grid Corporation of the Philippines (NGCP):
    - i. Grid System Impact Study
    - ii. Interconnection Agreement, if applicable.
  - g. Energy (Electricity) Sales Agreement;
  - h. Other clearances from other concerned agencies (i.e., Maritime Industry Authority (MARINA), Bureau of Fisheries and Aquatic Resources (BFAR), Philippine Coast Guard, etc.);

- i. Proof of Financial Closing;
- j. Final area for development (geographical coordinate / Philippine Reference System of 1992 (PRS92));
- k. Payment of corresponding Application / Processing Fee; and
- l. Draft Development / Commercial RE Contract.

### III. Requirements for Conversion from Existing Contracts to RE Contracts:

- 1. Letter of Intent from the Developer requesting for the conversion of the existing Contract / Agreement to RE Contract;
- 2. Accomplishment report vis-à-vis work and financial program;
- 3. Updated Work Program; and
- 4. Such other documents that may be required by the DOE.

### ACCREDITATION OF MANUFACTURERS, FABRICATORS AND SUPPLIERS OF LOCALLY-PRODUCED RENEWABLE ENERGY EQUIPMENT AND COMPONENTS

This shall govern the registration of renewable energy (RE) manufacturers, fabricators and suppliers of locally-produced RE equipment and components and the issuance of Certificate of Accreditation for the availment of incentives under the *RE Act of 2008*.

#### A. Who may apply:

Any person, natural or juridical, registered and/or authorized to operate in the Philippines under existing Philippine laws and engaged in the manufacture, fabrication and supply of locally-produced RE equipment and components may apply for accreditation with the REMB.

#### B. Requirements

- 1. Letter of Application addressed to REMB Director;
- 2. Company Profile or Business Background- must show proof of good standing, i.e. demonstrate full compliance with the pertinent rules and regulation governing the applicant's business;
- 3. A copy of Articles of Incorporation from the Securities and Exchange Commission (SEC) or a Certificate of Registration from Department of Trade and Industry (DTI) for single proprietorship;
- 4. Nature and Scope of RE activities (RE manufacturing, fabricating, and/or supplying of locally-produced RE machineries, equipment, components and parts);
- 5. Appropriate Business Permit in the name of the Company or proprietor – that it must be actively engaged in the business involving similar activities applied for accreditation, including certified copy of Bureau of Internal Revenue (BIR) Registration;
- 6. Proof of technical, financial and physical or logistical capabilities to handle RE equipment, machinery, components and parts appropriate and commensurate to the scope of activity applied for accreditation;
- 7. Track record, if applicable; and
- 8. Such other documents as may be required by the REMB.

*Note : The processing period for any application for accreditation shall be within thirty (30) days from the date of submission of complete requirements to the REMB. No application for accreditation shall be accepted without due payment of application and processing fees.*

## APPLICATION FOR ACCREDITATION TO MANUFACTURE BIOFUELS

The DOE shall issue a Certificate of Registration with Notice to Proceed with the construction of the facilities upon complete and satisfactory submission of the requirements.

The Certificate of Registration with Notice to Proceed shall automatically be revoked upon failure to commence construction of the facilities within two (2) years from the issuance thereof.

### Requirements for Registration of Biofuel Producers:

(based on the Joint Administrative Order No. 2008-1 series of 2008)

1. Duly accomplished DOE application form;
2. Proof of payment of filing fees;
3. Registration with the Securities and Exchange Commission (SEC), Philippine Economic Zone Authority (PEZA), Cooperative Development Authority (CDA) and/or the DTI, as applicable;
4. Certification of Precondition or Certificate of Non-Overlap from NCIP for ancestral domains/lands as applicable;
5. Feasibility study demonstrating the technical, economic and ecological viability of biofuel production and Construction /Work Plan;
6. Developer's Profile;
7. Letter of Intent to supply a volume of biofuel;
8. Certification from Department of Agriculture (DA) on feedstock supply and land use or supply contract agreement (if molasses);
9. Sugar Regulatory Administration (SRA) or Philippine Coconut Authority (PCA) Registration as applicable;
10. Special Forest Land-use Agreement from DENR if the site is within untenured forest lands, as per existing rules and regulations;
11. CARP Exemption from HLURB if the land was classified prior to June 15, 1988 or DAR Land Use Conversion as applicable;
12. Environmental Compliance Certificate from DENR; and
13. LGU Clearance and Locational Clearance.

## CERTIFICATE OF ACCREDITATION (Prior to Commercial Operation of Biofuel Plant)

The DOE shall issue a Certificate of Accreditation prior to commercial operations upon the submission and compliance with the following requirements:

1. Rate production capacity in million liters per year;
2. Certificate of Fuel Additive Registration from the DOE for biofuels;
3. Completion of DOE's inspection of the facilities and on-site sample-taking of the biofuels produced;
4. Product compliance with the PNS;
5. Distribution networks and authorized distributors, if any; and
6. Program of quality management system.

The Certificate of Accreditation shall be valid for period of period of five (5) years, unless earlier revoked or suspended as provided in the Guidelines.

## NATIONAL WATER RESOURCES BOARD

### APPLICATION FOR WATER PERMIT

#### Instruction for Water Permit Applications

- A. No person shall divert or appropriate water from any public water source such as rivers, creeks, brooks, springs, lakes, lagoons, swamps, marshes, subterranean, or groundwater and sea water, without first securing a Water Permit from the National Water Resources Board.
- B. Water Permit Applications must be filed with the Office of the National Water Resources Board (NWRB).
- C. Applicants should get first a Certificate of Water Availability from NWRB.
- D. Conditional Water Permit (CWP) will be issued first with 1 year validity and extendable for another 6 months subject to compliance of the following requirements:
  1. Copy of the plans and specifications for the diversion works;
  2. Pump structure;
  3. Water measuring device and other required structures; and
  4. Daily stream flow data measurement of the proposed water source.

#### The following may file an application for Water Permit:

- a. Citizens of the Philippines;
- b. Association, duly registered cooperatives or corporations organized under the laws of the Philippines at least 60 percent of the capital of which is owned by the citizens of the Philippines;
- c. Government entities and instrumentalities, including government owned or controlled corporations.
  1. All communications to the applicant, including Water Permit, will be directed to the mailing address indicated. The National Water Resources Board must be notified immediately of any changes in address.
  2. Applicants without a TIN must first secure one from the Bureau of Internal Revenue before filing a Water Permit Application.
  3. Only citizens of the Philippines of legal age, as well as judicial persons, who are qualified by the law to exploit and develop water resources, may apply for a Water Permit.
  4. The PMMO or NWRB Official Receipt Number, the date and amount paid shall be indicated.
  5. The official name or (local name) of the river, creek, brook, lake, etc. or the words spring or groundwater, whichever is appropriate, shall be indicated.
  6. The location of the diversion point indicating the sitio/Barrio and the municipality where the diversion point is located.
  7. Indicate method of diverting water whether by dam, pump, etc.
  8. Indicate the months during the year when the flow of the stream is considered low flow (say, for example, from January to April).
  9. Indicate the amount of water applied for, expressed in liters per second.
  10. The purpose of which a Water Permit is applied for whether for Domestic, Municipal, Irrigation, Power Generation, Fisheries, Livestock Raising, Industrial, Recreational or other purposes .



11. If water will be used for irrigation, indicate the area of land in hectares and the crop to be raised.
  12. For domestic/municipal water supply, indicate the number of people served.
  13. For Industrial, such as mining, or other industrial purpose, make a brief description of the proposed project including, among others, how the water will be used, the amount of water needed for the purpose, the amount and quality of water to be discharged back to the source if any, and the proposed waste water treatment works to be provided.
  14. For hydraulic water power development, indicate the power plant rated capacity in kilowatts.
  15. Specify other uses or which Water Permit is applied for.
  16. Indicate the names of appropriators holding or claiming rights to the used of water including the amount in liters per second and nature of use, both downstream and upstream of the proposed point of diversion.
- E. Application with incomplete information and/or insufficient documentation shall not be accepted for filing
- 18-20. To be filled by NWRB Agent  
21-22. To be filled by NWRB Staff
- D. Accomplished application form must be in 4 copies and must be notarized and Notice of Water Permit Application (WPA) must be in 10 copies. The notice must be posted for 30 days at the following :
- Bulletin Board of NWRB;
  - Barangay Hall where project is located;
  - Municipal Hall where project is covered;
  - Provincial Capitol where project is covered;
  - District Engineer of the Department of Public Works and Highways;
  - Regional Director's Office of DPWH;
  - Regional Director's Office of DENR;
  - Provincial Irrigation Office (NIA);
  - Head office of NPC; and
  - Water District (if existing).

#### **Requirements in Filing Water Permit Application (Power Use)**

- A. Duly accomplished Water Permit Application and Notices.
- B. Proof of land ownership on the site where the structures will be constructed (any of the following: Certificate of Title; Tax Declaration; Deed of sale; Lease Agreement; Deed of Donation; Certificate from Local Government Unit (LGU) to utilize the source) - 2 copies
- C. Location plan and vicinity map of water source (use scale of 1:50,000) showing:
  1. Point of diversion of source of water (Longitude and Latitude); and
  2. Nature of diversion works whether temporary or permanent.
- D. CORPORATION/PARTNERSHIP – SEC Registration with Articles of Incorporation & By-Laws and Certificate of latest Corporate Financial Structure issued by the Corporate Secretary and the list of incorporators;
  - COOPERATIVE – Certificate of Registration from CDA;
  - SINGLE PROPRIETOR – Certificate of Registration from DTI;
  - WATER DISTRICT – Certificate of Conformance from LWUA;
  - BARANGAY WATERWORKS ASSOCIATION – Certificate of Registration

- E. Environmental Compliance Certificate or Certificate of Exemption (DENR-Region'l Office)
- F. Brief description of project which includes:
1. How water will be used;
  2. Amount of water needed;
  3. Power expected to be generated;
  4. Amount of water to be discharged back to source;
  5. Measures to be taken to avoid water pollution; and
  6. Scheme of development.
- G. Well drilling data (Pumping Test, Well Log Data, and Water Analysis) in case of existing groundwater source.

*NOTE: Well driller must have a valid NWRB Certificate of Registration*

- H. Other requirements as deemed necessary by the board.
1. Certificate of Endorsement from Department of Energy
  2. Certificate of Registration

**Requirements for Transfer of Water Permit:**

1. Petition for transfer
2. Copy of Water Permit
3. Posting of Notice and Order of the petition for transfer at the following offices:
  - DPWH Regional Office;
  - DPWH Engineering Office;
  - Provincial Irrigation Office;
  - Provincial Capitol;
  - Municipal Hall; and
  - Barangay Hall.
4. Payment for filing fee

**NWRB Fees and Charges (Power Generation)**

NATURE OF SERVICE	APPROVED RATES (in Php)
Application / Filing Fee	5,000.00
Transfer of Water Permit	5,000.00
Certificate of Water Availability	1,500.00

ANNUAL WATER CHARGES	WITHDRAWAL COST/LPS (in Php)			
	Base Cost	Not more than 10 lps	More than 10 lps but not exceeding 50 lps	More than 50 lps
Power Generation	5,000.00	2.75	4.25	5.50

**DEPARTMENT OF ENERGY  
ENERGY RESOURCE DEVELOPMENT BUREAU**

**COAL OPERATING CONTRACT APPLICATION**

**Application Requirements For Coal Operating Contract (COC)**

*Source: Guidelines For COC Application (PECR 4)*

**General Information**

1. Proponents may be any Filipino company or group of companies forming a joint venture or consortium.
2. If a proposal involves more than one company, the following shall be stated in the proposal:
  - Name of Operator and co-venturers; and
  - Participating Interest of each co-venturer.

The Operator shall submit the proposal in behalf of the group. The Operator shall meet all legal, technical and financial requirements while each co-venturer must be legally and financially qualified.

3. The DOE shall award one Coal Operating Contract for each Predefined Contract Area (hereinafter called Contract Area) as given in the PECR 4 Contract Area Map for Coal. The Contract Areas shall be annotated as on the said map (e.g. contract Area 1).
4. Submitted proposals shall be in both paper and digital (CD-ROM in Microsoft Word, \*.pdf or a web-legible format) copies. *Times New Roman 12 font and single line spacing* is recommended. Figures shall be submitted in an appropriate format, no larger than A3 size. If necessary for legibility, figures and maps may be submitted at a larger scale as appendices.
5. Proponents shall submit a complete set of the following documents for evaluation by the DOE-Review and Evaluation Committee (REC). The DOE-REC may require submission of additional information/documents, as may be necessary, during evaluation of the proposals for clarification purposes only. A non-refundable application fee of Php 50,000 per area shall be paid by the proponent upon submission of the proposal. The winning proponent shall be charged a processing fee of Php 30,000 per block based on DOE's Schedule of Fees and Charges in compliance with EO 197.
6. Both the original paper copy and the digital copy of the proposal shall be sent by courier, registered mail or hand delivered to:

***The Chair**  
Review and Evaluation Committee  
Department of Energy  
Energy Center, Rizal Drive  
Fort Bonifacio, Taguig City  
Metro Manila, Philippines  
Telefax : (+632) 817-8603*

The submission of proposals will be up 1130H of the announced deadline and the REC shall open the submitted proposals relative to the contracting round at 1330H on the same day. Proposals with incomplete documents shall be automatically disqualified from the contracting round.

7. The following documentation should be included in the proposal:

**Documentation Requirements**

- A brief summary of the proposal should be given.

Proponent's Name	
Nature of Application	PECR – Coal Operating Contract
Location	Example : Boljoon, Cebu
Area Number	Example : Area 1 CBS Nos. 35-I-17, -18, -57 & -58
Number of Blocks	Example: Four (4) Coal Blocks or 4,000 hectares
Salient Features	
Term	Two (2) years exploration period plus two (2) years extension. An additional 10 to 20 years for development and production period plus 3 –years extensions not exceeding 12 years
Work Program and Expenditures	

**A. Work Program Documentation**

- A.1 Work program (discussion on the application of the different exploration strategies and methodologies to be employed in delineating coal resources at depth with subsequent manpower complement should be in detailed narrative format and the Schedule of Activities in Gantt Chart) and minimum expenditure on annual basis for each activity with respect to the area or areas specified in the proposal; and
- A.2 Narrative presentation of data and information (such as geology, stratigraphy, geochemistry, geophysics, coal quality, resource estimate, resource indicators, etc.) indicating presence of coal resources at depth.

**B. Financial Documentation**

**B.1 Annual Report or comparative Financial Statements**

- Audited financial statements and annual reports for the last three (3) years or comparative audited financial statements not more than six (6) months at the date of filing;
- If latest audited financial statements are unavailable, or the audited financial statements are more than six (6) months old, unaudited financial statements duly signed by the company's finance officer and/or president not more than three (3) months old at the date of filing shall be submitted;
- Particulars of the kind of financial resources available to the proponent including capital, credit facilities and guarantees so available;
- For newly-organized subsidiary corporations with insufficient funds to finance the proposed work program, a financial statement of the proponent's Parent Company shall be submitted together with the Parent Company guarantee for full financial obligation. The financial statement of the Parent Company shall be in accordance with items (a) and (b) above; and

- e. Certified True Copy of the latest income business tax returns filed with the Bureau of Internal Revenue, and duly validated with the tax payments made thereon, if applicable.

#### B.2 Projected Cash Flow

- Projected cash flow covering a three (3) – year period to include the sources and uses of funds for future activities including other businesses/ commitments.

*NOTE : Minimum working capital must be equivalent to one hundred fifty percent (150%) of the cost of the firm work obligation for the first year of the Exploration Period on the Contract Area being applied for.*

- Working capital refers to the company’s liquid assets [liquid assets consisting primarily of cash, temporary investments (marketable securities), short-term receivables and deposits] less current liabilities. It should be net of the financial commitment from other existing service contracts (if applicable).
- In case of consortium, each member’s working capital shall be pro-rata based on its participating interest in the service contract.

#### C. Technical Documentation

- C.1 Technical and industrial qualifications, eligibilities and work related experiences of the proponent and its employees;
- C.2 Technical and industrial resources available to the proponent for the exploration, development and production of coal resources;
- C.3 Experiences, achievements and track records of the proponent and its employees related to technical and industrial undertakings; and
- C.4 Organizational and management structure of the proponent.

#### D. Legal Documentation

##### D.1 Certified True Copies of the following:

- Articles of Incorporation and by-laws;
- Securities and Exchange Commission (SEC) Registration; and
- Company Profile and/or latest General Information Sheet (GIS) submitted to the SEC.

D.2 **Original Copy of the Certificate of Authority from the Board of Directors of the proponent** authorizing a designated representative(s) to negotiate the Coal Operating Contract. The said Certificate of Authority must be executed under oath by the Corporate Secretary and, if executed abroad, must be properly authenticated by the Philippine Consulate Office.

For financial, legal and technical documentation, if the proponent is a joint venture, all entities forming part of the joint venture shall comply with the above requirements. In addition, the proponent shall submit a copy of the joint venture agreement.

## PETROLEUM SERVICE CONTRACT APPLICATION

### Requirements For Petroleum Service Contract Application Under A Contracting Round

Source: *Guidelines For PSC Application (PECR 4)*

#### General Information

1. Proponents may be any local/foreign individual company or group of companies forming a joint venture or consortium.
2. If a proposal involves more than one company, the following must be stated in the proposal:
  - a. Name of Operator and co-venturers; and
  - b. Participating interest of each co-venturer.

The Operator must submit the proposal on behalf of the group.

The Operator must meet all legal, technical and financial requirements while each co-venturer must be legally and financially qualified.

3. The DOE will award one Service Contract for each Predefined Contract Area (hereinafter called Contract Area) as given in the PECR 4 Contract Area Map for Petroleum. The Contract Areas shall be annotated as on the said map (e.g. Contract Area 1)  
A proposal covering more than one Contract Area must have separate work programs and budget for each Contract Area being applied for.
4. Submitted proposals must be in both paper and digital (CD-ROM in Microsoft Word, \*.pdf, or a web-legible format) copies. *Times New Roman 12 font and single line spacing* are recommended. Figures shall be submitted in an appropriate format, no larger than A3 size. If necessary for legibility, figures and maps may be submitted at a larger scale as appendices.
5. Proponents shall submit a complete set of the following documents for evaluation by the Review and Evaluation Committee (REC). The REC may require submission of additional information/documents, as may be necessary, during evaluation of the proposals for clarification purposes only.

A non-refundable application fee of Php 10,000.00 shall be paid by the proponent upon submission of its bid and the pre-qualification documents. A non-refundable application fee of Php 100,000.00 per area shall be paid by the proponent upon submission of the proposal and its supporting documents. The winning proponent shall be charged an additional processing fee of Php 0.48 per hectare based on DOE's Schedule of Fees and Charges in compliance with EO 197, series of 2000.

6. Proposals must be sent by courier, registered mail or hand delivered to:

**The Chair**

*Review and Evaluation Committee*

*Department of Energy*

*Energy Center, Rizal Drive*

*Fort Bonifacio, Taguig City*

*Metro Manila, Philippines*

*Telefax: (632) 817-860*

Digital submissions of the proposals may be submitted to [pecr4@doe.gov.ph](mailto:pecr4@doe.gov.ph) which must later be accompanied by paper copies of the same.

The submission of proposals will be up to 1130H of the announced deadline and the REC shall open the submitted proposals relative to the contracting round at 1330H on the same day.

7. To facilitate the effective processing of the proposal, the headings in the Guidelines for PECR4 – Petroleum shall be used. The following documentations shall be included in the proposal:

**Documentation Requirements**

A brief summary of the proposal shall be given.

Proponent’s Name	
Nature of Application	PECR – Petroleum Service Contract
Location	Example : Petroleum Contract Area 1
Area	___sq. Km. or ___ hectares
Salient Features	
Term	Exploration Period is seven (7) years consisting of ___ sub-phases, the duration of which depends on the proposed work program.
Work Program and Expenditures	Contract Year and Sub-Phase / Work Commitment / Minimum Expenditure
Minimum Footage	___ meters of test wells

**A. Work Program Documentation**

1. All proposed Petroleum Service Contracts (PSC) shall conform with the DOE Model PSC;
2. Proposed work program (discussion of the exploration strategies and methodologies to be employed in delineating petroleum resources at depth with subsequent manpower complement should be in detailed narrative format and the Schedule of Activities in a Gantt Chart) and minimum expenditure on annual/sub-phase basis for each proposed activity with respect to the area or areas specified in the proposal;
3. Narrative presentation of data and information (such as geology, stratigraphy, geochemistry, geophysics, water quality, resource estimate, resource indicators, etc.) suggesting presence of energy resources at depth; and
4. Geological and geophysical evaluation of the Contract Area applied for:

**Database**

Seismic and well data on which the geological evaluation is based must be listed, and the location must be illustrated on a base map (seismic coverage with wells) in appropriate scale (1:250,000).

**Petroleum Potential Analysis**

The following aspects for each Contract Area applied for must be described briefly:

- stratigraphic and sedimentologic framework including reservoir development and reservoir quality;
- structural framework including trap development and evaluation of seal/retention characteristics;
- basin development including source rocks, maturity and migration; and
- description of play types

The analysis must focus on aspects that are considered critical in the evaluation of the prospectivity of the Contract Area applied for.

**Prospect / Lead Evaluation**

The following aspects for each Contract Area applied for must be described briefly:

- depositional environment / reservoir type(s);
- trap and seal; and
- hydrocarbon type, source, migration and trap fill

The following documentation is required for each prospect:

- overview map with coordinates and prospect ;
- seismic and geological cross-section(s);
- seismic line showing well ties, where relevant reservoir horizon time-and-depth maps presented at identical scales; and
- seismic attribute maps

**Resources**

Brief comments may be submitted on the following:

- method of resource volume calculation;
- hydrocarbon type;
- choice of GOR and expansion/shrinkage factors;
- choice of reservoir parameters; and
- estimate of recovery factor

**Probability of Discovery**

Component probability factors and the probability of discovery must be explained and documented. The methods of risk analysis must also be briefly described.

5. Economics and development concepts of possible discoveries

**Reservoir Technology**

Production profiles shall be prepared for the different resource estimate outcomes for each prospect.

The assumptions for preparation of the profiles shall be described briefly. These shall include:

- number of development wells and flow rates;
- possible production limitations; and
- the methods by which the resources will be recovered (e.g. drive mechanisms and reservoir management)

**Technological Assumptions**

Development and transport scenarios for the different resource outcomes shall be prepared for each prospect.

In this chapter a description shall be given only of the development and transport scenarios for the expected (most likely) resource outcome.

**Prospect Economics**

Development scenarios and production profiles shall be calculated for the different outcomes in the resource distribution. Key economic parameters are calculated either by stochastic (Monte Carlo simulation) or deterministic (P10, P90 and expected/most likely) methods.

Key economic parameters shall be calculated for each prospect.

6. Work program and minimum expenditure in respect to the proposal:



**Plan for exploration and work commitment**

A description of the exploration strategy for the Contract Area applied for. This shall include:

- seismic data acquisition as appropriate;
- exploration and appraisal wells; and
- other geological and geophysical studies

A proposed minimum exploration commitment including:

- Seismic program, size and timing
  - Line km 2D
  - Aerial coverage 3D
- Well program, number and timing
  - Depth
  - Target
- Other geological and geophysical work
  - Geochemical
  - Sampling
  - Reprocessing
  - Others

Each item in the minimum exploration commitment shall be given a stipulated cost figure, the sum of which will constitute the minimum cost of the work program.

**B. Financial Documentation**

1. Annual Report or comparative Financial Statements
  - a. Audited financial statements and annual reports for the last three (3) years or comparative audited financial statements not more than six (6) months at the date of filing;
  - b. If latest audited financial statements are unavailable or the audited financial statements are more than six (6) months, unaudited financial statements duly signed by the company's finance officer and/or president not more than three (3) month's old at the date of filing shall be submitted;
  - c. Particulars of the kind of financial resources available to the proponent including capital, credit facilities and guarantees so available;
  - d. For newly-organized subsidiary corporations with insufficient funds to finance the proposed work program, a financial statement of the proponent's Parent Company shall be submitted together with the Parent Company guarantee for full financial obligation. The financial statement of the Parent Company shall be in accordance with items (a) and (b) above. If the Parent Company is a foreign company, the financial statement and guarantee shall be duly authenticated by the Philippine Consulate in the country where it is registered or where it operates; and
  - e. Certified true copy of latest income business tax returns filed with the Bureau of Internal Revenue, and duly validated with the tax payments made thereon, if applicable.
2. Projected Cash Flow
  - Projected cash flow covering a three (3)-year period to include the sources and uses of funds for future activities including other business / commitments.

*NOTE: Minimum working capital must be equivalent to one hundred (100%) of the cost of the firm work obligation (at least for the first Sub-Phase of the Exploration Period) on the Contract Area being applied for.*

- Working capital refers to the company's liquid assets [consisting primarily of cash, temporary investments (marketable securities), short-term receivables and deposits] less current liabilities. It should be net of the financial commitment from other existing service contracts (if applicable)
- In case of consortium, each member's working capital shall be pro-rata based on its participating interest in the service contract

#### C. Technical Documentation

1. Particulars of the technical and industrial qualifications, eligibilities and work-related experiences of the proponent and its employees
  - The proponent shall submit an overview of its expertise and experience in petroleum operation, development, production, and operations.
  - The proponent shall demonstrate how its expertise could contribute to cost effective exploration and possible development of the Contract Area applied for.
  - A brief summary of the proponent's experience from relevant projects within exploration, field development and operation shall also be submitted. The role and level of responsibility in the actual project shall be stated (Operator or partner).
2. Particulars of the technical and industrial resources available to the proponent for the exploration, development and production of petroleum resources
3. Particulars on the experiences, achievements and track records of the proponent and its employees related to technical and industrial undertakings
4. Operational organization, including resources, expertise and experience

#### D. Legal Documentation

1. Certified true copies of the following:
  - Articles of Incorporation;
  - By-laws of the proponents;
  - Securities and Exchange Commission (SEC) Registration; and
  - Company Profile and/or latest general information sheet submitted to the SEC
2. Original Copy of the Certificate of Authority from the Board of Directors of the proponent authorizing a designated representative(s) to negotiate the Service Contract. The said Certificate of Authority shall be executed under oath by the Corporate Secretary and, if executed abroad, shall be properly authenticated by the Philippine Consulate Office.

For financial, legal and technical documentation, if the interested party is a joint venture, all entities forming part of the joint venture shall comply with the above requirements. In addition, the interested party shall submit a copy of the joint venture agreement. Furthermore, any interested party, acting singly or forming part of a joint venture, that is organized in a foreign country shall submit documents equivalent to the above, issued by the appropriate governing body and duly authenticated by the Philippine Consulate in the country where it is registered or where it operates.

#### Summary

The proposal shall only include data, analyses, calculations, interpretations and studies that are relevant to the Contract Area applied for. All studies that are employed in the evaluation of the Contract Area shall be reviewed in a summary containing both conclusions and the arguments for the relevance of the study.

## PROCESSING OF QUALIFIED PROPONENT FOR A PETROLEUM SERVICE CONTRACT APPLICATIONS

*(Source: DOE Service Guide Manual)*

1. Round Opening and Submission of complete set/s of application requirements in paper and digital format *(90 days)*
2. Payment of application fee to participate in the PECR (Php 100,000 / area)
3. Opening of sealed (bid) proposals and determination of the completeness of the submitted proposals *(1 day)*
4. Simultaneous evaluation of the Pre-qualification/Legal, Technical and Financial documents and in-house review / endorsement to the Contracts Negotiating Panel *(45 days)*
5. Preparation of endorsement of the qualified proponent to the Secretary *(1 day)*
6. Upon receipt of Letter informing the proponent/s that their bid is qualified for evaluation, the proponent should pay the processing fee of Php 0.48 per hectare
7. Contracts negotiations / final contract and map preparations / endorsement to the Secretary *(30 days)*
8. Signing of contract ( by the DOE Secretary for local companies / by the President for foreign companies)
9. Recording / transmittal of approved contract

**PHILIPPINE COAST GUARD  
MARITIME ENVIRONMENTAL PROTECTION CONCERN**

REGISTRATION	REQUIREMENTS	PROCESSING TIME/DAY	VALIDITY	FEEES (Php)
Shipboard Oil Pollution Emergency Plan (SOPEP)	<ol style="list-style-type: none"> <li>1. Copy of SOPEP</li> <li>2. Letter of Request to CMEPCOM</li> <li>3. Certificate of Vessel Registry (CVR)/ Safety Certificate</li> <li>4. Official Receipt</li> <li>5. Vessel Diagram</li> </ol>	35 minutes	3 years	500.00
International Oil Pollution Prevention Certificate	<ol style="list-style-type: none"> <li>1. Letter of Request to CMEPCOM</li> <li>2. Copy of Accredited OWS Certificate</li> <li>3. CVR/Safety Certificate</li> <li>4. Copy of Certification Survey from the accredited surveyor</li> <li>5. Form A – Non Tanker</li> <li>6. Form B – Tanker</li> <li>7. Official Receipt</li> <li>8. Copy of Old Certificate if for Renewal</li> </ol>	5 days	5 years	1,000.00
Oil Pollution Prevention Certificate	<ol style="list-style-type: none"> <li>1. Letter of Request to CMEPCOM</li> <li>2. Copy of Accredited OWS Certificate</li> <li>3. CVR/Safety Certificate</li> <li>4. Copy of Certification Survey from the accredited surveyor</li> <li>5. Form A – Non Tanker</li> <li>6. Form B – Tanker</li> <li>7. Official Receipt</li> <li>8. Copy of Old Certificate if for Renewal</li> </ol>	2 days	5 years	1,000.00
Garbage Management Plan (GMP) and Garbage Record Book (GRB)	<ol style="list-style-type: none"> <li>1. Copy of GMP / GRB</li> <li>2. Letter of Request to MEPCOM</li> <li>3. CVR/Safety Certificate</li> <li>4. Official receipt</li> </ol>	35 minutes	5 years	500.00
Oil Record Book (ORB)	<ol style="list-style-type: none"> <li>1. Copy of ORB</li> <li>2. Letter of Request to CMEPCOM</li> <li>3. CVR/Safety Certificate</li> <li>4. Official Receipt</li> </ol>	35 minutes	No Specific Validity	240.00
Oily Water Separator (OWS)	<ol style="list-style-type: none"> <li>1. Letter of Request to CMEPCOM</li> <li>2. Application Form (OWS)</li> <li>3. CVR/Safety Certificate</li> <li>4. OWS Brochure</li> <li>5. Official Receipt</li> <li>6. Pictures with HMPECOM personnel</li> <li>7. Copy of old OWS</li> <li>8. Certificate if renewal</li> </ol>	6 days	3 years	6,300.00
Sewage Treatment Plant	<ol style="list-style-type: none"> <li>1. Letter of Request to CMEPCOM</li> <li>2. Marine Sanitation device's operating manual</li> <li>3. CVR / Safety Certificate</li> <li>4. Official Receipt</li> </ol>	10 days	5 years	5,000

ACCREDITATION	REQUIREMENTS	PROCESSING TIME/DAY	VALIDITY	FEES (Php)
Oil Spill Dispersant (OSD)	<ol style="list-style-type: none"> <li>1. Letter of Request to CMEPCOM</li> <li>2. Application Form (OSD)</li> <li>3. Testing Material /Product sample</li> <li>4. Articles of Incorporation</li> <li>5. Company Profile</li> <li>6. Official Receipt</li> <li>7. Copy of old OSD Certificate if renewal</li> </ol>	13 days	3 years	3,300
Marpol Surveyor	<ol style="list-style-type: none"> <li>1. Letter of Request to CMEPCOM</li> <li>2. Articles of Incorporation</li> <li>3. Company Profile</li> <li>4. Official Receipt</li> </ol>	6 days	3 years	1,000
Oily Waste collector (OWC)	<ol style="list-style-type: none"> <li>1. Letter of Request to CMEPCOM</li> <li>2. Articles of Incorporation</li> <li>3. Company Profile</li> <li>4. List of Equipment</li> <li>5. List of Qualified personnel,</li> <li>6. Copy of Contract with the vessel's owner</li> <li>7. Plan for the conduct of oily waste collection</li> <li>8. Emergency plan in case of injury/ accident</li> <li>9. Copy of the approved PPA permit for oily waste collection</li> <li>10. Disposal plan of waste</li> <li>11. Permit from DENR-EMB for land disposal</li> <li>12. Contract of the company for proper disposal</li> <li>13. List of transporters</li> <li>14. Transport registration Certification from DENR-EMB</li> <li>15. Official receipt</li> <li>16. Pictures with HMEPCOM Personnel</li> <li>17. Copy of old OWC Certificate</li> <li>18. Permit to transport if renewal</li> </ol>	6 days	3 years	1,600

ACCREDITATION	REQUIREMENTS	PROCESSING TIME/DAY	VALIDITY	FEEES (Php)
Tank Cleaning Contractor	<ol style="list-style-type: none"> <li>1. Letter of Request to CMEPCOM</li> <li>2. Articles of Incorporation</li> <li>3. Company Profile</li> <li>4. List of Equipment</li> <li>5. List of Qualified personnel,</li> <li>6. Copy of Contract with the vessel's owner</li> <li>7. Plan for the conduct of tank cleaning activity</li> <li>8. Emergency plan in case of injury/ accident</li> <li>9. Copy of the approved PPA permit for tank cleaning and berthing space</li> <li>10. Disposal plan of waste</li> <li>11. Permit from DENR-EMB for land disposal</li> <li>12. Contract of the company for proper disposal</li> <li>13. List of transporters</li> <li>14. Transport registration Certification from DENR-EMB</li> <li>15. Official receipt</li> <li>16. Pictures with HMEPCOM Personnel</li> <li>17. Copy of old Tank Cleaning Contractor Certificate</li> <li>18. Permit to transport if renewal</li> </ol>	6 days	1 year	1,600
Oil Spill Contingency Plan	<ol style="list-style-type: none"> <li>1. Copy of OSCP</li> <li>2. Letter of Request to CMEPCOM</li> <li>3. Company Profile</li> <li>4. Official Receipt</li> </ol>	10 days	No specific validity required	1,500
Oil Spill Boom / Oil Spill Materials	<ol style="list-style-type: none"> <li>1. Letter of Request to CMEPCOM</li> <li>2. Application Form (OSB)</li> <li>3. OSB Brochure/Catalogue</li> <li>4. Product sample</li> <li>5. Articles of Incorporation</li> <li>6. Company Profile</li> <li>7. Official Receipt</li> <li>8. Copy of old OSB Certificate if renewal</li> </ol>	6 days	3 years	1,300
Oil Sorbent Materials	<ol style="list-style-type: none"> <li>1. Letter of Request to CMEPCOM</li> <li>2. Application Form (OSM)</li> <li>3. OSM Brochure/Catalogue</li> <li>4. Product sample</li> <li>5. Articles of Incorporation</li> <li>6. Company Profile</li> <li>7. Official Receipt</li> <li>8. Copy of old OSM Certificate if renewal</li> </ol>	6 days	3 years	1,300

## DEPARTMENT OF ENERGY - OIL INDUSTRY MANAGEMENT BUREAU

### APPLICATION FOR DOE ENDORSEMENT FOR BOI REGISTRATION AND AVAILMENT OF INCENTIVES UNDER RA 8479

#### Processing for DOE Endorsement

1. Filing of Application
  - A. **BOI Registration**
    - a. Application letter addressed to the Director of Oil Industry Management Bureau (OIMB) with the following: Acknowledgment from DOE-OIMB on business engagement in downstream oil activity
    - b. Detailed description of the project (timeframe, target date of operation)
    - c. Investment Plan (project cost, list of equipment/machineries)
    - d. SEC Registration and Article of Incorporation or DTI Registration
  - B. **BOI Availment of Incentives**
    - a. Application letter addressed to the Secretary - DOE with the following:
      1. Details of application, description of investment subject for incentives availment i.e. for 3% duty:
      2. Description and details of equipment for importation (cost, supplier, loading date)
      3. Commercial invoice
      4. Certificate of no local counterpart of equipment to be imported
      5. BOI Certificate of Registration of registered project prior to incentives availment.
2. Assessment/Payment of Processing fee
3. Evaluation of application and preparation of Memorandum of Approval (MOA) and Endorsement Certificate (EC)
4. Recommend approval for the issuance of MOA and EC
5. Signing of MOA and EC
6. Recording and releasing of MOA and EC

## ISSUANCE OF DOE 2<sup>nd</sup> ENDORSEMENT FOR SEC REGISTRATION (Downstream Oil Industry Activities)

### Processing for Issuance of DOE 2<sup>nd</sup> Endorsement for SEC Registration

1. Submission of Application
  - Letter of application for endorsement addressed to the Director of Oil Industry Management Bureau (OIMB) together with a copy of applicant's SEC Articles of Incorporation and By-Laws
2. Assessment and Payment of Fees
3. Evaluation /preparation of DOE Endorsement to SEC / Letter to SEC Applicant
4. Endorsement of 2<sup>nd</sup> Endorsement to SEC / Letter to SEC applicant for approval
5. Approval / Signing of 2<sup>nd</sup> Endorsement to SEC by the Director of OIMB
6. Recording / Releasing of 2<sup>nd</sup> Endorsement / Letter to SEC applicant

## APPLICATIONS FOR CERTIFICATE OF AVAILING OF EXPORT INCENTIVES

### Processing of Applications for Certificate of Availing of Export Incentives

1. Submission of application
  - Letter request addressed to the Director of Oil Industry Management Bureau (OIMB) with the following attachments:
    - Commercial Invoice
    - Bill of Lading
    - Certificate of Quantity
    - Certificate of Quality
    - Certificate of Origin
    - Cargo Manifest
2. Evaluation of Application/ Preparation of Export Incentive Certificate (EIC)
3. Endorsement of EIC
4. Approval of Acknowledgment Letter by OIMB Director
5. Recording/Releasing of Acknowledgment Letter



## **TANKER APPLICATIONS FOR DOE ENDORSEMENT TO MARINA FOR CHARTERING / IMPORTATION / LOCAL CONSTRUCTION / CONVERSION OF SERVICE**

### **Processing of Tanker Applications for DOE Endorsement to Marina for Chartering/Importation/Local Construction/Conversion of Service**

1. Submission of Application
  - Letter of application for endorsement addressed to the Director of Oil Industry Management Bureau (OIMB) with the following requirements:
    - Domestic tanker statistics in support to endorsement request
    - Vessel particulars
2. Assessment and Payment of Fees
3. Evaluation/Processing of Application/Preparation of Memorandum of Approval (MOA) and Endorsement Certificate (EC)
4. Recommendation/Endorsement of MOA and EC
5. Approval and Signing of MOA and EC
6. Recording and Releasing of MOA and EC

## **CERTIFICATE OF COMPLIANCE FOR NOTICE OF IMPORTATION/EXPORTATION OF CRUDE OIL, FINISHED PETROLEUM PRODUCTS, LUBES AND SPECIALTY PRODUCTS**

### **Processing/ Issuance of Acknowledgment of Notice of Importation/Exportation of Crude Oil, Finished Petroleum Products, Lubes and Specialty Products**

1. Assessment and Processing of Fees
  - List of Requirements**
  - For Import Notice (Must be submitted not later than 1 day prior to loading)
    - Letter of notification duly signed by the importer with details on name and address of the exporter and consignee, type and quantity of cargo, loading and discharge ports and dates, price (FOB \$bbl) and vessels particulars with attached proforma invoice and guaranteed specification.
  - For Export Notice (Must be submitted not later than 10 days after the departure of shipment)
    - Letter of notification duly signed by the exporter with details on name and address of the exporter, type and quantity of cargo, loading and discharge ports and dates, price (FOB/CFR/CIF \$bbl) and vessels particulars with attached Bill of Loading, Export Manifest and Release Certificate, Certificate of Quality
2. Submission and Receipt of Import/Export Notice
3. Logging and assigning of Reference Number
4. Evaluation of notice/preparation of Certification Letter
5. Endorsement for approval of Certification Letter
6. Recording and releasing of Certification Letter

## ACKNOWLEDGMENT OF NOTICES

- Prior to engagement in lubes business manufacturing, recycling and marketing
- Prior to importation/exportation of lubes and specialty products

### List of Requirements

- For Recycling / Manufacture
  - Business Permits
  - SEC/DTI Registration
  - Business Plan, scope of activity, facility, process storage & production capacity
  - Clearances
  - Fire Safety Inspection Certificate
- For initial importation/exportation
  - Business Permit
  - SEC & DTI registration
- For succeeding importation/exportation

### Procedures:

1. Filing of Notification letter prior to engagement in lubes recycling and manufacturing, marketing/importation, exportation
2. Evaluation of Notice and Preparation of Acknowledgment
3. Approval of Acknowledgment
4. Releasing of Acknowledgment

## ACKNOWLEDGMENT FOR NOTICE PRIOR TO ENGAGEMENT IN THE DOWNSTREAM OIL INDUSTRY

### Issuance of Acknowledgment for Notice Prior to Engagement in the Downstream Oil Industry

1. Submission of Notice to Engage

#### List of Requirements:

- Application letter with business name, address, telephone and fax numbers
  - Project or business plan indicating the scope of operation/activity
  - List of facilities (Process and Storage) to support the proposed business
  - Process description flowchart, plant capacity and production rate
  - Product guaranteed specifications for LPG/Liquid fuels outlets in addition to the above
  - Authenticated copies of
    - Mayor's permit, SEC and DTI registration, location/zoning clearance
    - Fire safety inspection certificate of the facilities
    - Certificate of conformance of facilities to national or accepted international standards on health, safety and environment
    - Product liability insurance certificate or Product certificate of quality
    - Environmental compliance certificate, if applicable
2. Assessment and Payment of Fees
  3. Evaluation of Notice/Preparation of Acknowledgment
  4. Review/Endorsement of Acknowledgment
  5. Approval/Signing of Acknowledgment
  6. Recording and Releasing of Acknowledgment

## **CERTIFICATE OF ACCREDITATION OF OIL COMPANY PARTICIPANTS TO THE FUEL-BIOETHANOL PROGRAM UNDER RA 9367 OR BIOFUELS ACT 2006**

1. Submission of letter request addressed to the Director Oil Industry Management Bureau including business profile, address, telephone and fax numbers together with the following:
  - Copy of BIR permit to import denatured alcohol as well as producer of ethanol-blended gasoline;
  - Timetable of product launching or introduction of product into the market;
  - Location, tank ID number and capacity (MB) of dedicated storage tanks duly approved by the Bureau of Internal Revenue (BIR) and/or the Bureau of Customs (BOC), as the case may be, subject to issuances or regulations of said agencies;
  - The corresponding work, maintenance and/or retrofitting program being undertaken to ensure compatibility of the retail outlet/s equipment/facility to handle and dispense E-gasoline products for the listed stations that will market E10; and
  - Submission of list of retail outlets that will market E-gasoline.
2. Evaluation/Preparation/Approval for accreditation
3. Assessment of corresponding fees
4. Releasing of Certificate of Accreditation to the Applicant

## **CERTIFICATE OF COMPLIANCE (COC) FOR LIQUID FUEL RETAIL/SERVICE STATION**

### **Procedures**

1. Filing of Notice to engage in the Retailing of LPP and Submission of Reportorial Requirements DC 2003-11-010 (Retail Rules)
2. Desk Evaluation
3. Field Validation and Inspection
4. Assessment and Payment of fees
5. Preparation and Approval of COC
6. Recording and Releasing of COC to Applicant

### **Requirements for Certificate of Compliance (COC)**

1. Letter of Intent / Notice to Engage
2. Current year Barangay Business Clearance
3. DTI/SEC Registration
4. Zoning/Locational Clearance (LGU Concerned)
5. Environmental Compliance Certificate or Certificate of Non-Coverage issued by DENR
6. Building Permit (LGU concerned)
7. Current year Fire Safety Inspection Certificate
8. Reference Standards/PNS compliant statement (Certification) for Facility/Design & Operation duly signed by either the Architect or the Engineer assigned with the construction of the station
9. Current year Mayor's Business Permit
10. List of dispensing pumps, storage tanks with corresponding capacities
11. Lay-out plan of the station
12. 5R pictures (not scanned) showing the full view of the station, RON posting, E-10 stickers posted at the dispensing pumps, price display board and informational signs
13. Retailership Agreement/Supplier's Certificate
14. Copy of the expired/previous COC (for the existing facilities)

## **PROCESSING OF STANDARDS COMPLIANCE CERTIFICATE (SCC) & CERTIFICATE OF NON-COVERAGE (CNC) FOR AUTO LPG**

1. Submission of Complete Set of Documentary Reportorial Requirements
2. Desk Evaluation
3. Field Validation and Inspection
4. Assessment of Application
5. Preparation and Approval of SSC/CNC
6. Recording and Releasing of SSC/CNC

### **DOCUMENTARY & REPORTORIAL REQUIREMENTS FOR AUTO-LPG BUSINESS**

(as embodied in Department Circular No. 2007-02-0002)

#### **Documentary Requirements**

- a. Prior to Engagement in Auto-LPG Business:
  1. Business name, address, telephone/fax number of the business office;
  2. Proposed location and complete address of Auto-LPG Dispensing Station;
  3. Project or business plan indicating the scope of operation/activity; and
  4. List of facilities and proof of availability of such facilities to support the proposed business.
- b. Prior to Commencement of Construction:
  1. Department of Trade and Industry/Securities and Exchange Commission registration;
  2. Environmental Compliance Certificate or applicable certificate/permits/licenses issued by the DENR-EMB or LLDA;
  3. Zoning/Locational Clearance;
  4. Building Permit; and
  5. Barangay Clearance for the proposed location.
- c. Prior to Operation:
  1. File a notice to the OIMB of their official start of business at least five (5) days prior to the start of actual operations;
  2. Current Fire Safety Inspection Certificate (BFP) and Mayor's/Business Permit;
  3. PNS Compliance Statement for Facility Design and Operation;
  4. List of Auto-LPG station personnel and proof of training and qualification;
  5. List of dispensers, storage tanks, and bullet trucks/lorries with its corresponding Certificate of Approval or any other similar documents as provided by the equipment supplier/manufacturer; and
  6. Engineering lay-out plan and latest photograph of the Auto-LPG Dispensing Station. Such lay-out plan duly signed by a company designated project engineer shall indicate the following information, among others:
    - Number of tanks and type of installation;
    - Location and distances between building structures and facilities and equipment;
    - Ingress and Egress;
    - Perimeter wall/property boundaries; and
    - Location and identification of dispensing units/including hose reach zone.
- d. Other requirements or information as may be required by the DOE-OIMB, such as, but not limited to, change of dealership or business name, expansion of LPG activity and temporary or permanent closure.

**For Auto-LPG Dispensing Station:**

1. Quarterly Sales and Purchase Volume;
2. Applicable permits for any new, additional, renovated or refurbished facilities and/or changes in their respective operation within five (5) days prior to commissioning or decommissioning, as the case may be; and
3. List of qualified station personnel/attendant as provided for in Section 9 (c) of this Rule.

**PROCESSING OF CERTIFICATE FOR HOUSEHOLD LPG**

1. Submission of Complete Set of Documentary and Reportorial Requirements
2. Desk Evaluation/Review and Checking of Documents
3. Assessment and Payment of Fee
4. Preparation and Approval of Certificate
5. Recording and Releasing of Certificate

**CHECKLIST OF DOCUMENTARY REQUIREMENTS**

(as embodied in the IRR of the Downstream Oil Industry Deregulation Act of 1998)

**1. Documentary Requirements for Refiller**

- A. One-Time Submission
  1. Letter Notice to OIMB Bureau Director/Filing of Notice and it shall contain business name, brand name, address, and telephone/fax number.
  2. Project or Business Plan
  3. List of Facilities and proof of its availability
  4. Building Permit
  5. DTI/SEC Registration
  6. Locational/Zoning Clearance
  7. Environmental Compliance Certificate
  8. Certificate of Conformance of Facilities to National or accepted International Standards on Health, Safety, and Environment.
- B. Annual Reportorial Requirements
  1. Mayor's Permit
  2. Fire Safety Inspection Certificate
  3. Product Liability Insurance or Product Certificate of Quality
- C. Semi-annual Reportorial Requirements
  1. LPG Filling Plant Profile
  2. Requalification Report on Cylinders
  3. Listing of Dealers
  4. Listing of Retail Outlets
- D. Others
  1. Inventory of cylinders (owned and on hand)
  2. Sales Volume per month

**2. Documentary Requirements for Dealer**

- A. One-Time Submission
  1. Letter Notice to OIMB Bureau Director/Filing of Notice and it shall contain business name, brand name, address and telephone/fax numbers
  2. DTI/SEC Registration
  3. Environmental Compliance Certificate (if applicable)

- B. Annual Reportorial Requirements
  - 1. Mayor's Permit
  - 2. Fire Safety Inspection Certificate
  - 3. Barangay Permit
- C. Semi Annual Reportorial Requirements
  - 1. Listing of Retails Outlets
- D. Others
  - 1. Inventory of cylinders (owned and on hand)
  - 2. Sales Volume per month
  - 3. Certification from Supplier
- 3. Documentary Requirements for Retail Outlet**
- A. One-Time Submission
  - 1. Letter Notice to OIMB Bureau Director/Filing of Notice and it shall contain business name, brand name, address, and telephone/fax numbers
  - 2. DTI/SEC Registration
- B. Annual Reportorial Requirements
  - 1. Mayor's Permit
  - 2. Fire Safety Inspection Certificate
  - 3. Barangay Permit
- C. Others
  - 1. Certification from Supplier

### REGISTRATION OF FUEL ADDITIVES

Submission of Accomplished Additive Registration Form with Supporting Documents

List of Requirements/Attachments

- Pre-Manufacturing & Pre-Importation (PMPIN Certificate)
- Materials Safety Data Sheet (MSDS) with the following info :
  - Chemical Components
  - Percent Composition
  - CAS registry no.
  - Physiochemical characteristics
  - Toxicity Information
  - Regulatory Status
- Complete Product Info Brochure, Analytical Method/technique to detect its presence, Concentration Limit, Emission Results, Engine Performance, Feasibility Studies
- Authenticated copies of government permits : SEC/DTI registration, Mayor Business Permits
- PMPIN abbreviated application (if any)
  - Evaluation of documents and preparation of Memorandum of Approval (MOA) for Permanent
  - Registration and Certificate of Fuel Additive Registration (CFAR)
  - Review and endorsement for the approval of MOA
  - Approval and Signature of DOE Secretary
  - Recording and Releasing of CFAR

## NATURAL GAS INDUSTRY

### DEPARTMENT OF ENERGY NATURAL GAS OFFICE

#### APPLICATIONS FOR PERMIT IN THE DOWNSTREAM NATURAL GAS SECTOR

##### Processing of Applications for Permit

1. Submission of Application Permit Requirements to the Director, Oil Industry Management Bureau
  - a. Letter of Intent ( LOI)
  - b. Project Proposal
  - c. Business Plan
  - d. Other documents required as listed below
2. Evaluation for completeness and compliance of requirements
3. Payment of Filing Fee (Fee to be determined)
4. Order for Notice of Hearing and Publication
5. Publication of DOE Order
6. Conduct of Public Hearing
7. Site Visit
8. Evaluation of Application for Technical, Financial, Legal, Completeness of Requirement
9. Submission of Pertinent Documents (arising from technical, financial, legal requirements)
10. Finalization of Permit to Supply Natural Gas
11. Endorsement for Approval of Permit
12. Approval of Permit
13. Releasing of Permit

##### Documents to Accompany Application for Permit to Supply Natural Gas

All applications for Permit to Supply Natural Gas shall be accompanied by such documents as are applicable and relevant, in the form of exhibits, including but not limited to the following:

- a) Certificate of Registration with the Securities and Exchange Commission (SEC), if applicant is a corporation; or Certificate of filing of Amended Articles of Incorporation and By-Laws, for existing corporations when applicable;
- b) Company/Corporation profile and organizational structure (Philippines and abroad) indicating complete names and positions of personnel and their respective roles and assignment;
- c) Complete name and complete address of company/corporation (abroad and/or in the Philippines);
- d) A certified true copy of applicant's Articles of Incorporation and By-laws, if the applicant is a corporation;
- e) A list of the names and business address of applicant's officers and directors, or similar officials, if the applicant is not a corporation;
- f) If the applicant or any of its officers or directors, directly or indirectly, owns, controls, or holds with power to vote, ten (10) percent or more of the outstanding voting shares of any Person or organized group of Persons engaged in Production, Transmission, Distribution, or pricing of Natural Gas, or of any Person or organized group of Persons engaged in the construction

- or financing of such enterprises or operations, a detailed explanation of each of the above relationships, including the percentage of voting strength represented by such ownership of shares. If any Person or organized group of Persons, directly or indirectly, owns, controls or holds with power to vote, ten (10) percent or more of the outstanding voting securities of applicant a detailed explanation of each such relationship;
- g) A certified true copy of the applicant's Gas Supply Contract with its prospective customer showing details of its pricing formula and/or pricing mechanism or Pro-forma copies of contracts to be entered into with potential customers for the CNG Refueling Facility. The supply contract shows volume of natural gas supplied is within the contracted volume.
  - h) A system-wide estimate of the quantity of Natural Gas and rate of delivery during each year to its customer showing:
    - a. Names and locations of Customers, showing the number of residential, commercial, firm industrial interruptible industrial, and other types of Customers and the names locations of each firm and interruptible Customer or more per calendar year together with an explanation of the end use to which each of these industrial Customers will put the gas;
    - b. Where applicable, total annual and peak day or hourly gas requirements by classification of service in subsection (1) above, divided as follows:
      - 1. For each Gas Distribution Utility where Natural Gas is sold by applicant at retail;
      - 2. For each buyer under a Gas Sales and Purchase Contract;
      - 3. For all main line direct industrial gas Customers; and
      - 4. Pipeline use and unaccounted for Natural Gas for both the applicant and each buyer under a Gas Sales and Purchase Contract;
    - c. Explanation and derivation of basic factors used in estimating future requirements, and full details concerning all other sources of Natural Gas supply available to applicant and to each of its Customers;
  - i) International Standards used in hauling/delivery, storage, and handling/dispensing of natural gas to customer;
  - j) Other LOI/documents/contracts on market for natural gas (customers) who will be supplied by the applicant;
  - k) Sources of supply of natural gas that will be delivered to the prospective customers, duration of contract for the supply of natural gas to customers;
  - l) Cost of conversion of potential market /industries, if applicable; and
  - m) Mode of transporting supply of natural gas to customers

#### **Documents to Accompany Application for Pipeline Permit**

*(Source : DOE Circular No. 2002-08-005)*

All applications for Pipeline Permits shall be accompanied by such documents as are applicable and relevant, in the form of exhibits, including but not limited to the following:

- a) Certificate of Registration with the Securities and Exchange Commission, if applicant is a corporation; or Certificate of Filing of Amended Articles of Incorporation and By-Laws, for existing corporations when applicable;
- b) Company/Corporation profile and organizational structure(Philippines and abroad) indicating complete names and positions of personnel and their respective roles and assignment;



- c) Complete name and complete address of company/corporation (abroad and/or in the Philippines);
- d) A certified true copy of applicant's Articles of Incorporation and by-laws, if the applicant is a corporation;
- e) A list of the names and business addresses of applicant's officers and directors, or similar officials, if the applicant is not a corporation;
- f) If the applicant or any of its officers or directors, directly or indirectly, owns, controls, or holds with power to vote, ten (10) percent or more of the outstanding voting shares of any Person or organized group of Persons engaged in Production, Transmission, Distribution, or pricing of Natural Gas, or of any Person or organized group of Persons engaged in the construction or financing of such enterprises or operations, a detailed explanation of each of the above relationships, including the percentage of voting strength represented by such ownership of shares. If any Person or organized group of Persons, directly or indirectly, owns, controls or holds with power to vote, ten (10) percent or more of the outstanding voting securities of applicant a detailed explanation of each such relationship;
- g) A certified true copy of the application for Environmental Compliance Certificate with the DENR including its Environmental Impact Statement;
- h) A certified true of Applicant's Pipeline Concession or Franchise or charter where the applicant is a government-owned or controlled corporation;
- i) A certified true copy of the applicant's Service Contract where the Pipeline is to be constructed and operated as part of Petroleum Operations;
- j) A geographical map of suitable scale and detail showing:
  - 1. Location, length and capacity of the Pipeline;
  - 2. Location and size (rated horsepower) of compressor stations;
  - 3. Location and designation of each point of connection of proposed facilities with Customers and Franchises showing communities and Customers taking delivery of more than 10,000 MCF or 283 MCM of gas in any calendar month; and
  - 4. Whether the locations designated in 3) are to be served at wholesale or retail, and gas fields, or other sources of gas supply.
- k) A flow diagram showing daily design capacity reflecting conditions with proposed facilities in operation, including:
  - 1. Diameter, wall thickness and length of pipe proposed to be installed;
  - 2. Size, type and number of proposed compressor units, horsepower required, horsepower proposed to be installed, quantity of Natural Gas to be used as fuel, suction and discharge pressures and compression ratio;
  - 3. Pressures and volumes of Natural Gas at the main line inlet and outlet connections at each compressor station;
  - 4. Pressures and volumes of Natural Gas at each entry and exit point at the beginning and terminus of the proposed pipeline;
  - 5. Maximum deliveries which applicant's proposed Pipeline would be capable of achieving under most favorable operating conditions with utilization of all facilities with and without compression.
- l) A description of engineering design data to support the diagrams above-mentioned and the proposed project, which explain:

1. Assumptions, bases, formulae and methods used in the development and preparation of such diagrams and accompanying data;
  2. A description of the pipe and fittings to be installed, specifying the diameter, wall thickness, yield point, ultimate tensile strength, method of fabrication and methods of testing proposed;
  3. When a pipeline is to be looped by construction of a parallel pipeline, the length and size of the pipeline each loop;
  4. If the daily design capacity shown in subsection (j) is predicated upon an ability to meet each Customer's maximum contract quantity of the same day, explain the reason for such coincidental peak-a-day design. If the design day capacity shown in subsection (j) is predicated upon an assumed utilization factor, state that factor and explain its derivation.
- m) A statement by applicant describing:
1. The Service Contract areas accessible to the Pipeline that contain sufficient existing or potential Natural Gas supplies for the initial and subsequent stages of a proposed development project associated with the construction or extension, and of the Pipeline; and
  2. How the Service Contract areas are to be connected to the Pipeline;
- n) The proposed route of the Pipeline together with:
1. A map showing surface land-use and occupation;
  2. A list of the names of the landowners; and
  3. A copy of the proposed access agreement or easements to be entered into with landowners.

Provided that the submission of requirements 2 and 3 herein may be deferred to anytime before the Permit is issued by the DOE.

- o) A system-wide estimate of the quantity of Natural Gas and rate of delivery during each of year of the Pipeline's full operation as well as the period when the Pipeline is used for commissioning and build up of delivery, together with:
1. Names and locations of Customers, showing the number of residential, commercial, firm industrial interruptible industrial, and other types of Customers and the names and locations of each firm and interruptible Customer whose estimated consumption totals 283 MCM or more in any calendar month or 2,830 MCM or more per calendar year together with an explanation of the end use to which each of these industrial Customers will put the gas;
  2. Where applicable, applicant's total annual and peak day or hourly gas requirements by classification of service in subsection (1) above, divided as follows:
    - i. For each Gas Distribution Utility where Natural Gas is sold by applicant at retail;
    - ii. For each buyer under a Gas Sales and Purchase Contract;
    - iii. For all main line direct industrial gas Customers; and
    - iv. Pipeline use and unaccounted for Natural Gas for both the applicant and each buyer under a Gas Sales and Purchase Contract.
  3. Explanation and derivation of basic factors used in estimating future requirements, and full details concerning all other sources of Natural Gas supply available to applicant and to each of its Customers.

- p) If it is assumed that proposed Customers in new areas or firm and interruptible direct industrial Customers whose estimated consumption totals 283 MCM or more in any calendar month or 2,830 MCM or more in any calendar year, will convert from other fuels to Natural Gas, to the extent possible, state the basis for such assumption and include a study showing estimated cost of converting Customer's facilities to Natural Gas. The study should indicate the number of Customers of each of the other fuels which the applicant anticipates will convert to Natural Gas and the current cost of fuel to be displaced compared to the cost of Natural Gas on an equivalent Joule basis;
- q) A detailed estimate of total capital cost of the Pipeline for which application is made, showing cost of construction by operating units such as compressor stations main Pipelines, laterals, measuring and regulating stations and separately stating the compensation for right-of-way, landowner damages, surveys, materials, labor, engineering and inspection, administrative overhead, fees for legal and other services, allowance for funds used during construction and other contingencies. Include a brief statement indicating the source of information used as the basis for the above estimate. If not otherwise stated, submit data on preliminary bids, if any, for the proposed facilities and recent experience cost data for facilities of similar character;
- r) Plans for financing the proposed facilities for which the application is filed supported by documents describing:
1. The ratio of equity and debt to total financing;
    - i. For equity financing, names and addresses of stockholders, the respective equity contribution by value (paid-up and not paid-up) and type;
    - ii. For debt financing, type of debt instruments, their maturities, respective share in total debts, source of debt financing, i.e., whether domestic or foreign.
  2. A statement of anticipated cash flow, including provision during the period of construction and the first three (3) full years of the Pipeline's capital requirements including interest and dividends;
  3. A balance sheet and income statement for three (3) years from the most recent date available;
  4. Certified true copies of all applications and supporting exhibits, registration statements or other similar submissions, if any, to the Securities and Exchange Commission, including all supplements, changes or modification of the above; and
  5. Any additional data and information upon which the applicant proposes to rely in showing to adequacy and availability to it of resources for financing the Pipeline.
- s) A concise statement setting forth arrangements for supervision, management, engineering, accounting, legal or other similar services that will not be performed by employees of the applicant, including references to any existing or contemplated agreement to be entered into in connection with the construction or operation of the Pipeline together with a statement showing any affiliation between the applicant and any parties to such agreements or arrangements referred to in paragraph (d) above;
- t) Provide reference tariff, Indicative Tariff as well as any Tariff for which approval will be sought from the ERC, and depreciation rates calculated according to the prescribed methodology and rate setting procedures of the ERC; and
- u) Pro-forma copies of contracts to be entered into with third parties for the Transmission or Distribution of Natural Gas, including any code of operations of transmission policy.

### Documents to Accompany Application for Permit for the Construction & Maintenance, Expansion and Modification of Natural Gas Transmission- and/or Distribution-Related Facilities

All applications for Natural Gas Transmission- and/or Distribution-Related Facilities Permits shall be accompanied by such documents as are applicable and relevant, in the form of exhibits, including but not limited to the following:

- a) Certificate of Registration with the Securities and Exchange Commission, if applicant is a corporation; or Certificate of Filing of Amended Articles of Incorporation and By-Laws, for existing corporations when applicable;
- b) Company/Corporation profile and organizational structure(Philippines and abroad) indicating complete names and positions of personnel and their respective roles and assignment;
- c) Complete name and complete address of company/corporation (abroad and/or in the Philippines);
- d) A certified true copy of applicant’s Articles of Incorporation and by-laws, if the applicant is a corporation;
- e) A List of the names and business addresses of applicant’s officers and directors, or similar officials, if the applicant is not a corporation;
- f) If the applicant or any of its officers or directors, directly or indirectly, owns, controls, or holds with power to vote, ten (10) percent or more of the outstanding voting shares of any Person or organized group of Persons engaged in Production, Transmission, Distribution, LNG Terminal and Regasification facility or pricing of Natural Gas, or of any Person or organized group of Persons engaged in the construction or financing of such enterprises or operations, a detailed explanation of each of the above relationships, including the percentage of voting strength represented by such ownership of shares. If any Person or organized group of Persons, directly or indirectly, owns, controls or holds with power to vote, ten (10) percent or more of the outstanding voting securities of applicant a detailed explanation of each such relationship;
- g) A certified true copy of the application for Environmental Compliance Certificate with the DENR including its Environmental Impact Statement;
- h) A certified true copy of the applicant’s Contract for Supply of natural gas, CNG or LNG and/ or any legal contract that binds supply agreement between supplier and buyer;
- i) Hard Copy and Electronic Copy (for easy enlargement of details) of Original maps, plans, schematic diagrams, and flow diagrams of suitable, clear and readable scale and detail showing:
  - 1) Location, area and of the facility;
  - 2) Location and size (rated horsepower) of compressor units/stations;
  - 3) Location and designation of each point of connection of proposed facilities with Customers;
  - 4) Determine whether the locations designated in 3) are to be served at wholesale or retail, (if applicable);

Geographical/vicinity/location map (indicate which way is North – South – West - East, barangay, town, city, province, road/highway location, neighbors, establishments, fields), area, perimeter;

Plans- Floor Plans, schematic, and flow diagrams of the LNG Facility, with complete labels, specifications, operating conditions and dimensions. Indicate location and arrangement

of components- all equipment, machineries, storage tanks, jetty, pipelines, metering, tees, bends, connections, regulators, valves, fittings, pigging, materials used, natural gas/CNG/LNG control, electrical, water, SCADA, safety/security systems;

- 5) Design and operating capacity of LNG Facility;
 

Size, specifications, ratings/capacity, materials used, operating temperatures and pressures, type/brand/make (including where built, date built) of all equipment, machineries, storage tanks, jetty, pipelines, metering valves, fittings, including insulations;

Maximum deliveries which applicant's proposed facility would be capable of achieving under most favorable operating conditions with utilization of all facilities with and without compression; and
  - 6) Detailed flow diagram of natural gas/CNG/LNG from supply source to outlet/output to customers; For LNG facility, indicate the liquid state and gaseous state of natural gas in the flow system diagram (color coded);
- j.) The proposed location of the facility:
1. A map showing surface land-use and occupation;
  2. A list of the names of the landowners;
  3. A copy of the proposed access agreement or easements to be entered into with landowners; and
  4. A certified true copy of lease/rent/access agreement including period of lease/rent and name of lessor.

Provided that the submission of requirements 2 and 3 herein may be deferred to anytime before the Permit is issued by the DOE.

- k.) A system-wide estimate/calculation of the quantity of natural gas/CNG/LNG delivery requirement versus demand from prospective customers;
- l.) A detailed estimate of total capital cost of the facility for which application is made, showing cost of construction by operating units and separately stating the compensation for right-of-way, landowner damages, surveys, materials, labor, engineering and inspection, administrative overhead, fees for legal and other services, allowance for funds used during construction and other contingencies. Include a brief statement indicating the source of information used as the basis for the above estimate. If not otherwise stated, submit data on preliminary bids, if any, for the proposed facilities and recent experience cost data for facilities of similar character;
- m.) Name of contractors, consultants, engineering specialists, suppliers, designers involved in the construction of the facility; Engineering, Procurement and Construction (EPC) Contract and/or Project Management (PM) Contract with reputable companies with the established track record in the natural gas facility design, engineering and construction;
- n.) Plans for financing the proposed facilities for which the application is filed, supported by documents describing:
  1. The ratio of equity and debt to total financing;
    - i. For equity financing, names and addresses of stockholders, the respective equity contribution by value (paid-up and not paid-up) and type;
    - ii. For debt financing, type of debt instruments, their maturities, respective share to total debts, source of debt financing, i.e., whether domestic or foreign;

2. A statement of anticipated cash flow, including provision during the period of construction and the first three (3) full years of the Pipeline's capital requirements including interest and dividends;
  3. A balance sheet and income statement for three (3) years from the most recent data available;
  4. Certified true copies of all applications and supporting exhibits, registration statements or other similar submissions, if any, to the Securities and Exchange Commission, including all supplements, changes or modifications of the above;
  5. Any additional data and information upon which the applicant proposes to rely in showing the adequacy and availability to it of resources for financing the Transmission-and/or Distribution-related facilities.
- o.) A concise statement setting forth arrangements for supervision, management, engineering, accounting, legal or other similar services that will not be performed by employees of the applicant, including references to any existing or contemplated agreement to be entered into in connection with the construction or operation of the facility together with a statement showing any affiliation between the applicant and any parties to such agreements or arrangements referred to in paragraph (g) above;
  - p.) Names of all testing authorities and other inspection services and contractors to be employed in quality surveillance of materials and fabrication and shall confirm that such testing authorities and inspection services meet the requirements of the ISO or its equivalent;
  - q.) International Standards for : storage and handling of natural gas/CNG/LNG; fire safety & prevention; natural gas/CNG/LNG leak safety, prevention, containment; seismic design of facilities considering other calamities;
  - r.) Information on other international facility designed similarly as the proposed facility;
  - s.) Profile of carriers, trucks, trailers: owners of vessels/trucks/trailers, terms, number and capacity of vessels/trucks/trailers, type, specifications, manufacturers, where built, age/date built of vessels/trucks/trailers to be used, compliance with international Maritime Organization International Code for equipment of ships carrying CNG/LNG in bulk, contracts entered with owners of vessels/trucks/trailers;
  - t.) Pro-forma copies of contracts to be entered into with third parties/customers for the Facility, including any code of operations or transmission policy (applicable only to third party access);
  - u.) A Certified True Copy of facility operator Certificate of Acceptance of all works done by contractors. Kindly indicate full name, position, and signature of authorized Facility representatives/personnel who will be signing the Certificate of Acceptance;
  - v.) Certification from the President of Facility that the whole Facility, after complete construction/refurbishment by all contractors, is in acceptable industry standards, safe to operate and poses no risk to the operators, the general public, and the environment.; and
  - w.) Letter of Intent (LOI)/documents/contracts on market for natural gas/CNG/LNG (customers) who will be supplied from the facility.

**Additional Requirements for All Types of Permit (As applicable)**

1. Feasibility Study of the project;
2. Geological survey and study of the area (land, soil, rock formations, above ground, underground, undersea, seafloor, under the seafloor, water) where the infrastructure for the project will be erected;
3. Atmospheric survey and study of the area (weather system, typhoon paths);
4. Zoning/Locational Clearance and/or Certificate of Approved Land Use Conversion if proposed site is not within an industrial or commercial zone;
5. Barangay Business Clearance;
6. Mayor's Business Permit;
7. Building Permit;
8. Mechanical Permit;
9. Sanitary/Plumbing Permit;
10. Electrical Permit;
11. Fire Safety Inspection Certificate from the Bureau of Fire Protection (BFP);
12. National Water Regulatory Board Permit, if applicable;
13. System Handover Manual;
14. Health, Safety, Security, Environment (HSSE) Plan;
15. Emergency Response Procedure/Safety and Emergency Manual;
16. Operation and Maintenance Manual;
17. Fire and Gas Electrical Checklist Manual;
18. Certification of Personnel Training Conducted including results of competency assessment;
19. Certificate of Calibration of All Metered Units;
20. Certificate of Final Electrical Inspection;
21. Certificate of Occupancy; and
22. Insurance coverage of the project (certified true copy). It should comply with and satisfy the Health, Safety, Security and Environment (HSSE) Plan. The immediate locality and its people near the facility should be covered and protected by the insurance.

## HOUSE OF REPRESENTATIVES COMMITTEE ON LEGISLATIVE FRANCHISES

### APPLICATION FOR LEGISLATIVE FRANCHISE

1. Approval of company registration with Securities and Exchange Commission (SEC) or the Department of Trade and Industry (DTI).
2. Drafting of the Franchise Bill. Company may seek assistance from the from the Committee on Legislative Franchises (House of Representatives) in drafting a Franchise Bill or secure a copy of sample bills.
3. It is preferred that the company securing a franchise shall select the sponsor of the bill who has jurisdiction of the district where the proposed public utility operation shall located.
4. Filing of the bill at the Bills and Index Division (House of Representatives).



**DEPARTMENT OF ENERGY  
INVESTMENT PROMOTION OFFICE**

**CERTIFICATE OF ENDORSEMENT FOR BOI REGISTRATION**

**Documentary Requirements:**

1. Letter of request
2. Company Profile / Background
  - Briefly describe the company, its history and the sector in which it operates
  - List of Key Officials
  - List and Overview of the major power projects accomplished by the company if applicable
3. SEC/DTI Registration (SEC Certified Articles of Incorporation, By-laws and General Information Sheet) current or latest
4. Project Profile
  - Project background (exact location, official name of the facility, commissioning date, commercial operation date, and off-taker of electricity)
  - Feasibility study
  - Technical Description
  - Total Investment Cost (include breakdown of the entire project cost and assumptions)
  - Financial Statement – 5-year financial projection (use BOI proforma for the financial statement)
  - For Coal Plants, please indicate sources of coal and percentage of its sources
  - For Diesel Plants, please provide certificate from fuel supplier indicating compliant with the biodiesel blend requirement and the Fuel Supply Agreement
5. Additional requirements for power plants located in the SPUG Areas
  - Copy of the Energy Supply Agreement
  - Competitive Selection Process (CSP) Certification endorsed by DOE

**DEPARTMENT OF ENERGY  
EPIMB ENDORSEMENT TO SECURITIES AND EXCHANGE COMMISSION**

This endorsement is being issued to companies engaging in power-related business.

**We issue no objection on the following:**

- Articles of Incorporation
- Amended of Articles of Incorporation
  - Change of Company Name/Office Address
  - Amending Primary Purpose
  - Increase in Capital
  - Change in Incorporators

**Requirements:**

1. Letter of Request
2. SEC Cover Sheet
3. Articles of Incorporation/Amended Articles of Incorporation
4. Director's Certificate duly signed

**DEPARTMENT OF ENERGY  
ELECTRIC POWER INDUSTRY MANAGEMENT BUREAU**

**CERTIFICATE OF ENDORSEMENT (REQUIREMENT FOR ERC'S COC)**

**Documentary Requirements:**

1. Letter of request addressed to the Director of Electric Power Industry Management Bureau
2. Company Profile
3. Project background or description ( please include: exact location, official name of the facility, commissioning date and off-taker of the electricity)
4. SEC Registration Certificate and Articles of Incorporation
5. Historical Generation Data (only for existing generating facility)
6. Service/Operating Contract (for RE-based projects)
7. Signed Memorandum of Agreement for the Trust Fund for the ER 1-94

**Procedure:**

1. Submission of Request to Electric Power Industry Management Bureau
2. Power Planning and Development Division reviews the required documents. If complete, prepares Certificate of Endorsement
3. DOE Secretary signs the Certificate of Endorsement
4. Payment of the processing fee
5. Release of COE

**CLEARANCE TO UNDERTAKE GRID IMPACT STUDY  
(CERTIFICATE OF ENDORSEMENT TO NGCP)**

**Requirements:**

1. Letter of request
2. Project Profile (Capacity, Location and commissioning date of the project)
3. Service/Operating contract from REMB (for RE Projects)

**DOCUMENTARY REQUIREMENTS FOR THE ESTABLISHMENT  
OF TRUST ACCOUNT (ER 1-94)**

1. Letter of request
2. Company Profile
3. Articles of Incorporation and by-laws
4. Project background/description which details the name of facility, location, commissioning date, and off-taker of the electricity, etc.
5. Historical power generation
6. Service contract for renewable energy based power plant

## QUALIFICATION CRITERIA FOR THE QUALIFIED THIRD PARTY

### Guiding Principles in Accrediting QTPs

- a. Any Person, who intends to serve a Waived Area, may apply with the Department of Energy (DOE) through the Electric Power Industry Management Bureau (EPIMB) for accreditation as a QTP. The DOE shall evaluate the application based on the Qualification Criteria set forth in DOE Circular No. DC 2004-06-006.
- b. DOE may impose upon any Person limitations of its accreditation as a QTP, including limitations of its accreditation as a QTP, including limitations as to the size of an area a QTP is allowed to apply to serve (where size will be measured by a number of potential customers and/or probable peak demand).

### Eligibility Criteria for Qualified Third Party

#### Limitation on Accreditation

The DOE may restrict the type or size of system that a QTP will be allowed to construct and operate. Such restrictions may include, without limitation, (i) restrictions on the size of the system, (ii) restrictions on the location of the system; and (iii) restrictions on the generating technology to be used. Where the size of the system is restricted, such restriction may be expressed in terms of generation capacity, technology, and/or number of connections to be served.

#### Technical Criteria

- i. To be accredited as a QTP, an interested Person must demonstrate that he has the technical skills and capacity to operate power generation facility and/or electric power distribution system for public supply.
- ii. In order to demonstrate the required skills and capacity, applicants must provide:
  1. Full details of the technical skills and experience of the key management team responsible for the operation of the system. These details should include relevant technical and business management qualification as well as descriptions of experience relevant to the technical and commercial operation of electric power generation and supply systems.
  2. Details of the proposed arrangements for the acquisition, training and contracting of the necessary expertise that the applicant does not possess at the time of application.
  3. Details of how the applicant proposes to design, construct, operate, and maintain the generation and associated distribution system to be used in its operations, including its proposed plans for dealing with major operating contingencies such as failure of its generating plant or a major fault on its distribution system.
  4. Details of the procedures that the applicant proposes to put in place for the billing and collection of payment from customers and maintain accounting records of its commercial operations. An undertaking that the applicant will allow DOE and/or ERC to open its accounting records relating to its operations, when necessary.
  5. A statement certifying that the applicant intends to design, construct, operate and maintain its generation and distribution systems in full compliance with the relevant requirements prescribed under the applicable laws including EPIRA and its attendant rules and regulations.

In addition to the above mandatory information requirements, an applicant may provide additional supporting documents, such as evidence indicating experience in related areas and operation of other

utility or infrastructure businesses. The DOE may, at its discretion, take such information into account when deciding whether or not to approve the application, or whether or not to impose a limitation on accreditation in accordance with Section 4(b) of Department Circular No. DC 2004-06-006.

### Financial Criteria

- i. To be accredited as a QTP, an interested Person must demonstrate that he has the financial capacity to finance a power generation facility and electric power distribution system of the size likely to be required for the operations. The DOE may impose a limitation, in accordance with Section 4(b) of Department Circular No. DC 2004-06-006, on the size of system that the applicant may install and operate, consistent with its financial capacity.
- ii. Proof of financial capacity may include, among others:
  1. Evidence of the total net assets of the organization;
  2. A letter of credit or letter of intent to invest from a bank or another organization provided that the DOE is satisfied that the other party has adequate financial capacity and indeed has the intent to invest or provide credit;
  3. The most recent annual report or financial accounts of the applicant duly certified as correct by a registered auditor or accountant; and
  4. Proof of adequate insurance coverage and compliance with all Philippine labor laws.
- iii. Any person, who cannot meet the financial criteria outlined above, may be accredited if they can demonstrate to DOE the capacity to finance a system of the proposed size.  
Factors, which DOE would consider, would include:
  1. History of operating profitably a generation, distribution or other utility business of comparable size;
  2. History of developing infrastructure projects of similar size;
  3. A letter of testimony from a reputable financial institution attesting that the Applicant and/or members of the consortium are banking with them, that they are in good financial standing and that they have adequate resources; and
  4. Other clear indications of ability to access the required finance.

### Good Standing

Any interested Person seeking accreditation may be accredited if they can demonstrate to DOE the capacity to finance a system of a size likely to be authorized for the provision of electric service to Waived Area/s and was able to submit proof that he is in good standing with the business community in which he operates.

Factors, which could lead DOE to determine that an organization is not in good standing may include:

- i. The involvement in the proposed key management team or in a management position in the organization of anyone who:
  1. Is an undischarged bankrupt;
  2. Has been convicted of any crime involving fraud or dishonesty committed in the last ten (10) years; and
  3. Has been successfully sued for fraud, breach of director's duties or any similar action.

- ii. Being currently suspended or blacklisted by NPC, or by any other government agency, whether in its capacity as an individual or partnership or corporation or as a member of a joint venture or consortium.
- iii. Has a negative slippage of more than fifteen (15) percent in any of its on-going contracts with the Government, NPC or any electric utility or generation companies, or record of unsatisfactory past performance particularly non-compliance with contract terms, plans and specifications, defective workmanship, abandonment of work and similar deficiencies.

#### **Local Enterprises and Renewable Technologies**

Consistent with Government policies in relation to the development of local enterprises and renewable technologies, DOE will encourage local enterprises and organizations with expertise in renewable technologies to operate as QTPs. Such local enterprises and organizations may be given limited accreditation in accordance with Section 4(b) of this Circular (Department Circular No. DC 2004-06-006), consistent with the extent to which they demonstrate technical, financial capacity and good standing criteria.

**ENERGY REGULATORY COMMISSION  
CERTIFICATE OF COMPLIANCE FOR GENERATING COMPANIES**

**Documentary Requirements for the Issuance of COC**

1. Entities with Self-Generating Facilities (SGFs) with less than 1 MW aggregate in installed capacity accomplish the following:
  - Form 1 - Application for COC
  - Form 2 - Company Profile
2. Entities with Self-Generating Facilities (SGFs) with 1 MW and above aggregate installed capacity accomplish the following:
  - Form 1 – Application for COC
  - Form 2 - Company Profile
  - Form 3 – Three-year Operational History
  - Other documentary requirements
    1. SEC Registration
    2. Articles of Incorporation
    3. General Information Sheet (SEC Form)
    4. DOE /NPC Certification of Accreditation if applicable
    5. DENR – Environmental Compliance Certificate /Permit to Operate (PTO)
3. Independent Power Producer/DU owned power plant operational as of June 26, 2001 (existing power plants), accomplish the following:
  - Form 1 – Application for Certificate of Compliance (COC)
  - Form 2 - Company Profile
  - Form 3 – Three-year Operational History
  - Form 4 - Affidavit of Compliance with Philippine Grid Distribution Codes (PGDC)
  - Form 5 - Affidavit of Compliance with WESM Rules
  - Form 7 - General Plant Description
  - Other documentary requirements
    1. SEC Registration
    2. Articles of Incorporation
    3. General Information Sheet (SEC Form)
    4. DOE /NPC Certification of Accreditation if applicable
    5. DENR – Environmental Compliance Certificate /Permit to Operate (PTO)
    6. Audited Financial Statement for the last two (2) years
4. Independent Power Producer/DU owned power plant operational after June 26, 2001 (new power plants), accomplish the following:
  - Form 1 – Application for COC
  - Form 2 - Company Profile
  - Form 3 – Three-year Operational History
  - Form 4 - Affidavit of Compliance with Philippine Grid Distribution Codes (PGDC)
  - Form 5 - Affidavit of Compliance with WESM Rules
  - Form 6 – Affidavit of Compliance with Cross Ownership and Market Share Restrictions
  - Form 7 - General Plant Description

#### 5. Other Documentary Requirements:

1. SEC Registration
2. Articles of Incorporation
3. General Information Sheet (SEC Form)
4. DOE /NPC Certification of Accreditation if applicable
5. DENR – ECC/PTO
6. Audited Financial Statement for the last two (2) years

#### Procedures in Applying for Certificate of Compliance (COC)

1. Secure the application form and checklist of appropriate requirements for COC application at the Licensing & Market Monitoring Division (LMMD) located at the 12<sup>th</sup> Floor or through [www.erc.gov.ph](http://www.erc.gov.ph).
2. Accomplish the forms and submit together with the appropriate requirements in the checklist, in two (2) hard copies and one (1) soft copy (CD or diskette), to any LMMD Officer at the 12<sup>th</sup> Floor.
3. Secure assessment form in five (5) copies from the LMMD Officer.
4. Proceed to the Cashier at the 14<sup>th</sup> Floor for payment of appropriate COC application fee in accordance with the fees and charges, as amended. The Cashier shall give the applicant three (3) copies of the Assessment Form and an Official Receipt (O.R.).
5. Proceed to the LMMD Officer at the 12<sup>th</sup> Floor and submit two (2) copies of the Assessment Form duly signed by the Cashier and show proof of payment i.e., Official Receipt for verification purposes.

*Note:*

- *The entire processing for filing of application for COC will take more or less 30 minutes.*
- *No application shall be processed for evaluation unless all documentary requirements and proof of payment of the Application Fee has been submitted and presented by the applicant to the LMMD Officer.*
- *Upon submission of all forms and those listed in the checklist of requirements for COC application, and completion of technical inspection wait for the Commission's advice of its action within sixty (60) days.*

#### FEES AND CHARGES

NATURE OF FEES	LEGAL BASIS	FEES
For the Issuance of Certificate of Compliance to Independent Power Producers (for 5 years duration) pursuant to the standards set for the generation of electric power	Section 6, R.A. No. 9136	Php 10,000 (exclusive of actual cost for technical evaluation)
For the Issuance of Certificate of Compliance to the owner of a Self Generation Facilities with the following aggregate installed capacity (for 5 years duration) pursuant to the standards set for the generation of electric power	Section 6, R.A. No. 9136	
100 kW and below		Php 1,500.00 (exclusive of actual cost for technical evaluation)
101 kW – 500 kW		Php 5,000.00 (exclusive of actual cost for technical evaluation)
501 kW – 999 kW		Php 7,500.00 (exclusive of actual cost for technical evaluation)
1 MW and above		Php 10,000.00 (exclusive of actual cost for technical evaluation)



## REGISTRATION OF WHOLESALE AGGREGATORS

### Procedures in Applying for Registration of Wholesale Aggregators

- A. Application forms for Registration of Wholesale Aggregators (WA) can be obtained from the Spot Market Division (SMD), Market Operations Service of the Energy Regulatory Commission (ERC) during normal business hours, or downloaded from the ERC's Website at [www.erc.gov.ph](http://www.erc.gov.ph).
- B. Documents and Forms:
  - a. Application Form includes:
    - i. Information on the Applicant
    - ii. Company/Corporate Information
    - iii. Proof of Financial Sustainability & Viability Requirements
    - iv. Other Documentary Requirements
  - b. Verification and Certification Form
- C. All applications shall be made using the forms provided by the ERC and must satisfy all requirements as stated above. Completed forms must be submitted in two (2) hard copies and one (1) soft copy to the SMD, Market Operations Service of the ERC located at 12<sup>th</sup> Floor Pacific Center Bldg., San Miguel Avenue, Ortigas Center, Pasig City. Thereafter, the SMD will issue the Order of Payment for the application fee.
- D. Upon receipt of the Order of Payment from the SMD personnel in charge, the applicant shall pay the non-refundable registration fee of Ten Thousand Pesos (Php 10,000.00) to the ERC Cashier (located at the 14<sup>th</sup> Floor), through any of the following forms of payment:
  - a. Cash;
  - b. Company check (local or regional clearing only) payable to the Energy Regulatory Commission; or
  - c. Manager's/Cashier's Check (local or regional clearing only) payable to the Energy Regulatory Commission.
- E. The applicant shall then present proof of payment of the application fee, accomplished application form and applicable requirements to the SMD personnel, who will determine whether the application has complied with the requirements.
- F. The ERC will process all working applications and notify the applicant of its approval or rejection within 30 days from receipt of the application. In cases where additional information is required from the applicant, the 30 day processing time period shall be interrupted upon notice thereof and resumes when the required additional information has been received and time-stamped by the ERC.
- G. While the application is pending, the applicant is enjoined to inform the Commission of any material change in the information supplied in the application, within thirty (30) days from the occurrence of such change.
- H. The ERC will issue a Notice to the applicant approving, rejecting, or disapproving an application within thirty (30) days upon filing of an application. A Certificate of Registration shall be awarded by the Commission only upon approval of the application.
- I. The Certificate of Registration issued by the ERC shall be valid for a period of five (5) years from the date of issue.

## CERTIFICATE OF AUTHORITY FOR WESM METERING SERVICE PROVIDERS

### Requirements Necessary for Certificate of Authority

1. Form 1 – Certificate of Authority Application Form
2. Form 2 – Company Profile Form for WESM Metering Service Providers (MSP's)
3. Form 3 – Affidavit of Compliance with Philippine Grid and Distribution Codes (PGDC)
4. Form 4 – affidavit of Compliance with WESM Rules
5. WESM MSP Information Sheet

### Other Documentary Requirements:

- 1) General Requirements
  - a. SEC Certificate of Registration
  - b. Articles of Incorporation
  - c. Current /Latest General Information Sheet – SEC Form
- 2) Technical Qualification
  - a. Existence of the following facilities and equipment:
    - i. At least two (2) sets of Revenue Meter Calibration and Testing Equipment to include the following:
      1. Single or three-phase voltage & current source (Phantom Load), with adjustable voltage and current output and phase displacement;
      2. Reference meter standard of +/- 0.05% accuracy class or better for AC power and energy (accuracy must be traceable to IEC, IEEE or its equivalent).
    - ii. At least two (2) sets of instrument transformer ratio and phase measuring equipment, compete with its own standard transformers and phase shifting devices;
    - iii. A Calibration Laboratory to house the reference standards and various calibration, measuring and testing equipments;
    - iv. Meter Data Retrieval System, Equipment and other infrastructure necessary for the delivery of settlement-ready meter data to the WESM at the prescribed delivery schedules;
    - v. Equipment and resources necessary for performing maintenance and repairs on metering facilities and equipment;
  - b. Measurement Assurance Program and Procedures
    - i. Calibration Program Plan
    - ii. Official Calibration Traceability Chart indicating the following information:
      1. Source of Calibration Traceability;
      2. Standards Used for Transferring Reference Quantities; and
      3. Electrical Quantities uncertainties (voltage, current, power, energy, phase, time, etc.).
    - iii. Set of Procedures to include the following:
      1. Metering Facilities Commissioning to Service and Registration thereof with the Market Operator;

2. Calibration/Accuracy Testing of measuring and testing instruments and revenue meters of the specifies accuracy class;
  3. Ratio Accuracy and phase deviation testing of instrument transformers used with the revenue meters of the specified accuracy class;
  4. Determining the uncertainty of measurements and values of quantities displayed by the Reference Meter Standards; Procedures must be correct applications of mathematical principles and techniques such as those presented in the ISO Guide to the Expression of Uncertainty of Measurement;
  5. Dealing with cases where errors of revenue meters and instrument transformers are found to be outside the permissible limits;
  6. Dealing with cases where calibrations/test are found to be erroneously performed or the results were erroneously documented, or if the meter reference standard used in the calibration of revenue meters are found to be in a state of non-compliance with its specifications;
  7. Organization, control, storage, and maintenance of official technical documents and quality records;
  8. Meter reading and collection, validation, storage, and delivery of data from the memory of revenue meters, representing the power and energy that flowed through the metering point over a prescribed period of time.
- iv. Other procedures that may be deemed necessary in the provision of metering services.
- c. Philippine Grid Distribution Codes (PGDC) Requirements
- 3) Financial Capability – 5 year Business Plan
  - 4) Ownership/Control
    - a. Articles of Incorporation/Partnership (for Corporation/Partnership) with Certificate of Registration;
    - b. Business Name Registration Certificate (for Single Proprietorship);
    - c. Charters for Government Agencies/Government Owned and Controlled Corporations;
    - d. Updated listing of shareholders and corresponding equity shares, as evidenced by the most recent General Information Sheet filed with Securities and Exchange Commission, if applicable.
  - 5) Such other information or documents that may be required by the ERC.

## FEES AND CHARGES

NATURE OF FEES	LEGAL BASIS	FEES
For the WESM Metering Services Provider's Certificate (for 3 years duration):	Section 2.2.2 and 2.3.6 of the WESM Rules	
For each one hundred pesos of the capital stock subscribed and paid up. The said fees shall be paid upon application or renewal of the CA.		Php 0.75 for each Php 100 of each capital subscribed paid up.

## RETAIL ELECTRICITY SUPPLIERS' LICENSE APPLICATION

### Checklist of Requirements for Suppliers' License Application

1. Accomplished RES Information sheet (2 hard copies and 1 soft copy)
2. Articles of Incorporation/Partnership with Certificate of Registration (for juridical person)
3. Business Name Registration Certificate (single proprietorship)
4. Mayor's Permit
5. Cooperative Development authority (CDA) (if Cooperative)
6. Certified true copies of audited (2 most recent twelve-month periods, or for the life of the business if not existence for at least two years, if applicable):
  - a. Balance Sheet
  - b. Cash Flow Statement
  - c. Income Statement
7. If affiliate, certified true copies of audited (2 most recent twelve-month periods, of parent company)
  - a. Balance Sheet
  - b. Cash Flow Statement
  - c. Income Statement
8. Projected five-year financial statement and five-year business plan.
9. Financial and Credit Requirements (any of the following):
  - a. Investment grade credit rating by a reputable credit bureau; or
  - b. Unused cash resources with an amount equivalent to the Applicant's expected monthly billings, or Php5 Million and proof of creditworthiness confirmed through the certification of companies (including Generation Companies, Transco and DUs) that have extended credit line to the Applicant)
10. Security Deposit Requirements
  - a. Certification from a commercial bank that applicant can avail bank's escrow facility (for applicants intending to collect deposits from its customers)
  - b. Certification from a commercial bank stating the amount deposited in escrow (for applicants who have collected deposits from customers)
11. Technical and Managerial Resource Capability
  - a. Ability and knowledge to operate and manage an electricity supply business, which involves the requirement to understand the Commission's rules, codes and guidelines, and their application.
  - b. Ability to set-up and operate within the customer-transfer system approved by ERC an automated information exchange associated with business to business (B2B) communications and transactions.
  - c. Technical ability to enter into any necessary access or interconnection arrangements or other required contracts with one or more DUs and TRANSCO;
  - d. Technical ability to secure generation through compliance with all applicable requirements of the Market Operator, if applicable;

- e. Technical ability to meet its transactional requirements with the Market Operator or its contractual obligations with any industry participant, if applicable;
  - f. Adequate staffing and employee training to meet all service level commitments.
12. Sworn Statement that:
- a. Applicant shall comply with the Code of Conduct and Competition Rules;
  - b. Applicant or Affiliate thereof or any stockholder, director or officer or any of their relatives within the 4<sup>th</sup> civil degree of consanguinity or affinity, legitimate or common law, does not own any interest, directly or indirectly, in PEMC or Independent Market Operator;
  - c. Applicant shall comply with the ownership limitation as provided in Section 5, Art. II of the Revised Rules for the Issuance of Licenses to Retail Electricity Suppliers.
13. Proof of payment of application fees.

#### FEES AND CHARGES

NATURE OF FEES	LEGAL BASIS	FEES
For the Issuance of Supplier's License (for 3 years duration):	Section 6, 29 and 43 R.A. No. 9136	
For each one hundred pesos of the capital stock subscribed and paid up. The said fees shall be paid upon issuance of the Supplier's License	Section 6, R.A. No. 9136	Php 0.75 for each Php 100 of each capital subscribed paid up.

**APPLICATION/PETITION FOR APPROVAL OF BILATERAL POWER SUPPLY CONTRACTS  
OF DISTRIBUTION UTILITIES (DUs) OR CONSORTIUM OF DUs  
WITH GENERATION COMPANIES (GenCos)**

**Checklist of Requirements:**

1. Articles of Incorporation of the Generation Company (GenCo)
2. SEC Certificate of Registration of the GenCo
3. List of Shareholders (Latest General Information Sheet of the GenCo)
4. Board of Investment Certificate of Registration
5. ECC issued by DENR
6. Power Supply Agreement (PSA)/Energy Conversion Agreement (ECA) Contract
7. Details of the PSA/ECA:
  - a. Executive Summary
  - b. Sources of Funds/Financial Plans
    - Debt/Equity Ratio;
    - Project Cost;
    - Computation of Return on Investment/WACC;
    - Certification from the Bank/Lending Institution specifying the principal amortization, term and interest during the cooperation period of the loan agreement.
  - c. Purchased Power Rate
    - Breakdown of the base prices of Operation and Maintenance; Capacity Fee; Fixed Operation fee; Energy Fee; if applicable;
    - Sample Computation of Power Rates with the supporting documents on the assumptions taken; and
    - If applicable, basis/rationale of indexation and level of indexation.
  - d. Cash flow specifying the following:
    - Initial Costs;
    - Breakdown of Operating and Maintenance expenses; and
    - Minimum energy Off-take (MEOT)
8. All details on the procurement process of fuel including requests, proposals received, tender offers, etc.
9. Copy of Related Agreements (i.e. Transmission Wheeling Contract, fuel supply Agreements, etc.;
10. Certificate of Compliance (COC) issued by the Energy Regulatory Commission pursuant to the Guidelines for the issuance of COC for Generation Companies/Facilities;
11. Acknowledgment receipt by the Local Government Unit (LGU) Legislative Body of the City or municipality where applicant DU principally operates, a copy of the application/petition (with all annexes and accompanying documents), together with the certification of the Notice of Publication thereof in a newspaper of general circulation in the same City or locality;
12. Publication in a newspaper of general circulation within its franchise area of the entire application or petition (excluding its annexes) specifying the rate impact per customer class;
13. A pre-filing conference must be held with ERC staff prior to the acceptance of an application or petition, to inquire into the compliance with the pre-filing requirements and/or the completeness of the supporting documents attached to the application or petition;
14. Certification by NPC whether Transition Supply Contract (TSC) capacity and energy is expected to be available during the contractual period. Include relevant supporting documentation, data and analysis supporting each statement;

15. All relevant technical and economic characteristics of the generation capacity; Installed Capacity, Mode of Operation, Dependable Capacity;
16. All costs analysis related to the generation in support of the proposed pricing of the contract;
17. Details on the procurement process used by the Distribution Utility leading to the selection of the Generation Company including request(s) for proposals, proposal received by the Distribution Utility, tender offers, etc.,
18. Details regarding transmission projects or grid connection projects necessary to complement the proposed generation capacity; Identification of the parties that will develop and/or own such facilities; any cost related to such project; and specification of the parties responsible for recovery of any costs related to such projects;
19. Certification that states the consistencies and inconsistencies between the proposed generation capacity and the Department of Energy's (DOE) Philippine Development Plan (PDP). Any inconsistencies shall be supported by relevant analysis including but not limited to, forecasts and assessment of available generation capacity and technology mix;
20. Details regarding the load forecast projections in accordance with the latest Distribution Development Plan of the Distribution Utility and the variability of those projections over the proposed contractual period. An estimation of the potential for a reduction in load supplied by the Distribution Utility due to retail competition. Any inconsistencies shall be supported by relevant analysis;
21. If the Application is filed later than two years following the effectivity of the above mentioned Guidelines, the application must include an alternative Demand Side Management (DSM) program that could be implemented by the DUs if approved by the ERC. The DU shall submit the projected costs and benefits of the DSM program;
22. Other documentation that may be needed by the ERC in the course of the evaluation, such as, but not limited to the following:
  - a. Latest and Complete Set of Financial Statements of the generation Company (Balance Sheet, Income Statement, and Statement of cash flows);
  - b. Bank Certification of Long-term Loans, including, to wit:
    - i. Schedule of Original Loan (Principal amount, interest payable, term of the loan); and
    - ii. Updated Balances (Principal amount, interest payable, penalties (if any), remaining term of the loan)
  - c. Operating Expenses for the following:
    - i. Power Plant; and
    - ii. General and Administrative Expense  
To submit both in absolute peso amounts and Php/kWh indicate kWh used to derive the Php/kWh; and segregate each type of discount given to the DU in absolute amounts in Php/kWh, the conditions governing the giving of the discount/s.
  - d. Sworn Statement detailing how the fuel was competitively procured, contract terms, unbundled price components (product cost, transshipment, delivery, container, etc.) if applicable;
  - e. Certification (from the engine manufacturer or IPP) of the net heat rate (initial and every after major maintenance schedule) in liter per kWh, if applicable;
  - f. Simulation of the number of operating units necessary to meet the MEOT and/or additional energy/demand requirements of the DU; and
  - g. Potential Cost (absolute amounts and Php/kWh) of Ancillary Services as when the IPP or DU is connected to the main grid.

## NATIONAL GRID CORPORATION OF THE PHILIPPINES TRANSMISSION SERVICE APPLICATION

### Requirements on the Processing of Transmission Service Applications

1. Letter of Application for Transmission Service
2. ERC Load Approval
3. DOE Accreditation (Generator)
4. System Impact Assessment
  - a. Proposed Connection Point and Vicinity Map
  - b. Load Forecast
5. Offer of Service for Grid Impact Studies (optional)
6. Grid Impact Study (Generator and other Loads)
  - a. Generator Data
  - b. Downpayment (30%)
  - c. Remaining Balance (70%)
7. Offer of Service for Facilities Study/ Contract for Technical Services (optional)
  - a. Scope of Work (as requested)
  - b. Cost of Services
  - c. Duration
8. Connection Agreement
9. Submission of Statement of Readiness to Connect
10. Issuance of Certificate of Technical Requirements
  - a. District Office Clearance
  - b. MSG Clearance
  - c. PSMD Clearance
  - d. SO Clearance (if applicable)
11. Serving of Transmission Service Agreement (TSA)
12. Relevant Schedules
  - a. Open Access Transmission Service (OATS) Services
  - b. Standard Planning Data
  - c. Detailed Planning Data (for Generator Customers)
  - d. Electrical Drawings
  - e. Connection Point Drawings
  - f. Asset Boundary
  - g. Protection Arrangement and Settings
  - h. Metering Requirements
  - i. Notices
  - j. Provisional Maintenance Schedule
  - k. Testing and Commissioning (new del. Pt)
  - l. Load Shedding
  - m. Contingency Actions
  - n. Critical Events List
  - o. Statement of Readiness to Connect (new del. Pt.)
13. Issuance of Approval to Connect
14. Energization of Customer's Facilities
15. Payment of Security Deposit



## CONNECTION FOR LOAD CUSTOMERS

### Connection Requirements for Load Customers

a. Requirement at the Connection Point

Compliance with the applicable provisions of the Amended Philippine Grid Code (Section 4.5.1.2), wherein the Connection Point shall be controlled by a circuit breaker that is capable of interrupting the maximum short circuit current at the point of connection. However, connections to subtransmission lines, 69 kV and below, shall at least be provided with disconnect switches and faulted circuit indicators at the Tapping Points but all substations connected thereto shall be provided with circuit breaker(s).

b. Compliance Plan

This is applicable for existing facilities prior to the promulgation of the Philippine Grid Code (PGC) where in case the Transmission Customer does not comply with or cannot provide immediately the requirement specified in Item 1, the Transmission Customer shall be required to submit a copy of their Grid Code Compliance Plan duly approved by the Energy Regulatory Commission. For New Connection subsequent to the PGC's promulgation, Circuit Breaker requirement shall be complied with.

c. Options for the Transmission Customer

In the conduct of the testing and commissioning of the Transmission Customer's connection facilities (the "Field Tests"), the Transmission Customer may decide to:

- Undertake the Field Tests and advise NGCP accordingly;
- Contract with a third party and advise NGCP accordingly; or
- Commission NGCP to undertake the Field Test (subject to NGCP's policies on the provision of such services)

d. Waiver

The Transmission customer, whichever option it takes as provided in the preceding item, shall issue a certification/waiver to NGCP stating therein that NGCP shall not be held liable for the consequences that may arise due to defect of the equipment not detected by the Field Test.

e. Submission of Documents

The Transmission Customer shall submit the following documents at least thirty (30) days prior to the conduct of the field test:

- a. Factory Test Data of Circuit Breaker;
- b. Specifications of Metering Equipment (for equipment that the applicant will provide, such as Revenue Metering Instrument Transformers and Meters), and Factory Test Reports for evaluation by the Metering Services Group. For Revenue Metering Instrument Transformers, Factory Test Reports shall cover the following tests:
  - i. Insulation Tests
  - ii. Ratio and Phase Accuracy Tests
- c. Protection scheme;
- d. Single line diagram of substation showing its protection and metering facilities;

- e. Three line diagram of the substation;
  - f. Detailed schematic of the substation and back-wiring diagram; and
  - g. Factory Test Data of Power Transformer
    - i. Measurement of the no-load current and losses (Core Loss)
    - ii. Measurement of the impedance losses and voltage (Copper Loss)
    - iii. Zero sequence impedance measurement
    - iv. Measurement of oil and winding temperature rise
  - h. Factory Test Data of Instrument Transformers (CT and PT) for metering which includes the Ratio and Phase Angle Test; and
  - i. Factory Test Data of Instrument Transformers (CT and PT) for protective relays.
- f. Substation of Field Tests

The Transmission Customer shall perform, in the presence of NGCP representatives, the following Field Tests: (in case the Transmission Customer commissions NGCP to undertake the said field tests, the concerned Power System Maintenance Department (PSMD) and its authorized personnel shall be the duly authorized NGCP representatives in this particular activities in their respective area of responsibility):

#### 6.1 Power Transformer

- a. Insulation Test
  - i. Megger
  - ii. Power Factor
  - iii. Bushing Insulation
  - iv. Oil Test
- b. Winding Test
  - i. Ratio Test and Connection Group Vector Check
  - ii. Winding Resistance on all tap positions and phases
  - iii. Power Factor Excitation
  - iv. OLTC Test (if applicable)

#### 6.2 Instrument Transformer (CT and PT)

- a. Insulation Test
- b. Ratio and Phase Angle Test

#### 6.3 Circuit Breaker

- a. Megger Test
- b. Power Factor Insulation Test
- c. Contact Resistance Test
- d. Bushing Test

#### 6.4 Protective Relay

#### 6.5 Disconnect Switch

#### 6.6 Lightning Arrester

g. Certificate of Compliance on Technical Requirements

The written certification of NGCP's concerned District office that the technical requirements, in accordance with its existing policies and procedures, have been complied with the Transmission Customer shall determine compliance and shall be submitted to Corplan at least fifteen (15) working days prior to the energization of the Transmission Customer's substation.

h. Metering Requirements

Metering facilities should be in place in accordance with NGCP's standards. The written certification of NGCP's Metering Services Group (MSG) that metering requirements, in accordance with its existing policies and procedures, have been complied with by the Transmission customer shall determine compliance and shall be submitted to Corplan at least five (5) working days prior to the energization of the transmission Customer's substation.

i. Field Tests for Metering

MSG's duly-assigned representative shall perform, in the presence of the Transmission Customer representatives, the following Field Test (subject to NGCP's policies on the provision of such services):

9.1 Billing Meter

- c. Accuracy Test

9.2 Potential Transformer

- a. Insulation Test
  - i. Megger
  - ii. Power Factor
  - iii. Bushing Insulation
- b. Winding Test
  - i. Ratio Test and Connection Group Vector Check
  - ii. Winding Resistance on all tap positions

9.3 Current Transformer

- a. Insulation Test
- b. Ratio and Phase Angle Test

j. Commercial Requirement

The Transmission Customer shall conclude a service agreement with NGCP that shall outline the transmission services that the latter shall provide and under which the former is required to pay the Security Deposit corresponding to one month of service prior to commencement of service.

**DEPARTMENT OF ENERGY  
ENERGY UTILIZATION MANAGEMENT BUREAU**

**CERTIFICATE OF ACCREDITATION**  
*(Natural Gas Vehicle Program for Public Transport)*

**Procedures in Processing Applications**

1. Applicant submits complete set of Application requirements to the Office of the Director of EUMB.
2. Documents forwarded to the Alternative Fuels and Energy Technology Division for checking of completeness of documents, official acceptance and recording of the application.
3. Applicant pays the processing fee of Php 5,000.00 at the Treasury Division.
4. Alternative Fuels and Energy Technology Division does technical validation, inspection and evaluates application and prepares report.
5. Alternative Fuels and Energy Technology Division endorses the application to NGVPPT Committee.
6. EUMB Director and NGVPPT Committee deliberate and recommends for the approval of the Certificate of Accreditation (CA).
7. DOE Secretary or Undersecretary approves the Certificate of Accreditation.
8. Alternative Fuels and Energy Technology Division records and transmits the CA.

**List of Requirements**

Three sets of the following:

1. Duly accomplished and Notarized Application Form
2. Business Name and Brand
3. Business Proposal / Feasibility Study
4. Business Permits
5. Technical licensing agreement / certification
6. Photocopy of valid Certificate of Accreditation
7. Official Receipt
8. Other documents as required by DOE-EUMB/AFETD & NGVPPT-TWG/DOE-TWG

**APPLICATION FOR ENERGY SERVICE COMPANY ACCREDITATION (ESCO)**

**Procedures in Processing Applications**

1. Applicant submits complete set of Application requirements to the Office of the Director of EUMB.
2. Documents forwarded to the Energy Efficiency and Conservation Division (EECD) for checking of completeness of documents, official acceptance, recording and evaluation of the application.
3. Energy Efficiency and Conservation Division does the final assessment, re-evaluation of the application and the drafting of report.
4. Applicant pays the processing fee at the Treasury Division.
5. Energy Efficiency and Conservation Division endorse the application to ESCO Accreditation Committee.
6. EUMB Director and ESCO Committee do the final review, deliberate and recommend for the approval of the Accreditation.
7. DOE Secretary approves the ESCO Accreditation.
8. Applicant pays the Certification of Accreditation of Php 10,000.00 at the Treasury Division.
9. EECD records and issue the Certificate of Accreditation.

**DEPARTMENT OF TRADE AND INDUSTRY - BOARD OF INVESTMENTS**  
**PROJECT EVALUATION AND REGISTRATION DEPARTMENT (PERD)**

**PROJECT REGISTRATION FOR AVAILING INCENTIVES UNDER BOOK 1 OF EO 226**

(Under Book 1 of the Omnibus Investments Code of 1987, Executive Order No. 226)

**Guidelines/Procedures for Registration**

1. Official Filing of Application  
An application is considered officially filed upon submission of two (2) sets of the following documents and upon payment of the required filing/application fee (see Table 1).
  - Prescribed application form (BOI Form 501) duly accomplished, signed by the authorized officer and notarized;
  - Project Report; and
  - Supporting documents
2. Preparation of project evaluation report by the Project Evaluation and Registration Department (PERD), including applicant's publication of Notice of Filing of Application, BOI referral of the application to the concerned government/private sectors (e.g., Department of Finance, Department of Science and Technology), and conduct of plant visit if necessary.
3. Presentation by PERD of the project evaluation report to the BOI Management Committee.
4. Action on the application for registration is rendered by the BOI Board of Governors.
5. Transmittal of Notice of Board action  
Preparation by PERD of letter advising the applicant enterprise, of the Board action:
  - Letter of approval including the pre-registration requirements, if application is approved; or,
  - Letter of the Board action, if the application is denied or decision is deferred.If there is no request for waiver/amendment of the pre-registration or registration conditions, proceed to Step No. 7
6. Processing of any request of the applicant for waiver of pre-registration requirement(s), for amendment of timetable/terms and conditions of registration, etc:
  - PERD evaluates the request
  - PERD presents the request and its recommendations to the BOI Management Committee if necessary.
  - Action on the application for registration is rendered either by the BOI Board of Governors, or by the Executive Director of the Project Assessment Group (PAG) as delegated by the Board.
  - PERD prepares notice of BOI action on the request.
7. Applicant complies with the Pre-Registration Requirements including payment of the required registration fee. (See Table 2).
8. PERD prepares and issues Certificate of Registration (CR).

### Supporting Documents

1. Copy of Applicant's DTI Certificate of Business Registration (if sole proprietorship) or Securities and Exchange Commission (SEC) Certificate of Registration (if partnership or corporation) including Articles of Incorporation/Partnership and By-Laws, amendments thereof and copy of the updated SEC-General Information Sheet (GIS).
2. Copy of the Enterprise's Board Resolution authorizing its offer to transact, execute and sign in behalf of the applicant enterprise.
3. Copy of clearances from proper authorities for waste disposal and emission control (if already available).
4. Proof of the following may be required on case to case basis:
  - Assured supply of major raw materials e.g., supply contract/agreement(s), contract growing arrangement(s), etc.
  - Assured market, e.g., copy of letter(s) of intent, purchase order(s), proforma invoice(s), sales/marketing contract(s), supply contract/agreement(s), etc.
  - Acquisition of equipment (if already acquired).
  - Financial capacity of Principal Stockholders (e.g., Sworn Statement of Assets and Liabilities and latest Income Tax Return)
5. Additional Requirements for existing enterprises  
Copy of Audited Financial Statements (AFS) and Income Tax Return (ITR) for the past three (3) years, or for the period the enterprise has been in operation if less than three (3) years:
6. Additional Requirements for specific investment areas/activities  
Requirements indicated in the current year's Investment Priorities Plan (IPP) and/or those that the Board may require.
7. Other documents that may be required.

**Table 1. Filing/Application Fees**

New/ Expansion			
Classification	Project Cost	MSE Fees	Regular Fees (Php)
Micro	Not exceeding Php3 million	Waived	1,500
Small	Exceeding Php3 million but not over Php4 million	375	1,500
	Exceeding Php4 million but not over Php15 million	750	3,000
Medium	Exceeding Php15 million but not over Php 20 million	NA	3,000
	Exceeding Php20 million but not over Php 50 million	NA	4,500
	Exceeding Php50 million but not over Php 100 million	NA	6,000
Large	Over Php 100 million	NA	6,000
Existing			
Classification	Assets	MSE Fees	Regular Fees (Php)
Micro	Not exceeding Php3 million	Waived	1,500
Small	Exceeding Php3 million but not over Php15 million	375	1,500
Medium	Exceeding Php15 million but not over Php 100 million	NA	1,500
Large	Over Php 100 million	NA	1,500

**Table 2. Registration Fees**

New/ Expansion			
Classification	Project Cost	MSE Fees	Regular Fees (Php)
Micro	Not exceeding Php3 million	Waived	1/10 of 1% of project cost, but not less than Php 3,000; and not to exceed Php 15,000.
Small	Exceeding Php 3 million but not over Php 15 million	25% of 0.1% of project cost. But not less than Php 3,000.	
Medium	Exceeding Php 15 million but not over Php 100 million	NA	
Large	Over Php 100 million	NA	
Existing			
Classification	Assets	MSE Fees	Regular Fees
Micro	Not exceeding Php 3 million		
Small	Exceeding Php 3 million but not over Php 15 million	Php 750	PhP 3,000
	Exceeding Php15 million but not over Php 100 million	NA	PhP 3,000
Large	Over Php 100 million	NA	PhP 3,000

- A. There is an additional fee for Legal Research Fund (LRF), equivalent to 1% of filing fee but not lower than Php 20.00 as per P.D. 1856.
- B. Project cost includes loan but excludes cost of land.
- C. Under the 2011 Investment Priorities Plan (IPP), Micro enterprises are exempted from payment of application and registration fees. Small enterprises are entitled to seventy five percent (75%) reduction in application and registration fees.

Reduced fees shall apply to projects that meet both of the following conditions, otherwise the regular fees shall be applied:

- The enterprise satisfies the definition of MSEs under RA 9501 amending the Magna Carta for Small Enterprises, as follows: any business activity or enterprise engaged in industry, agribusiness and/or services, whether single proprietorship, cooperative, partnership or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated, must have falling under the following categories:

Micro:	Not more than Php 3,000,000
Small:	Php 3,000,001 to Php 15,000,000
- The cost of the project proposed by the enterprise, exclusive of the cost of land on which the particular business entity's office, plant and equipment are situated, shall not exceed fifteen million (Php15,000,000). Likewise, authorized capital shall not exceed fifteen million (Php 15,000,000).



## DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES ENVIRONMENTAL MANAGEMENT BUREAU

### APPLICATION FOR ENVIRONMENTAL COMPLIANCE CERTIFICATE

**Notes:**

All projects are generally required to secure environmental clearance and/or “Environmental Compliance Certificate” (ECC). The requirements and processes vary depending on whether a project is:

- Outside the purview of the Philippine Environment Impact Statement (EIS) system
- An environmentally- critical project (ECP)
- Located in an environmentally-critical area (ECA)

Project proponents of ECPs are required to implement the proposed project within five (5) years upon issuance of an ECC, while proponents of projects in ECAs are required to implement the project within two (2) years. Failure to implement the project on the specified time frame invalidates the ECC and the proponent must obtain a new ECC prior to implementation.

#### Application Requirements for Environmental Compliance Certificate (ECC) and Certificate of Non-Coverage (CNC)

1. Environmental Impact Assessment (EIA) Report focusing only on the most essential information for specific project type. The Basic Outline of the required EIA report for Proposed (New) Single Projects, for New Programmatic Applications, for Single Project Expansion/Modification and for Programmatic Expansion.
  - Proof of compatibility with the existing Land Use Plan, if necessary
  - Proof of ownership or authority over the project site
  - Accountability Statements of the proponent and the EIS preparers
  - Photographs or plate of the project site, impact areas an affected areas and communities
  - Duly Accomplished Project Environmental Monitoring and Audit Prioritization Scheme (PEMAPS) Questionnaire
  - Copy of previous ECC (if any)
  - Latest Self Monitoring Report (if with previous ECC, Compliance Monitoring Report (CMR) Format)

*Note : No other documents shall be required as pre-requisite to ECC applications.*
2. For projects below the threshold of coverage based on the existing procedural manual for DAO 2003-30, CNC applications shall no longer require submission of Project Description Reports (PDR). The prescribed 1-Page Application Form to be processed in the Automated Processing System (APS) is sufficient.
3. The EIA Report requirement for ECC applications shall concentrate and focus on the environmental aspects of the project that have scientific basis are verifiable. Environmental Impact related concerns of the local community in the project area which may be secured through public scoping, public consultation or any other form of public participation methods for EIS-based ECC applications shall be considered in the review of the ECC applications.

The decision on the ECC Application shall be issued within the following timeframes after the official acceptance of application documents and payment of the required processing and review fees:

Type of ECC Application		Approving Authority	Maximum Processing Timeframe
Environmentally Critical Project	Co-located applying for Programming ECC	DENR Secretary / EMB Director	40 working days
	Mining Projects		
	Forestry Projects		
	Other types		
Non – ECPs	EIS or Programmatic Environmental Performance Report and Management Plan (PEPRMP) - based	EMB Regional Director	20 working days
	Initial Environment Examination (IEE), Environmental Performance Report and Management Plan EPRMP - based	EMB Regional Director	20 working days

Source: DENR MC 2010-14

### PROJECT CLASSIFICATION

Projects or Undertakings	Category		
	A (Environmentally Critical Projects)	B (Non-Environmentally Critical Projects but located in an Environmentally Critical Area)	D – CNC (Not Covered)
Refineries	More than 30,000 barrels annual production capacity	Less than 30,000 barrels annual production capacity	Less than 1.0 barrel annual but not to exceed 200 barrels per year
Petrochemical industry projects	More than 30,000 tons annual production capacity	Less than 30,000 tons annual production capacity	Less than 1.0 tons daily production capacity
Storage of petroleum, petrochemical or related products		EIS: More than 5,000 MT capacity	Less than 20,000 Liters capacity
		IEE : Less than 5,000 MT capacity	
Recycling of oil and other petroleum-based chemicals		EIS : Processing more than 10 MT per day	Less than 1.0 MT daily processing capacity but not to exceed 200 MT per year
		IEE : Processing less than 10 MT per day	
Off-shore mining (including extraction of deuterium, oil and gas)	Regardless of capacity or area		
Coal mining	Regardless of capacity or area		
Extraction of oil	More than 4,000 barrels (or equivalent) per day extraction rate	Less than 4,000 barrels (or equivalent) per day extraction rate	
Extraction of gas	More than 250,000 cubic meters per day extraction/production rate	Less than 250,000 cubic meters per day extraction/production rate	
Major Dams	Reservoir (flooded area) greater than 25 hectares or more than 20 million cubic meters capacity	Reservoir (flooded area) less than 25 hectares or less than 20 million cubic meters capacity	
Gas-fired thermal power plants	More than 50.0 MW rated capacity	More than 10.0 MW but less than 50.0 MW rated capacity	Less than 10.0 MW rated capacity
Other thermal power plants (e.g. diesel, bunker, coal, etc.)	More than 30.0 MW rated capacity	More than 5.0 MW but less than 30.0 MW rated capacity	Less than 5.0 MW rated capacity
Waste-to-energy projects including biogas projects	More than 50.0 MW rated capacity	More than 1.0 MW but less than 50.0 MW rated capacity	Less than 1.0 MW rated capacity
Geothermal facilities	More than 50.0 MW generating capacity	More than 1.0 MW but less than 50.0 MW generating capacity	Less than 1.0 MW generating capacity
Hydropower facilities	Impounding greater than 20 million cubic meters	Impounding less than 20 million cubic meters	Run-of-river system

Projects or Undertakings	Category		
	A (Environmentally Critical Projects)	B (Non-Environmentally Critical Projects but located in an Environmentally Critical Area)	D – CNC (Not Covered)
Renewable energy projects such as ocean, solar, wind, tidal power and fuel cell (for biogas and waste-to-energy projects refer to above)		EIS: More than 100 MW rated capacity	Less than 5 MW rated capacity
		IEE: More than 5 MW but less than 100 MW rated capacity	
Fuel pipelines		EIS: Length is more than 25 kilometers	
		IEE : Length less than 25 kilometers	
Other pipelines		EIS: Length is more than 50 kilometers	
		IEE : Length less than 50 kilometers	
Hazardous waste treatment, recycling, and/or disposal facilities (for recycling of lead)		EIS: More than 10.0 MT per year capacity	
		IEE: Less than 10.0 MT per year capacity	

A project is considered as not being within the coverage of the EIS system, and will be issued a “Certificate of Non-Coverage” or “Certificate of Exemption” from DENR if it meets all of the following criteria:

- Location – it conforms with the existing and duly-approved land use plan of the area
- Technology – it will use appropriate technology that will not require the use of hazardous or toxic materials; will not produce or require the disposal of waste materials that will pose serious health hazards; or will not generate significant amount of organic or solid wastes
- Size – the project or its structure will not exceed a total floor area of 3,000 sqm. In urban areas or 10,000 sqm in rural areas. If a building will be constructed, it will not have more than three (3) storeys including basement floors.
- Raw Effluent and Discharge – the effluent or discharges of the project shall conform with the emission and effluent standards established by the DENR regardless of quantity, volume or amount
- Social Acceptability – no serious complaints are expected from neighboring establishments or facilities
- The nature of the project shall not pose significant environmental impact as determined by the EMB or DENR Regional Office

A project is considered as Environmentally Critical Project (ECP) if project belongs to the following:

- Heavy Industries
- Non-ferrous metal industries
- Iron and steel mills
- Petroleum and petro-chemical industries
- Smelting plants
- Resources Extractive Industries
- Major mining and quarrying projects
- Forestry projects

- Fishery projects
- Infrastructure projects
- Major dams
- Major power plants
- Major reclamation projects
- Major roads and bridges

A project is considered belonging to an Environmentally Critical Area (ECA) if project site refers to the following:

- Areas for natural parks, watershed reserves, wildlife preserve and sanctuaries;
- Areas set aside as aesthetic potential tourist spots;
- Areas which constitute the habitat for any endangered or threatened species of indigenous Philippine wildlife (flora and fauna);
- Areas of unique historic, archaeological; or scientific interest;
- Areas traditionally occupied by cultural communities and tribes;
- Areas with critical slopes;
- Areas frequently visited, hard-hit by natural calamities
- Areas classified as prime agricultural land;
- Recharge areas of aquifers;
- Water bodies; mangrove areas, coral reefs, mossy virgin forests.

#### **PERMIT TO OPERATE – AIR POLLUTION SOURCE AND CONTROL INSTALLATION**

##### **Requirements:**

1. Duly accomplished and certified application form
2. Engineering Report
3. Plans and specifications of the installation and its control facilities
4. Air Quality Analysis using Bureau approved computer dispersion models and techniques
5. Vicinity map
6. A compliance plan for sources not meeting regulatory requirements

#### **HAZARDOUS WASTE GENERATOR ID**

##### **Requirements :**

1. Duly accomplished Application Form  
Registration fee of hazardous waste generator amounting to P600
2. Process flow diagram, all waste streams
3. Mass balance of manufacturing process
4. Description of existing waste management plan
5. Analysis of waste(s)
6. Other relevant information, e.g. planned changes in production processes of output, comparison with related operation
7. If on-site treatment is present, submit the A-4 form for every treatment, storage and disposal

## DENR – FOREST MANAGEMENT BUREAU

### APPLICATION FOR SPECIAL USES OF FOREST LANDS FOR ENERGY PROJECTS

The operation and management for the conservation, protection and utilization of forestlands are among the mandate of the DENR, as such all projects including energy related projects proposed to be developed within forestland shall be covered initially by Special Land Use Permit (SLUP) and subsequently by Forest Land Use Agreement (FLAg). SLUP and FLAg regulations are governed by the provisions under FAO 8-3 as amended and DAO 2004-59. Hence, it is imperative that DOE should coordinate first with the DENR on availability of forestland areas for development into Energy Project.

SLUP and FLAg should be required to qualified applicants prior to the issuance of Pre-development and Development/Commercial Stage Contracts by the DOE.

- |   |                        |
|---|------------------------|
| <b>E. Type of Special Uses Application:</b> | <b>Duration</b>        |
| 1. Special Land Use Permits (SLUPs)         | Three (3) years        |
| 2. Forest Land Use Agreement (FLAg)         | Twenty five (25) years |
- F. Application Requirements for Special Uses of Forestlands for Energy Related Project**
1. Application form duly accomplished and notarized (3) copies
  2. Application Fee – Php 500.00
  3. Map of the area applied for;
  4. Pertinent documents showing proof that the applicant is a legitimate entity qualified to be a holder of a forestland tenurial instrument or agreement;
  5. For individual applicant, certified copy of his/her Certificate of Naturalization;
  6. For an association, corporation, cooperative or partnership, certified copy of SEC registration certificate and Articles of Incorporation/Partnership, and resolution of the corporate governing body (Board of Directors, Board of Trustees, etc.) designating the authorized representative of said corporation, association or partnership to apply/sign documents for and in behalf of the company; For cooperative, certified, certified copy of certificate of registration with Cooperative Development Authority (CDA).
  7. Indicative Management Plan
  8. Initial Environment Examination (IEE) as basis for issuances of ECC
  9. Appropriate clearance from NCIP
  10. If application is in Palawan, SEP clearance from Palawan Council for Sustainable Development Authority (PCSD)
  11. Annual rental for Energy Projects : Php 3,000.00/ha. and fraction thereof and be increased cumulatively by 10% every year.
  12. Forestry Bond – Twice the amount of annual rental but not less than Php10,000.00.

#### WHO MAY APPLY

Citizens of the Philippines who are at least 18 years of age at the time of the filing of the application and association, corporation, partnership and such other judicial persons as maybe recognized and registered in accordance with the law of the Philippines; at least sixty (60%) percent of the capital of which is owned, controlled and managed by the citizens of the Philippines.

### APPROVING AUTHORITY FOR SPECIAL USES OF FOREST LAND FOR ENERGY PROJECT:

- A. Special Land Use Permit – shall have a tenure of three (3) years renewable every three (3) years pursuant to Memorandum of the Secretary dated April 10, 2006.  
All Special Land Use Permits (SLUPs) – regardless of area shall be approved by the Regional Executive Director (RED) except those which will involve cutting of trees e.g. Road Right –of-Way, Transmission Line Right of Way, Energy related projects.
- B. Forest Landuse Agreement (FLAg) – shall have a tenure of 25 years renewable for another 25 years.  
Regardless of area shall be approved by the DENR Secretary with or without cutting of trees.

### THE PROCESS INVOLVED

- A. Special Land Use Permit (SLUP)
  1. The application shall be filed with the office of the Community Environment and Natural Resources Officer (CENRO), where the area applied for is located.
  2. Upon receipt of the application, the CENRO shall instruct his technical personnel concerned to inspect the area applied for and check the status of the same.
  3. CENRO technical personnel shall conduct inspection and survey of the area applied for as basis for the preparation of the required report and map duly supported by photographs.
  4. Technical report submitted by the inspectors/evaluators under Item No. 2 should be reviewed by the CENRO concerned. If found in order, endorsed it to the RED.
  5. The RED shall refer the application to the RTD for Forestry who shall review the SLUP for signature of the RED.
  6. The RED reviews the documents and affix his signature on the permit and the map of the area. If the SLUP applications involve cutting of trees, the same shall be forwarded to the Central Office for further processing.
- B. **Forest Land Use Agreement (FLAg)**  
Same processes with that of the Special Land Use Permit (SLUP). However, the approving authority is the DENR Secretary.

### CAN SLUP BE CONVERTED TO FOREST LANDUSE AGREEMENT (FLAg)?

SLUP may be converted to FLAg pursuant to the provisions of DAO No. 2004-59 (FLAg Regulations)

### AREAS AVAILABLE FOR SPECIAL LAND USE PERMIT (SLUP) / FOREST LAND USE AGREEMENT (FLAg)

FLAg may cover all forest lands which are found suitable and available for FLAg pursuant to Section 9 of Department Order No. 2004-59, dated August 31, 2004 and which are not otherwise classified as protected areas or are subject to vested rights, licenses/leases, permits or other instruments:

Provided, that areas covered by vested rights or existing permits/instruments maybe made suitable for FLAg upon issuance of a waiver of rights;

Provided further, that free and prior informed consent (FPIC) and certification of precondition shall be required, if the area is covered by a Certificate of Ancestral Domain/Land Claim/Title (CADC, CADT, CALT);

Provided finally that Right-of-Way and other facilities of vital public importance may be allowed in the protected area subject to separate agreement with the respective Protected Area Management Board (PAMB) where applicable, and to existing laws, rules and regulations on the matter.

SPECIAL USES OF FOREST LANDS FOR ENERGY PROJECT AMONG OTHERS ARE:

- a. Right-of-Way (including but not limited to Transmission Line Right-of-Way (TLRW))
- b. Other Lawful Purposes (e.i. Hydro electric facilities etc.)
- c. Power station site

### APPLICATION FOR SPECIAL LAND USE PERMIT (SLUP)

#### Legal Basis on the Issuance of Special Land Use Permits

*Forestry Administrative Order No. 8-3, Series of 1941* otherwise known as the *Special Land Use Regulations*; Section 57 of P.D. 705 as amended.

#### Requirements:

- G. Application form duly accomplished and notarized (3 copies)
- H. Proof of payment
  - a. Application Fee - Php 500 per application for all Special Land Use Permits
  - b. Annual Rental - 1 hectare or less : Php 90.00
  - Over 1 ha. – 5 hectares : Php 180.00
  - Over 5 hectares : Php 300.00

The rentals shall be subject to change based on the appraisal or re-appraisal of the land under lease and its improvement. If an appraisal or re-appraisal has been made, it shall not be less than three percentum (3%) of the appraisal or re-appraisal value of the land and one percentum (1%) of that of improvements.

- Annual Rental – For Energy Projects : Php 3,000/hectare and fraction thereof and to be increased cumulatively by 10% every year.
- Forestry Bond – Twice the amount of annual rental but not less than Php 10,000.00.

#### Procedures:

1. The application for Special Land Use Permit shall be filed with the Office of the Community Environmental and Natural Resources Officer (CENRO), where the area applied for is located.
2. Upon receipt of the application, the CENRO shall instruct his technical personnel concerned to inspect the area applied for and check the status of the same.
3. CENRO technical personnel shall conduct inspection and survey of the area applied for as basis for the preparation of the required report and map duly supported by photographs.
4. Technical report submitted by the inspectors/evaluators under Item No. 2 should be reviewed by the CENRO concerned. If found in order, endorsed to the Office of the Provincial Environmental and Natural Resources Officer (PENRO) who shall review the report and if everything is in order endorsed it to the Regional Executive Director (RED).
5. The RED shall refer the application to the Regional Technical Director (RTD) for Forestry who shall review the application and reports of the CENRO and PENRO and if found in order prepare the SLUP for signature of the RED.
6. The RED reviews the documents and affix his signature on the permit and the map of the area. If the applications involve cutting of trees, the same shall be forwarded to the Central Office for further processing.

#### Duration of SLUP

All SLUPs shall have a tenure of three (3) years renewable every 3 years pursuant to the Memorandum of the Secretary dated April 10, 2006.



## NATIONAL COMMISSION ON INDIGENOUS PEOPLES

Section 59 of Republic Act No. 8371 or the Indigenous Peoples Rights Act of 1997 provides that: all departments and other governmental agencies shall henceforth be strictly enjoined from issuing, renewing, or granting concession, license or lease, or entering into any production-sharing agreement, without prior certification from the NCIP that the area affected does not overlap with any ancestral domain. Such certification shall only be issued after a field-based investigation is conducted by the Ancestral Domains Office of the area concerned: Provided, That no certification shall be issued by the NCIP without the free and prior informed and written consent of the ICCs/IPs concerned.

Thus, pursuant to the above-quoted provision of the law and sections 7, 44(m), 46(a), 57, 58, and other related provision of RA 8371, the National Commission on Indigenous Peoples promulgated NCIP Administrative Order No. 3, Series of 2012 or the Revised Guidelines on Free and Prior Informed Consent (FPIC) and Related Processes of 2012 I lieu of NCIP Administrative Order No. 1, Series of 2006.

### **Application for the Issuance of Certification Precondition (Section 6, A.O. 3, S. 2012)**

The application for Certificate Precondition (CP) **shall be endorsed by the appropriate regulatory agency or unit of government to the NCIP Regional Office that has jurisdiction over the area** where the plan, project, program or activity is sought to be undertaken, provided, however, that for plans, programs, projects or activities affecting ancestral domains that do not require a permit, license or agreement from any government agency/instrumentality, **the application shall be filed directly with the same NCIP Regional Office having jurisdiction over the area.**

In case the project is within two (2) or more regions, the endorsement or application shall be transmitted to the Director of the Ancestral Domains Office (ADO) who shall decide which Regional Office shall take the lead in facilitating the appropriate and applicable process taking into consideration the extent of the effect and the size of the areas that will be affected.

No two (2) or more applications of similar subject shall be simultaneously entertained at any given time covering the same area while an application is being processed therein, neither shall another be given due course while a previous application is being processed.

### **Documents Required (Section 7, A.O. 3, S. 2012)**

The applicant shall submit a company and project profile which shall include:

- The nature and purpose of the project;
- Location with an indicative map showing the names of sitios and/or barangays that will be affected;
- Abstract of proposed project describing the size, pace, reversibility and scope;
- Duration;
- Preliminary assessment of the likely economic, social, cultural and environmental effects, including potential risks and how these will be addressed;
- Indicative budget;
- Persons to be involved in implementation;
- Operational plan and activities;
- Profile of the applicant; and
- Other pertinent documents e.g. Environmental Impact Study (EIS) from DENR

## Coverage

The free and prior informed consent of the affected ICCs/IPs shall be required, and the necessary certification issued by the NCIP prior to the implementation of the following activities:

### Section 19. Extractive/Intrusive/Large Scale Activities

- a. Exploration, development, exploitation, utilization of land, energy mineral, forest, water, marine, air, and other natural resources requiring permits, licenses, lease, contracts, concessions, or agreements;
- b. Those that may lead to the displacement and/or relocation of ICCs/IPs;
- c. Resettlement programs or projects by the government or any of its instrumentalities that may introduce migrants;
- d. Declaration and management of protected and environmentally critical areas, and other related undertakings;
- e. Bio-prospecting and related activities;
- f. Activities that would affect their spiritual and religious traditions, customs and ceremonies, including ceremonial objects, archaeological exploration, diggings and excavations and access to religious and cultural sites;
- g. Industrial land use including the establishment of economic zones;
- h. Large scale agricultural and forestry management projects;
- i. Carbon trading and related activities;
- j. Large scale tourism projects;
- k. Establishment of temporary or permanent military facilities; conduct of military exercises, or organizing para-military forces;
- l. Issuance of land tenure instrument or resource use instrument by any government agency and related activities; and
- m. Such other activities analogous to the foregoing.

### Section 24. Non-extractive/Small Scale Activities

- a. Activities not covered in Section 19;
- b. Feasibility studies;
- c. Non-extractive exploitation and utilization of land, water and natural resources as defined under existing laws, rules and regulations of governing or regulating agencies, e.g. ISF, CBFM, IFMA;
- d. Programs, projects, activities not requiring permits from government agencies;
- e. Other small scale quarrying; and
- f. Such other activities analogous to the foregoing.

## DEPARTMENT OF AGRARIAN REFORM

### GUIDELINES FOR THE PROCESSING OF LAND USE CONVERSION

#### Filing of Application

An applicant can secure one complete set of Land Use Conversion (LUC) Application and Certification forms together with a checklist of requirements from any of the following DAR office:

- (a) DAR Central Office – Center for Land Use Policy, Planning and Implementation (CLUPPI)
- (b) DAR Regional Office – Regional CLUPPI (RCLUPPI)
- (c) DAR Provincial Agrarian Reform Office.

#### LAND USE CONVERSION ORDINARY APPLICATIONS (Applicant's & DAR's ACTION)

##### DAR AO No.1, Series of 2002

*Note : DAR is currently undergoing a review of the procedures on Land Use Conversion. The result of which might result to major changes.*

1. Applicant gets Application Form
2. Applicant erects billboard, take photos of billboard, land and structures of land.
3. Applicant submits 2 Land Use Conversion Folders (LUCF) to MARO containing Forms 1, 3 & 4, titles, and sketch map & billboard photo.
4. MARO transmits one folder to PARO. Within 20 days, MARO check CARP coverage status of land inspects billboard, and checks presence of farmers, posts notices in conspicuous places, prepares MARO certification & gives original copy of certification to applicant. If MARO refuses to act, PARO shall take over.
5. Applicants files (4) set of LUCFs plus MARO certification at RCLUPPI or CLUPPI.
6. RCLUPPI / CLUPPI checks Application Folder's completeness using LUC Form A; if complete issues assessment of fees, if not complete return the application to applicant and require to submit the lacking documents.
7. Applicant pays filing fee + inspection cost & posts bond.
8. RCLUPPI / CLUPPI evaluate LUCF. Acceptance date = Filing date
10. Within 10 days from acceptance, RCLUPPI/CLUPPI schedules ocular inspection.
11. Applicant writes ocular inspection (OCI) schedule in billboard & transmit notice of conduct of OCI to the MARO.
12. Team conducts ocular inspection within 20 days from the date of notice of OCI.
13. Deliberation/Resolution of Application. Within 80 days from filing date, RCLUPPI/CLUPPI issues recommendation.
14. Within 30 days from issuance of RCLUPPI/CLUPPI recommendation, the Approving Authority shall issue the Conversion Order or its denial.

## Documentary Requirements for Land Use Conversion

1. Official receipt showing proof of payment of filing fee and inspection cost.
2. Official receipt showing proof of posting bond or an original copy of the GSIS surety bond in accordance with the terms and conditions set forth in Section 24 of DAR AO No.1, Series of 2002.
3. Sworn application for Land Use Conversion. (Form No.1)
4. True copy of the Original Certificate of Title (OCT) or Transfer Certificate of Title (TCT) of the subject land, certified by the Register of Deeds not earlier than thirty (30) days prior to application filing date.

In case of untitled land, the following shall be required in lieu of a title.

- 4.1 Certification from the Department of Environment and Natural Resources- Community Environment and Natural Resources Officer (DENR-CENRO) that the landholding has been classified as alienable and disposable; and
- 4.2 Certification from the DENR-CENRO (for administrative confirmation of imperfect title) or the Clerk of Court (for judicial confirmation of imperfect title) that the titling process/proceedings has commenced and there are no adverse claimants
5. True copy of the Certificate of Title of the subject land as of 15 June 1988, and all successor Titles until the present. Title referred to in No. 4 hereof if applicable.
6. True copy of the current Tax declaration covering the subject property.
7. Project feasibility study.
8. Joint venture agreement or any other business arrangement on the use of land between landowner and the developer (if the developer is other than the landowner) or between the Emancipation Patent/Certification of Landownership Award (EP/CLOA) holders and the developer (if the land was awarded under the agrarian reform program).
9. Narrative description of the development plan describing in detail the activities, program components, phasing, schedule, work and financial plan, all duly certified by a licensed engineer, architect or land use planner.
10. Proof of financial and organizational capability of the developer to develop land, including the following information:
  - 10.1 Statement of project cost and availability of potential funding source(s) for the development of the proposed project;
  - 10.2 Profile of the developer;
  - 10.3 Most recent financial statement, not later than the year before application, duly authenticated by a certified public accountant; and
  - 10.4 If the developer is a corporation or partnership, a copy of its Certificate of Registration and the recent General Information Sheet (GIS) for the immediately preceding year, certified by the Securities and Exchange Commission (SEC), or in lieu of the latter, a duly accomplished GIS sworn to before a notary public, provided that if the land is to be used for socialized housing by the LGU under EO 124-1993, a Sanggunian Resolution appropriating funds for the project and authorizing the LGU to undertake the same shall be required. Provided further that if the socialized housing shall be undertaken by other government agencies such as the National Housing Authority and the like, a board resolution approving the project and appropriating funds therefore shall likewise be submitted.

11. Socio-Economic Benefit-Cost Study of the proposed project.
12. Photographs, size 5R (five [5] inches by seven [7] inches, using color film, and taken on the land holding under sunlight. The applicant shall attach the pictures to a paper background and the photographer who took said pictures shall sign on said paper background to certify the authenticity of the pictures. On each background paper shall be written a short description of each picture. The pictures shall consist of:
  - 12.1 At least four (4) photographs taken from the center of the landholding: one (1) facing north, one (1) facing east, one (1) facing south, and one (1) facing west;
  - 12.2 At least one (1) photograph per corner, taken from each corner of the landholding's borders.
  - 12.3 At least two (2) photographs of each for all distinct man-made structure existing in on the land, taken from opposite angles.
  - 12.4 At least two (2) photographs each of the front view of the billboard(s) required in Section 11 of DAR A.O No. 1 Series of 2002. Second copy will be used for submission to the Municipal Agrarian Reform Officer (MARO); and
  - 12.5 Sufficient number of photographs of the most conspicuous landmarks from the nearest barangay center and leading to and from the ingress and egress routes at the subject landholding, for the purpose of assisting the ocular inspection team in the in the locating site.
13. Affidavit/Undertaking in a single document of the applicant (LUC Form No.2)
14. MARO Certification (LUC Form No.3) and Notice of Land Use Conversion in English language (LUC Form No.4) and in local dialect (LUC Form No. 4A).
15. Certification from the Housing and Land Use Regulatory Board (HLURB) Regional Officer on the actual zoning or classification of the land subject of the application based on the approved comprehensive land use citing: (a) the municipal or city zoning ordinance number, and (b) resolution number and date of approval by the HLURB or the Sangguniang Panlalawigan concerned, as the case may be. (LUC Form No.5).
16. Certification from the Department of Agriculture (DA) official stating, among others, the classification of the property under the NPAAAD and SAFDZ whether or not the subject property is within five (5) percent limit of the SAFDZ allowed for conversion, the status of irrigation coverage of the subject property and whether the land has ceased to be economically feasible and sound for agricultural purposes.
17. Certification from the authorized DENR official stating among others whether or not the subject land is within the National Integrated Protected Area System (NIPAS), mossy and virgin forests, riverbanks, or swamped forests and marshlands; within an Environmentally Critical Area (ECA), or will involve the establishments of an Environmentally Critical Project (ECP). (LUC Form No.6)
18. Environmental Compliance Certificate (ECC) when the subject land is within an ECA or will involve the establishment of an ECP.
19. Special Power of Attorney (SPA), if applicable.
20. Notarized secretary's certificate of a corporate/cooperative Board Resolution authorizing the representative, if applicable.
21. Concurrence letter of the mortgage (if the property is encumbered), if applicable.

22. If applicable, endorsement from the concerned government agency, when the application involves a priority development areas or project such as:
  - a) NEDA-NLUC endorsement if under EO 124-1993; or
  - b) HLURB endorsement if socialized housing (LUC Form No 7); or
  - c) PEZA Board Resolution approving the project for ecozone project
23. If applicable, Land Bank of the Philippines (LBP) Certification attesting that the applicant-landowner has fully paid his obligations to the LBP, when the applicant-landowner is a beneficiary of the agrarian reform program. (LUC Form No. 8)
24. If applicable, Provincial Agrarian Reform Officer (PARO) Certification attesting that the applicant-landowner acquired the subject land from a landed-estate or under the Voluntary Land Transfer / Direct Payment Scheme (VLT/ DPS) and he has already fully paid his obligation there under, when the applicant-landowner is a beneficiary of the agrarian reform program (LUC Form No.9).
25. Vicinity map and a lot plan prepared by a duly-licensed geodetic engineer indicating the lots being applied for and their technical descriptions, name of owner/s, lot number and area. The map shall highlight the specific area applied for conversion if the application covers less than the total lot area.
26. Directional sketch map showing the orientation of the subject property in relation to adjoining lands and nearest provincial and/or national and/or feeder roads, to facilitate and determine the location of the property for the purpose of ocular inspection. Indicate in the map the existing infrastructure and/or improvements thereon including any house or tillage thereupon for any occupant therein, landmarks within a one (1) kilometer radius and owners of adjacent properties. No need to draw map in scale.
27. Map of site development plan.
28. Topographic Map if the subject property is within upland, hilly or mountainous area.

*Note: The applicant shall submit all the foregoing applicable requirements from Nos. 1 to 28 hereof at the time of filing of application to the CLUPPI/RCLUPPI. However, for applications involving housing projects under EO-45-2001, requirements mentioned in Nos. 15 to 18 maybe submitted at a later time.*

#### Filing Fees and Inspection Cost

AREA APPLIED	FILING FEE	INSPECTION COST
Five (5) hectares and below	Php 1,000.00	Php 10,000.00 – if the subject landholding is within the same island as that of the Office of the Regional Director.
		Php 15,000.00 – if the subject landholding is not within the same island as that of the Office of the Regional Director.
More than five (5) hectares	Php 2,000.00	Php 10,000.00 – if the subject landholding is within the main island of Luzon (except Bicol Peninsula);
		Php 15,000.00 – if the subject landholding is within Regions I to IV but is not located within the main island of Luzon.
		Php 15,000.00 – if the subject landholding is in Bicol Peninsula or Visayas Group of Islands; or
		Php 20,000.00 – if the subject landholding is in the Mindanao group of Islands

## Bond

*Note : There are two kinds of bonds that should be posted by the applicant : (1) the bond to be posted at the time of filing of the application known as the Cash Bond; and (2) the bond to be posted once the application for conversion is approved known as the Performance Bond.*

*CASH BOND is posted upon filing of application for conversion to ensure/guarantee that applicant would not undertake premature conversion. If the applicant undertakes premature conversion, the cash bond is forfeited in favour of Agrarian Reform Fund (ARF).*

*PERFORMANCE BOND is posted to ensure/guarantee that the applicant would finish the development of the area within the given period. The performance bond is refundable once the project is completed within the given period. If the applicant fails to develop the project within the given period, the performance bond is forfeited in favour of the ARF.*

*If the cash bond is not forfeited, the cash bond may be converted to Performance Bond.*

*Cash bond and/or performance bond can be posted either thru cash bond or thru Surety Bond.*

1. The cash bond shall be computed at two and 5/10 percent (2.5%) of the zonal value of the land as per latest issuance of the Bureau of Internal Revenue in the form of cash or manager's/cashier check.
2. In lieu of a cash bond, the applicant may post a surety bond issued by the GSIS equivalent to fifteen percent (15%) of the total zonal value of the land per latest issuance of the BIR, indicating the following conditions at the minimum that:
  - the is bond callable on demand;
  - the DAR shall forfeit the bond in favor of the Agrarian Reform Fund when it finds the applicant carrying out any premature conversion activity; and
  - the validity of the bond shall be for a period of one (1) year but renewable on a year to year basis, if necessary.

When the application involves a mixed use of socialized and non-socialized housing projects, the application shall not enjoy any bond exemption for socialized housing unless eighty (80%) percent of the land applied for conversion shall be used directly and exclusively for socialized housing.

### Areas Non-Negotiable for Conversion

The following areas shall not be subject to conversion:

1. Lands within protected areas designated under the NIPAS, including mossy and virgin forests, riverbanks, and swamp forests or marshlands, as determined by the DENR;
2. All irrigated lands, as delineated by the DA and/or the National Irrigation Administration (NIA), where water is available to support rice and other crop production and, all irrigated lands where water is not available for rice and other crop production but are within areas programmed for irrigation facility rehabilitation by the government;
3. All irrigable lands already covered by irrigation projects with firm funding commitments, as delineated by the DA and/or NIA; and
4. All agricultural lands with the irrigation facilities.

### Areas Highly Restricted from Conversion

The following areas/projects are classified as highly restricted from conversion:

1. Irrigable lands not covered by irrigation projects with firm funding commitments  
*Note : Under Republic Act. No. 9700, which took effect on July 1, 2009, irrigated and irrigable lands shall not be subject to conversion.*
2. Agro-industrial croplands or lands presently planted to industrial crops that support the economic viability of existing agricultural infrastructure and agro-based enterprises;
3. Highlands or areas located in elevations of five hundred (500) meters or above and which have the potential for growing semi-temperate or high value crops;
4. Lands issued with the notice of land valuation and acquisition, or subject of a perfected agreement between the landowner and the beneficiaries under the Voluntary Land Transfer (VLT) / Direct Payment Scheme (DPS) under the CARP; and
5. Lands within an Environmentally Critical Area (ECA) or those involving the establishment of an Environmentally Critical Project (ECP). Applications for the conversion under this sub-section shall require, apart from the standards requirements, an Environmental Compliance Certificate (ECC) which the applicant must secure from the DENR prior to the application (for ordinary applications) or prior to commencement of actual land development (for applications involving housing projects).

### Priority Development Areas and Projects

- I. In accordance with RA 7916, EO-124-1993, and EO-258-2000, the following area priority development areas for land conversion:
  1. Specific sites in Regional Agri-Industrial Centers / Regional Industrial Centers (RAIC/RIC) identified by the Department of Trade and Industry (DTI) and the DA pursuant to EO-124-1993.
  2. Tourism Development Areas (TDA) identified by the Department of Tourism (DOT) pursuant to EO-124-1993.
  3. Agricultural areas intended for Eco Zone Projects, endorsed by Philippine Economic Zone Authority (PEZA), pursuant to RA 7916.
  4. Agricultural land, owned by the government, to be converted for projects of national interest, as certified by proper government agency.
  5. Agricultural land proposed to be developed as sites for processing plants of agricultural products, as certified by the Department of Agriculture.
  6. Sites intended for telecommunication facilities endorsed by the National Telecommunication Commission (NTC).
- II. Housing projects are priority development projects for land conversion that shall follow the fast tracking scheme prescribed under EO-45-2001. When the application involves a mixed use of housing and non-housing projects, the application shall not enjoy the privileges of housing projects unless at least eighty percent (80%) of the land applied for conversion shall be used directly and exclusively for housing.



### Criteria for Conversion

1. Conversion may be allowed if the land subject of application is not among those considered non-negotiable for conversion.
2. When the land has ceased to be economically feasible and sound for agricultural purposes or the locality has become urbanized and the land will have a greater economic value for residential, commercial, industrial, or other non-agricultural purposes.
3. Conversions of land within SAFDZ (Strategic Agricultural and Fisheries Development Zone) shall take into account the following factors:
  - 3.1 Conversion of land use is consistent with the natural expansion of the municipality or locality as contained in the approved physical framework and land use plan.
  - 3.2 Area to be converted in use is not the only remaining food production area of the community
  - 3.3 The land use conversion shall not hamper the availability of irrigation to nearby farmlands.
  - 3.4 Areas with low productivity will be accorded priority for land use conversion.
  - 3.5 Sufficient disturbance compensation shall be given to farmers whose livelihoods are negatively affected by the land use conversion as provided for by the existing laws and regulations.
4. When the agricultural land which is subject of the application for conversion has been acquired under RA 6657, its conversion shall be allowed only if the applicant is the agrarian reform beneficiary thereof, and after he has fully paid his obligation as required under Section 65 of RA 6657.

### Who May Apply for Conversion

1. Owners of private agricultural lands or other persons duly authorized by the landowner; Beneficiaries of the agrarian reform program after the lapse of five (5) years from award, reckoned from the date of the issuance of the Certificate of the Landownership Award (CLOA), and who have fully paid their obligations and are qualified under these Rules, or persons duly authorized by them; and
2. Government agencies, including government-owned or controlled corporations, and LGUs, which own agricultural lands as their patrimonial property.

## DEPARTMENT OF LABOR AND EMPLOYMENT

### BOILERS AND UNFIRED PRESSURE VESSELS

#### General Provisions:

1. No boiler and/or pressure vessel shall be installed and/or operated in the Philippines without the permit issued for the purpose by the Secretary of Labor or his/her authorized representative;
2. Application for installation of a new boiler shall be filed with the Bureau or in the Regional Office with available professional mechanical engineer (PME) for processing and verification accompanied by the manufacturer's data sheets, working drawings, foundation design computation, installation and location plans, all in five (5) copies (white print);
3. Application to locally fabricate boilers shall be filed in five (5) copies with the Bureau or in the Regional Office concerned, accompanied by design drawings, computations and specifications; and
4. Major repair work in pressure parts of boilers shall be done after the details of the repair and the design plan shall have been processed.

#### Checklist Requirements in the Application for Mechanical Installation/s and Mechanical Fabrication/s of Industrial Facilities

Mechanical Equipment: Pressure Vessel, Boiler, Internal Combustion Engine, Elevator, Manlift/dumbwaiter, Steam/Hydro Turbine, Power Piping Lines, Crane & Hoist, etc.

1. Covering/Transmittal Letter with contact name and tel./cell phone number (to be retained at Director's Office only).
2. Four (4) sets of application forms and drawings for each unit of mechanical equipment;
3. All plans and application forms are to be signed and sealed by a professional mechanical engineer (PME);
4. All plans and application forms are to be signed by the owner/manager or his/her authorized representative;
5. Indicate the company TIN in the application forms;
6. Photocopy of the current PRC ID and PTR of the PME;
7. Certificate of appearance of the PME

In the event that said PME has not yet obtained a certificate of appearance, he is required to appear personally at the Bureau or at the DOLE Regional Office so that the corresponding certificate of appearance, duly signed by the Bureau Director, the Regional Director or the Asst. Regional whichever is applicable will be issued;

8. The following shall be incorporated in the plans/drawings:
  - a. Location plan;
  - b. Room layout;
  - c. Installation drawings of equipment showing plan, section/elevations

- d. Foundation design calculation;
- e. Detailed foundation construction drawings; and
- f. Equipment specifications.

NOTE:

1. Mechanical plans that require foundation design calculation with safety factor of 5 as minimum.
  - a. Installation of Pressure Vessels;
  - b. Installation of Boilers and Steam/Hydro Turbine;
  - c. Installation of Internal Combustion Engine (as per Phil. Mechanical Code specifically for Diesel Engine)
2. All applications for installation within the area of jurisdiction of the following chartered cities shall be submitted directly to the building Official of the concerned Local Government Unit (LGU):

1. Manila	6. Iloilo City
2. Quezon City	7. Bacolod City
3. Caloocan City	8. Cebu City
4. Pasay City	9. Mandaue City
5. Batangas City	10. Davao City

3. All applications for installation in the National Capital Region (NCR), except Manila, Quezon City, Caloocan City and Pasay City shall be submitted directly to the DOLE NCR office.

## DEPARTMENT OF JUSTICE

### APPLICATION FOR NON-IMMIGRANT VISA

#### **Guidelines for Processing Applications and Requests Relative to Special Non-Immigrant Visas Under Section 47(A)(2) of Commonwealth Act No. 613, as Amended (DOJ Circular No. 48)**

##### **Persons Eligible to Apply for Section 47(a)(2) Visas**

Unless expressly excluded from entering the Philippines under Section 29 of CA 613, as amended, foreign nationals falling under the following categories may be issued Special Non-Immigrant Visas under Section 57(a)(2) of CA 613, as amended:

- (a) Those employed as supervisors, specialists, consultants, contractors or personal staff at enterprises registered with Export/Special Economic Processing Zones or the Board of Investments;
- (b) Those employed in enterprises that have existing agreement/s with the government, or any subdivision, agency, or instrumentality thereof, including government-owned or controlled corporations or their subsidiaries, for the completion of a project;
- (c) Exchange professors, scholars, trainees, participants, students, fellows and social workers under sponsorship of locally or intentionally recognized educational, scientific, cultural, relief and charitable organizations, institutions, agencies or foundations, including representatives of non-recognized foreign governments to any of the aforementioned organizations, institutions, agencies or foundations;
- (d) Volunteers who are registered with the Philippine National Volunteer Service Coordinating Agency, including foreign personnel of international rescue/aid organizations providing assistance on occasion of natural disasters and major emergencies;
- (e) Dependents of foreign nationals covered under any of the foregoing categories.

##### **Documentary Requirements for Change of Admission Status**

Applicants for change of admission status under Section 1(a), (b), (c) and (d), and Section 2 of these guidelines, shall comply with the following documentary requirements:

- A. Supervisors, specialists, consultants, contractors, personal staff.

For supervisors, specialists, consultants, contractors and their personal staff, the application shall consist of the following documents:

1. Duly accomplished and notarized DOJ General Application Form and Checklist (Annex 1)
2. Sworn Certification and Undertaking executed by the sponsor, company stating that:
  - i. The foreign national subject of the application is being admitted to the Philippines pursuant to a contract entered into by the former with a government office, agency or subdivision, or with a private firm;
  - ii. The employment of the foreign national is required in the operation of the company, with an indication of the number and nationality of other personnel employed in the same category as that of the foreign national;
  - iii. The foreign national has no derogatory record or pending case against him in his domicile, in the Philippines, or in any other country where the foreign national has resided for the past five (5) years;

- iv. The sponsor, company shall conduct an understudy program for the training of Filipino workers to effect transfer of appropriate technology on aspects of its operation for which the non-resident alien is being proposed for employment;
  - v. The sponsor, company shall secure from PEZA, SEZ or BOI, whichever is applicable, before allowing the foreign national subject of the application to transfer employment to any company and/or take up any additional employment; and
  - vi. The sponsor, company shall notify the DOJ, copy furnished the PEZA, SEZ or BOI, whichever is applicable, within three (3) days from termination of employment of the foreign national.
3. Recommendation by the appropriate government office, agency or subdivision, or the private firm, utilizing the services of the foreign national subject of the application
  4. For PEZA or BOI registered companies, favorable recommendation from the PEZA or BOI, as the case may be.
  5. Duly authenticated copies of the following documents:
    - i. Passport of the foreign national, which should be valid for a period of at least six (6) months at the time of filing of the application, showing the admission stamp and period of authorized stay.
    - ii. Sponsor, company's Certificate of Registration issued by the appropriate government agency, if engaged in business.
    - iii. Contract or Agreement between the sponsor, company of the foreign national subject of the application and the government office, agency, agency or subdivision, or the private firm.

#### Evaluating, Recommendation and Review

- Within two (2) working days from the receipt of the application complete with all documentary requirements and proof of payment of legal fees, the evaluating State Counsel shall submit his/her recommendations thereon to the Assistant Chief State Counsel.
- Within two (2) working days from receipt of the application and the evaluating State Counsel's recommendations, the Assistant Chief State Counsel shall review, finalize and submit the draft action document to the Chief State Counsel as designated authorized signatory under DC 35 s. 2009.
- Within two (2) working days from the Assistant chief State Counsel's submission, the Chief State Counsel or such other senior DOJ official designated by the Secretary of Justice shall issue the appropriate departmental action on the application.
- Within two (2) days from its issuance, the departmental action shall be transmitted to the Bureau of Immigration for immediate implementation.

*Note : The period for processing an application starting from the filing of the application up to the implementation of departmental action by the Bureau of Immigration shall not exceed ten (10) working days.*

#### Rates of Legal Fees

Processing fees at the following rates shall be assessed and collected for each foreign national and/or dependent subject of the application filed pursuant to these Guidelines:

a.	For change of admission status	-	Php 6,000
b.	For extension of Section 47(a)(2) visa	-	Php 6,000
c.	For implementation/re-validation	-	Php 5,000
d.	For inclusion of dependents	-	Php 3,000

The fees assessed by the OLS-OSEC-DOJ shall be paid to the DOJ Cashier Office.

## BUREAU OF IMMIGRATION

### PHILIPPINE VISA

#### Rates :

- VISA Waiver – Php 500
- VISA Application Fee – Php 1000
- Certification Fee – Php 500
- Express Fee Certification – Php 500
- Express Fee Processing – Php 500
- Legal research Fee – Php 10

#### Requirements :

- Passport/Travel Document Valid for at least six (6) months beyond the intended period of stay in the Philippines
- Duly Accomplished VISA Application forms
- Passport Photos (2 pieces)
- Proof of bona fide status as tourist or businessman
- Confirmed tickets for return or onward journey to the next port of destination
- Payment of VISA Fees

#### Validity :

- Single-entry – 59 days from the date of issue
- Multiple entry – between 6 months and 1 year from date of issue
- VISAS normally allow stays of up to 60 days
- Extensions are possible at the discretion of the Bureau of Immigration.

#### Processing Time :

- Express : One (1) day
- Standard : One (1) week

### PHILIPPINE SPECIAL WORK PERMIT

#### Rates :

- Application Fee – Php 4000
- Special Work Permit – Php 800
- Service Fee – Php 100
- Express Lane – Php 500
- Legal research Fee – Php 30
- BI Clearance Certificate – Php 1010

#### Requirements :

- Notarized Letter-Request from the Petitioner's company who is responsible for the payment of the applicant's tax/es at the Bureau of internal Revenue (BIR).
- Clear copy of the passport's personal data and valid authorized period to stay
- Clear copy of the SEC Registration, By-Laws and Articles of Incorporation of the company
- Clear copy of the employment contract stating the applicant's exact salary
- Bureau of Immigration Clearance Certificate

#### Validity :

- Six (6) months

#### Processing Time :

- Normally less than a working day

## DEPARTMENT OF LABOR AND EMPLOYMENT

### APPLICATION FOR ALIEN EMPLOYMENT PERMIT

#### Who are the foreign nationals required to apply for an AEP

- All foreign nationals who intend to engage in gainful employment in the Philippines.
- Foreign nationals who are allowed to practice their profession in the Philippines under reciprocity and other international agreements and in consultancy services pursuant to Section 7(j) of the PRC Modernization Act of 2000
- Holders of Special Investors Resident Visa (SIRV), Special Retirees Resident Visa (SRRV), Treaty traders Visa (9d) or Special Non-Immigrant Visa (47(a)2) for as long as they occupy any executive, advisory, supervisory, or technical position in any establishment.

#### Who are exempted from securing AEP:

- Members of the diplomatic services and foreign government officials accredited by the Philippine government;
- Officers and staff of international organizations of which the Philippine government is a cooperating member, and their legitimate spouses desiring to work in the Philippines;
- Foreign nationals elected as members of the Government Board who do not occupy any other position, but have only voting rights in the corporation;
- All foreign nationals granted exemption by special laws and all other laws that may be promulgated by the Congress;
- Owners and representatives of foreign principals, whose companies are accredited by the Philippine Overseas Employment Administration (POEA), who come to the Philippines for a limited period solely for the purpose of interviewing Filipino applicants for employment abroad;
- Foreign nationals who come to the Philippines to teach, present and/or conduct research studies in universities and colleges; or between the universities or colleges in the Philippines and foreign universities or colleges; or between the Philippine government and foreign government;
- Resident foreign nationals and temporary or probationary resident visa holders employed or seeking employment in the Philippines.

#### Requirements in filing the application for AEP:

- Duly accomplished Application Form and must be notarized;
- Contract of Employment/Appointment
- Notarized Board Secretary's Certificate on the election of Foreign National
- Certified Photocopy of Passport, with visa or Certificate of Recognition for refugees;
- Photocopy of Mayor's Permit to operate business or in cases of locators in economic zones, Certification from PEZA or the Ecozone Authority that the company is located and operating within the ecozone;
- ID Pictures – 2 pcs 2x2 and 2 pcs 1x1
- Endorsement letter of application and authorization letter from company or alien
- Photocopy of current AEP (if for renewal)

#### Fees

Permit fee is Php 8,000 for one year validity or fraction thereof plus Php 3,000 for every additional year of validity or a fraction thereof, which shall not exceed five (5) years, to be paid upon submission of application.

## CIVIL AVIATION AUTHORITY OF THE PHILIPPINES

### AERODOME RATING CERTIFICATE (ARC)/TEMPORARY PERMIT TO OPERATE A HELIDECK

*Note : Originally ARC permit is renewed yearly; with the CAAP reorganization, ARC was replaced by the Provisional Permit to Operate which is renewed monthly*

#### Checklist For Putting Up an Airstrip/Helistop/Helipad (as applicable)

1. Justification for the need of constructing/putting up an airstrip/helistop/helipad;
2. Environmental clearance from competent authority to address the issue regarding safety/noise pollution/security when operating into the airstrip/helistop/helipad;
3. Accomplishment of ATO Form no. AES 1-2001;
4. Submission of the following documents to support ATO Form No. AES 1-2001 such as:
  - a. Vicinity Map – showing the proposed airstrip/helistop/helipad (as applicable) in relation with its surrounding environment
  - b. Location Plan – showing the proposed airstrip/helistop/helipad (as applicable) with the following information:
    - i. For Airstrip – significant obstructions along its two (2) approaches on a slope of 1:20 from both ends of the runway
      - Significant obstruction along the edges of the airstrip at a traverse slope of 1:7
    - ii. For Helistop/Helipad – the height and distance of significant obstruction within a radius of 1,500 meters from the center of the proposed helistop/helipad
  - c. Detailed Layout Plan of the proposed airstrip/helistop/helipad (as applicable)
    - i. For Airstrip – Detailed Plan, longitudinal and cross-section of the proposed airstrip, showing the dimension of the runway, and its airstrip; location of the windcone, day and distance-to-go markers.
    - ii. For Helistop – Detailed Plan and cross-section of the proposed helistop touchdown areas, the thickness of the sub-base, sub-grade and its wearing surface to aid in the determination of its surface bearing strength
    - iii. For Helipad – Detailed Plan and cross-section of the helipad structure, showing the dimensions of the safety and touchdown surface of the proposed helipad.
  - d. Signed and sealed certification from a licensed Geodetic Engineer for the value obtain in filling up the item in the ATO Form AES 1-2001, application for rating certificate, such as:
    - i. Geographical Coordinates
    - ii. Elevation AMSL in ft. or meters
  - e. Signed and dry-sealed certification from a licensed Civil Engineer for the values obtained in filling up the items in ATO Form AES 1-2001, application for rating certificate, such as Soil Boring Test Report to determine:
    - i. Airstrip/Helistop Surface Bearing Strength



- f. Signed and dry-sealed certification from a licensed Structural Engineer for the values obtained in filling up the items in ATO Form AES 1-2001, application for rating certificate to determine:
  - i. Helipad Structural strength
- g. When the proposed airstrip/helistop/helipad (as applicable) is completed, submission of pictures showing:
  - i. Airstrip – Both approaches of the runway, location of the windcone, day and distance-to-go markers, fire extinguishers and first-aid kit
  - ii. Helistop/Helipad – Four (4) quadrant views of the helistop/helipad showing the location of the windcone, day markers, fire extinguishers and first-aid kit
- h. Submission of Official Receipt payment in the amount of five Thousand Pesos Only (Php 5,000.00) for inspection fee.

### APPLICATION FOR HEIGHT LIMITATION

#### Requirements:

1. Certification of Geodetic Engineer [separate sheet - original copy with dry seal]
  - A. Geodetic Coordinates (WGS-84 Datum) and True Ground Elevation in meters above mean sea level/Orthometric Height of the site (point/s nearest to the runway).
  - B. Copy of Reference Elevation
  - C. Copy of Horizontal Control Reference using WGS-84 Coordinates
  - D. Location Plan with Vicinity Map, indicating the Geodetic Position and Elevation of the proposed site, signed and sealed by a Geodetic Engineer.
  - E. Copy of the original field notes, traverse computations and GPS processing notes including raw data (total station data should be in ASCI format and RINEX format in GPS), signed and sealed by a Geodetic Engineer.

In addition, if the proposed site is within two (2) km in radius of the nearest runway end, indicate the true ground elevation at the nearest point of the runway and the distances.

2. Filing fee of fifty pesos (Php 50.00).

*[Note: Attach a copy of the Official Receipt or Order of Payment.]*

## APPLICATION FOR HEIGHT CLEARANCE PERMIT

### Requirements:

1. Elevation Plan of the proposed structure

*Note: if in case, the proposed structure is to be installed/constructed atop of an existing structure, include the height of the existing structure.*
2. Certification of Geodetic Engineer [separate sheet - original copy with dry seal]
  - A. Geodetic Coordinates (WGS-84 Datum) and True Ground Elevation in meters above mean sea level/Orthometric Height of the site (point/s of the proposed structure nearest to the runway).
  - B. Copy of Reference Elevation
  - C. Copy of Horizontal Control Reference using WGS-84 Coordinates
  - D. Location Plan with Vicinity Map, indicating the Geodetic Position and Elevation of the proposed site, signed and sealed by a Geodetic Engineer.
  - E. Copy of the original field notes, traverse computations and GPS processing notes including raw data (total station data should be in ASCI format and RINEX format in GPS), signed and sealed by a Geodetic Engineer.

In addition, if the proposed site is within two (2) km in radius of the nearest runway end, indicate the true ground elevation at the nearest point of the runway and the distances.

3. Filing fee of fifty pesos (Php 50.00)

*[Note: Attach a copy of the Official Receipt or Order of Payment.]*

## CIVIL AERONAUTICS BOARD (CAB)

### APPLICATION FOR ISSUANCE OF FOREIGN AIR CARRIERS PERMIT (FACP)

#### Requirements for Original Application

##### I. To Establish Jurisdictional Requirements

1. Verified Application/Petition (with prescribed CAB Form)  
*Note : Application should comply with Sec. 8 & 9 of Chapter III, Economic Regulation No. 1 – meaning that the main application/petition is required to be forwarded to the CAB through diplomatic channels (i.e., through the Department of Foreign Affairs by the government of the applicant’s country of citizenship)*
2. Official Receipt of Payment of Filing Fee – Php 72,720.00
3. Notice of Hearing (issued & signed by the Hearing Officer)
4. Affidavit of Publication (Proof that the Notice of Hearing was published at least once a week for three (3) consecutive weeks in a newspaper of general circulation)
5. Actual newspaper copies of the publication
6. Proof of Service Application/Petition and Notice of Hearing to affected airlines

##### II. To Establish Juridical Personality of the Applicant

7. Certificate of Incorporation (Articles of Incorporation/By-Laws – the country under whose law the company is formed)
8. License from Securities and Exchange Commission (SEC) to conduct business here in the Philippines
9. Designation of Applicant as Official Carrier to operate in the Philippines / Note Verbale

##### III. To show the Management, Facilities, Resident Agent, Financial & Operational Capability of the Corporation

10. List of Board of Directors
11. List of Corporate Officers
12. List of Stockholders or Partners
13. General Sales Agent (Passenger) or General Sales Agent for Cargo authorized to legally represent Applicant in the Philippines
14. Local Branch Office/Resident Agent clothed with the proper authority to accept summons & process in all legal proceeding as required by the SEC
15. Air Operator Certificate issued by the Civil Aviation Authority of country of the Applicant
16. Any licenses issued or granted to the Applicant by Air Regulatory Body, other than Air Operator Certificate, if any
17. List of Aircraft
18. Aircraft Lease Agreement if aircraft is being leased/Proof of ownership if owned
19. Certificate of Airworthiness
20. Certificate of Registration
21. Certificate of Insurance

22. List of Pilots and their valid licenses
23. List of Aircraft Mechanics and their valid licenses
24. Ground Handling Agreement & Catering Services Agreement
25. Maps showing the point intended to be served by the Applicant
26. Latest Audited Financial Statements or Annual Report with attached Financial Statements
27. Business Plan or Market and Viability Study of proposed operations in the Philippines
28. Any additional information as desired in support of the application (such as Data Fact Sheet, Airline Manuals, Timetable, etc.) - optional

### **Requirements for Renewal Application**

#### **I. To Establish Jurisdictional Requirements**

2. Verified Application/Petition (with prescribed CAB Form)
3. Official Receipt of Payment of Filing Fee – Php 36,360.00
4. Notice of Hearing (Issued & signed by the Hearing Officer)
5. Proof of Service of Application/Petition and Notice of Hearing of affected airlines

#### **II. To Establish Juridical Personality of the Applicant**

5. Certificate of Incorporation
6. License from Securities and Exchange Commission (SEC) to conduct business here in the Philippines

#### **III. To show the Management, Facilities, Resident Agent, Financial & Operational Capability of the Corporation**

7. List of Board of Directors
8. List of Corporate Officers
9. List of Stockholders or Partners
10. General Sales Agent (Passenger) or General Sales Agent for Cargo authorized to legally represent Applicant in the Philippines
11. Local Branch Office/Resident Agent clothed with the proper authority to accept summons & process in all legal proceeding as required by the SEC
12. Air Operator Certificate issued by the Civil Aviation Authority of country of the Applicant
13. Any licenses issued or granted to the Applicant by Air Regulatory Body, other than Air Operator Certificate, if any
14. List of Aircraft
15. Aircraft Lease Agreement if aircraft is being leased/Proof of ownership if owned
16. Certificate of Airworthiness
17. Certificate of Registration
18. Certificate of Insurance
19. List of Pilots and their valid licenses
20. List of Aircraft Mechanics and their valid licenses
21. Ground Handling Agreement & Catering Services Agreement
22. Latest Audited Financial Statements or Annual Report with attached Financial Statements
23. Business Plan or Market and Viability Study of proposed operations in the Philippines
24. Updated submission of reportorial requirements from EPRD & ACASFAD
25. Copies of payment of annual review fee & annual certificate of registration fee

# BUREAU OF CUSTOMS

## CERTIFICATE OF ACCREDITATION AS IMPORTER

Note :

- *Yearly renewal*
- *Processing time, at least 1 month after submission of complete documents*
- *The investor/importer shall be needing the services of a Licensed Customs Broker for the filing of the import entry and to represent them in transacting with the BOC for the release of their cargoes.*

### Requirements for New Application

1. Mayor's Permit and Barangay Clearance
2. BIR TIN Card and/or VAT (or Non-VAT) Certificate of Applicant
3. Valid ID and Community Tax Certificate of the applicant
4. For corporations, SEC Certificate of Registration, Articles of Incorporation and By-Laws
5. For partnerships, SEC Certificate of Registration, Articles of Partnership and By-Laws
6. For cooperatives, Certificate of Cooperation issued by the Cooperative Development Authority (CDA)
7. For sole proprietorships, proof of registration with the Department of Trade and Industry (DTI)
8. 2x2 pictures (4 copies) of the applicant with specimen signature at the back thereof
9. Audited financial statements for the past year, if applicable
10. BOI certificate of registration, if applicable
11. Income Tax Return of the company, partners, proprietor/owner for the past year, as may be applicable
12. Proof of ownership or lawful occupation of the business premises
13. Proof of utility billing

### For Renewal of Accreditation with no-material changes in the information previously submitted

1. Affidavit of No Change of Circumstance (in case there are no material changes in the applicant's data and circumstances as appearing in the previous accreditation)
2. Current Mayor's Permit and Barangay Clearance (Duly certified by the issuing agency)

### For Renewal of Accreditation with material changes in the information previously submitted

1. Affidavit of Change of Circumstance stating particularly the facts constituting the material changes; and
2. Documents in support thereof

### Requirements for every Importation

1. Import entry and Internal Revenue Declaration (BOC Form No. 236)
2. Bill of Lading
3. Commercial Invoice
4. Packing List
5. Supplemental Declaration on Valuation (SDV)
6. Load Port Survey Report – for bulk cargo, issued abroad by accredited surveyors
7. Electronic copy of the Import Entry Declaration – for shipments under letter of credit
8. Import Permit – for regulated shipments/controlled commodities
9. BIT – Authority Release Imported goods (ATRIG) – for shipments subject to excise tax/exempted from VAT
10. Certificate of Origin – both preferential and non-preferential

## PHILIPPINE NATIONAL POLICE

### LICENSE TO POSSESS EXPLOSIVES

Notes :

- *Yearly renewal*
- *At least 60 to 90 days processing*

#### Requirements for New Applicants

1. Letter of Request (state the Purpose)
2. PNP Form No. 6 duly accomplished
3. If Corporation or Partnership, SEC Registration, Articles of Incorporation and By-Laws duly authenticated by SEC.
4. If Single Proprietorship, DTI Registration, Business Permit and Certification of Capital Invested in the business from the City or Municipal Treasurer
5. Personal History Statement or Bio-data
6. Original Clearances ( Court, Mayor, Police, NBI)
7. Original Special Bank Receipt (Land Bank of the Philippines) – Fee : Php 5,000.00
8. Endorsement from Provincial Director & ROPD (for provincial applicants)
9. PNP Inspection Report/Security of Survey by the PD for Provincial applicant and by FED for NCR applicant.
10. Pictures (size: 8" x 10"), Detail and Location plans of existing magazine properly labeled.
11. For petroleum/coal/geothermal exploration, endorsement from Department of Energy.

#### Requirements for Renewal

1. Letter of Request
2. Original license to be renewed
3. Summary of explosives consumed for the past twelve (12) months
4. Monthly report for twelve (12) months attested by Provincial Director, for Provincial applicant and by FED, for NCR applicant
5. Original Clearances (Court, Mayor, Police, NBI)
6. Original Special Bank Receipt (Land Bank of the Philippines) – Fee – Php5,000
7. PNP Endorsement from Provincial Director & ROPD (for Provincial applicant)
8. PNP Certificate of Inspection and Inspection Report signed by the Provincial Director for provincial applicant by FED, for NCR applicant
9. Pictures (size: 8" x 10"), Detail and Location plans of existing magazine properly labeled.

## PERMIT TO UNLOAD EXPLOSIVES FROM VESSEL AND TRANSFER TO DESTINATION

*Notes :*

- *Per explosive movement*
- *At least 60 to 90 days processing*

**Requirements:**

1. Letter of Request
2. PNP Form No. 6-c duly accomplished
3. Photocopy of license
4. Photocopy of Permit to Import
5. Latest monthly Report duly endorsed or attested by Provincial Director by the Provincial Director concerned (PNP Form No. 13)
6. Bill of lading/Airway Bill and Proforma Invoice
7. Original Special Bank Receipt (Land Bank of the Philippines)

## PERMIT TO TRANSPORT AND MOVE EXPLOSIVES

**Requirements:**

1. Letter Request (state purpose of request)
2. PNP Form No. 6-a duly accomplished
3. Photocopy of license
4. Monthly Report for twelve (12) months duly endorsed or attested by the Provincial Director concerned
5. Previous PPE and Delivery Receipt
6. PNP Endorsement from Provincial Director and ROPD (Provincial applicant)
7. Original Special Bank Receipt (Land Bank of the Philippines) – Fee : Php 1,500
8. Blasting Scheme (for blasting contractor)
9. Agreement or contract of the project
10. Endorsement from Department of Energy for petroleum, coal and geothermal exploration

## PERMIT TO IMPORT EXPLOSIVES/ EXPLOSIVES INGREDIENTS

Notes :

- *Yearly renewal*
- *At least 30 to 90 days processing*

### Requirements:

1. Letter of Request
2. PNP Form No. 6-b duly accomplished
3. Photocopy of license
4. Twelve (12) months consumption report
5. Monthly Report for twelve (12) months for explosives duly endorsed or attested by the Provincial Director concerned (PNP Form No. 13)
6. PNP Endorsement from Provincial Director & ROPD (of provincial applicant)
7. Original Special Bank Receipt (Land Bank of the Philippines) – Fee : Php 6,000

## PERMIT TO EXPORT EXPLOSIVES/ EXPLOSIVES INGREDIENTS

Notes :

- *Yearly renewal*
- *At least 30 to 90 days processing*

### Requirements:

1. Letter of Request
2. Letter of Intent from the firm abroad
3. Twelve (12) months consumption report
4. Latest Monthly Report
5. Copy of License



## PHILIPPINE NUCLEAR RESEARCH INSTITUTE

### RADIOACTIVE MATERIAL LICENSE

*Notes :*

- *Yearly renewal*
- *Permit processing is 2 to 3 weeks*

**Requirements:**

1. Letter of request signed by the applicant's President/Director
2. Certified True Copy of SEC/DTI Registration (for new license application)
3. Accomplished and notarized appropriate Nuclear Regulations, Licensing and Safeguards Division (NRLDS)/Licensing Review and Evaluation (LRE) application form
4. Security Measures (secure guide and Checklist at LRES)
5. Filing Fee of Php 500 (upon submission applicable only for new license application)

### AUTHORITY TO TRANSPORT (IMPORT)

*Notes :*

- *Renew every two weeks*
- *Extension processing is approximately 1 week*

**Requirements:**

1. Letter of request for the issuance of Authority to Transport
2. Filing Fee of Php 300

### AUTHORITY TO TRANSPORT (EXPORT)

*Notes :*

- *Apply per movement*
- *Extension processing is approximately 1 week*

**Requirements:**

1. Letter of request for the issuance of Authority to Transport
2. Filing Fee of Php 300

## **REGISTRATION FOR ECOZONE DEVELOPERS PHILIPPINE ECONOMIC ZONE AUTHORITY (PEZA)**

### **REGISTRATION FOR EXPORT ENTERPRISES/IT ENTERPRISES**

#### **Requirements:**

1. Duly Accomplished & Notarized Application Form
2. SEC (Articles of Incorporation and By-Laws) / DTI Registration(for Sole Proprietorship)
3. Board Resolution/Special Power of Attorney for Representative
4. Document/Clearance to use the land subject of this application or Reservation

#### **Procedure:**

1. Submit Application Form
2. Evaluation and Recommendation for approval to the PEZA Board
3. PEZA Board Approval
4. Submission of Pre-Registration Requirements
5. Signing of Registration Agreement
6. Submission of Post –Registration Requirements
7. Start of Commercial Operation

## **REGISTRATION FOR ECOZONE DEVELOPERS**

#### **Requirements:**

1. Duly accomplished and notarized application form
2. SEC Registration and Articles of Incorporation;
3. Audited Financial Statements (for the last three years of operation, where applicable);
4. Board Resolution/Special Power of Attorney designating the company's authorized representative to PEZA;
5. Project Study
6. Vicinity map reflecting the various land uses and important verifiable landmarks within one (1) kilometer radius of the project site;
7. Proof of land ownership or any perfected contract/document confirming the applicant's authority/clearance to use the land for economic zone development and related purposes;
8. If the applicant is not the registered owner, a perfected contract/document confirming the applicant's authority/clearance to apply for and use the land for ecozone and related purposes is required.
9. Endorsement from the Sangguniang Bayan/Panlungsod for the development of the proposed economic zone (i.e. all local government units of all municipalities and cities with areas included in the proposed economic zone;

10. Certification from the Department of Agriculture that the area for the proposed economic zone is not or has ceased to be economically feasible and sound for agricultural purposes (i.e. the area is marginal for agricultural use);
11. DAR Conversion Clearance or Exemption Certificate (or HLURB Zoning Certification, whichever is applicable) and if the proposed area is zoned as agricultural on or before 15 June 1988, a DAR Conversion Clearance/ Order is required. However, if the zoning of the area is non-agricultural on or before said date, a DAR Exemption Certificate or HLURB Zoning Certification shall be required.
12. Other documents as may be required

**Procedure:**

1. Submit Application with Attachments
2. Evaluation
3. Submission to PEZA Board
4. Board Approval
5. Submission of Presidential Proclamation Requirement
6. Endorsement for Malacanan
7. Issuance of Presidential Proclamation
8. Submit Pre-Registration Requirements
9. Registration Agreement Signing

**Processing Time**

One (1) Day if application is received a day before a scheduled Board Meeting. Board Meetings are held every 2nd and 4th Thursdays of the month (Export/IT enterprises and Ecozone Developer)

Ten (10) to Twenty (20) Working Days to secure the Presidential Proclamation after all documents are submitted to Malacañan (Ecozone Developer)

## SUBIC BAY METROPOLITAN AUTHORITY

### REGISTRATION FOR ECOZONE DEVELOPERS

#### Requirements:

1. Duly Accomplished SBF Application Form
2. Letter of Intent/Business Proposal
3. Business Proposal
4. Audited Financial Statement
5. Company Information/Brochures
6. Client/Supplier List
7. Financial projections
8. SEC Certificate (Articles of Incorporation and By-Laws)/DTI Registration (Sole Proprietorship)
9. Certification of deposits and credit standing
10. Draft Sublease Agreement(for Subleasee)
11. List of Assets for SBF Operations

#### Procedure

1. Submission of Letter of Intent and Application for Registration
2. Evaluation
3. Presentation to SBMA Chairman and Board
4. Board Approval
5. Registration requirements completion
6. Issuance of Certificate of Registration

#### Processing Time

Three (3) weeks to one (1) month

## CLARK DEVELOPMENT CORPORATION

### REGISTRATION FOR ECOZONE DEVELOPERS

#### Requirements:

1. Letter Intent with attached CDC Project Evaluation Form (containing Company Profile and Preliminary Project Data)
2. SEC Registration or DTI Registration
3. Board Resolution/ Secretary's Certificate

#### Other Documents Required (If Applicable)

1. Bank Certification of Approved Loan
2. Production Process Flow for industrial firms
3. Proposed Site Development Plan
4. Construction Timetable
5. Company Brochures

#### Registration Procedure:

1. Investor Submits Letter of Intent and required documents
2. CDC identifies site(s) and provides investor Terms of Contract
3. If proposal is approved, Lease Agreement is signed and Certificate of Registration is issued.

#### Processing Time

Two (2) to Three (3) Weeks

# CAGAYAN ECONOMIC ZONE AUTHORITY

## REGISTRATION FOR ECOZONE DEVELOPERS

### Requirements:

1. Completed Application Form (CSEZFP Form 99-1)
2. Fee for processing amounting to US\$200 or its equivalent in P.
3. Project Feasibility Study
4. Copies of relevant documentation of legal status of business enterprise (Articles of Incorporation and By-Laws/Partnership Agreement/SEC license to do business)
5. Name and address of legal agent if not a corporation or the business organization established in the Philippines.
6. If there is foreign ownership, proof of inward remittance and/or investment or other proof of financial capacity acceptable to CEZA.
7. Evidence of intended physical location of enterprise within the Cagayan Special Economic Zone and Freeport (CSEZFP)(i.e., Certificate of Title, etc)
8. If part of a larger business enterprise doing business outside the CSEZFP, evidence or restructuring which excludes from the operations of the CSEZFP enterprise all business operations taking outside the CSEZFP.
9. List of assets and other properties comprising the investment to be made.
10. Application Forms for Work Permits for any expatriate personnel.
11. List of references that may be contacted to verify the information included in the application, including a commercial bank and/ or financial institutions and independent auditor
12. Certificate under oath that the CSEZFP Enterprise applicant will comply with the Masterplan as maybe adopted and amended from time to time
13. Undertaking that applicant shall not at all times conduct any unlawful activities.

### Procedure:

1. Submission of completed application form to OSAC
2. Payment of US\$200 processing fee
3. OSAC checks completeness of documents
4. Upon completion of submitted documents, OSAC issues receipt of complete documents
5. Validation of submitted documents
6. OSAC Review and Recommendation to Administrator and Chief Executive Officer
7. Administrator and CEO' approval or denial of application.
8. If approved, OSAC issues Provisional Certificate of Registration valid for 30-90 days.
9. Upon completion of other documents that may be required, CEZA issues the CSEZFP Enterprise Certificate of Registration

### Processing Time

Thirty (30) working days

## PHIVIDEC INDUSTRIAL AUTHORITY

### REGISTRATION FOR ECOZONE DEVELOPERS

#### Requirements for Manufacturing Firms

1. Letter of Intent containing the following:
  - a. Company Name
  - b. Name of the Project
  - c. Description of the Project
  - d. Project Cost
  - e. Area Required (Minimum and Maximum)
  - f. Power Requirement
  - g. Water Requirement
  - h. Employment
  - i. Time Table
2. Application Form
3. Feasibility or Project Study /Business Proposal
4. Company Profile/Brochure
5. Process Description and Process Flow
6. Certificate of Registration of Business Name
7. SEC Registration & Articles of Incorporation
8. Income Tax Returns for the last 3 yrs (if applicable)
9. Audited Financial Statement for the last 3 yrs (if applicable)
10. List of Directors & Principal Stockholders with Biodata
11. Deed of Undertaking (PIA to provide Pro Forma Forms)
12. Anti-Graft Certificate (PIA to provide Pro Forma Forms)
13. Development Plan and Proposed Activities for 2 years period
14. Secretary's Certificate / Board Resolution authorizing the filing of application and designation of representatives(s)
15. Pro Forma Lease Contract for Manufacturing Firm
16. Pro Forma Registration Agreement for Manufacturing Firm
17. Fees and Charges
18. Other Permits/Clearances required from other government agencies

#### Requirements for Service Enterprise

1. Letter of Intent containing the following:
  - a. Company Name
  - b. Name of the Project
  - c. Description of the Project
  - d. Capitalization
  - e. Employment/Manpower
  - f. Time Table

2. Application Form
3. Feasibility or Project Study /Business Proposal
4. Service Description and Process Flow
5. Certificate of Registration of Business Name
6. SEC Registration & Articles of Incorporation (If Applicable)
7. Certificate of SSS Remittance (When applicable)
8. Income Tax Returns for the last 3 yrs (if applicable)
9. Audited Financial Statement for the last 3 yrs (if applicable)
10. List of Directors & Principal Stockholders with Biodata
11. Deed of Undertaking (PIA to provide Pro Forma Forms)
12. Anti-Graft Certificate (PIA to provide Pro Forma Forms )
13. Secretary's Certificate / Board Resolution authorizing the filing of application and designation of representatives(s)
14. Pro Forma Permit Agreement for Service Firm
15. Fees and Charges
16. Other Permits/Clearances required from other government agencies

#### **Procedure**

1. Discussion of plans with PIA Authorities (Business Development Division, or Policy Planning and Business Development Division, and/or Corporate Planning and Business Development Department)
2. Submission of Letter of Intent with Project Brief
3. Submission of Application Form together with the requested documents
4. PIA Evaluation
5. Submission of Application for PIA Board Approval
6. Issuance of Board Resolution
7. Signing of registration agreement and lease contract
8. Issuance of Certificates
9. Completion of Other Requirements
10. Start of commercial operation

#### **Processing Time**

Ten (10) working days



# ZAMBOANGA ECONOMIC ZONE AUTHORITY

## REGISTRATION FOR ECOZONE DEVELOPERS

### Single Business Proprietorship

#### Requirements:

1. Evidence of intended physical location of the enterprise within the Zamboanga Freeport (e.g. Commitment letter or other similar documents) and the manner by which the location was secured (whether it was secured directly from the AUTHORITY or from a licensed facilities operator)
2. Detailed list of assets comprising the investment to be made
3. Company Profile
  - a) Track Record
  - b) Business Plan
4. For Foreign Investors: Proof of inward foreign remittance and investment

### Partnership/Corporation

#### Requirements:

1. Articles of Incorporation
2. Partnership Agreement
3. SEC Registration
4. Evidence of restructuring if previously part of a larger business elsewhere in the Philippines
5. Proof of inward foreign remittance and investment
6. Evidence of intended physical location of the enterprise within the Zamboanga Freeport
7. Detailed list of assets comprising the investment to be made
8. Company Profile
  - a) Track Record
  - b) Business Plan

#### Procedure

1. Submission of Application to Marketing and Enterprise Development Department (MEDD)
2. Evaluation of proposal
3. Submission of Evaluation Report to the Board for deliberation
4. Board Deliberation
5. Issuance of Certificate of Registration and Tax Exemption upon Board Approval of said proposal
6. Signing of lease agreement (End of registration procedure)
7. Application and Issuance of Building Permit
8. Issuance of Certificate of Occupancy and Permit to Operate/
9. Start of Commercial operation

**Processing Time :** One (1) Month

## FINANCING MECHANISMS FOR ENERGY PROJECTS

### LANDBANK OF THE PHILIPPINES

#### PROJECT PREPARATION FUND

Partial loan fund intended to assist renewable energy developers' cost of preliminary activities such as market assessment, technical data gathering, site assessment, engineering design and feasibility study

Loanable Amount: Up to fifty percent (50%) of the total cost of project preparation activities but in no case shall exceed Php5 million

##### Requirements for Application:

1. Duly accomplished PPF Application Availment Form;
2. Brief write-up on the project and its proponents (maximum of 2 pages);
3. Copy of pre-feasibility study (As a minimum requirement, only projects with pre-feasibility studies showing technical and financial viability shall qualify for funding by the PPF. The proponent is required to attach the pre-feasibility study to the PPF loan application);
4. Work plan with milestones and corresponding disbursement schedule; and
5. Non-refundable application fee of Php 1,000.00 to be deposited to LBP Trust Account No. 05-063 with Account No. 3401-0537-00. Two (2) copies of the validated deposit slip should be included in the application form.

Application for PPF loan may be submitted to the nearest LANDBANK Lending Centers nationwide or directly to the LBP Head Office with the following address:

##### PPF PROGRAM MANAGER

Environmental Program and Management Department  
18th/F LBP Plaza, 1598 M.H. del Pilar cor. Dr. J. Quintos St., Malate, Manila  
Tel. Nos. 405-7339; 405-7340; 405-7736  
URL: <http://www.landbank.com/>

#### CARBON FINANCE SUPPORT FACILITY

This is a support facility for CDM projects such as renewable energy, energy efficiency, waste management and fuel switching (e.g. coal to natural gas or renewable energy) projects.

##### LANDBANK - Environment Program and Management Department

Land Bank of the Philippines  
30<sup>th</sup>/F, LBP Plaza, 1598 M.H. Del Pilar corner Dr. J. Quintos St., Malate, Manila  
Tel Nos.: (02)405-7735 to 36 Fax No.: (02)528-8484  
Email: [jramos@mail.landbank.com](mailto:jramos@mail.landbank.com) or [pcalado@mail.landbank.com](mailto:pcalado@mail.landbank.com)  
URL: <http://www.landbank.com/>

#### CREDIT LINE FOR ENERGY EFFICIENCY AND CLIMATE CHANGE PROTECTION

##### Objective:

To significantly reduce the direct consumption of primary energy (e.g., diesel, coal, gas) and direct greenhouse gas emissions.

##### Eligible Borrowers:

- Private sector and entities (sole proprietorship, partnership, corporation of at least 70% Filipino-owned, cooperatives and associations)

- Local government Units (LGUs)
- National Government Agencies (NGAs)
- Government Owned and Controlled Corporations (GOCCs)

**Eligible Projects**

All types of investments directly reducing primary energy (e.g., diesel, coal, gas) consumption and/or direct greenhouse gas emissions, such as:

- Replacement or retrofitting or energy efficiency modernization of CF, HFC and HCFC chillers
- Installation or energy efficient modernization of biomass cogeneration facilities, such as cogeneration from
  - Sugar base
  - Rice Husk
  - Coconut husk
  - Methane from piggeries or poultrys, or food and beverage processing industries
- Replacement or energy efficient modernization of machinery and equipment powered by primary energy resources (e.g., diesel, coal, gas), such as:
  - Public transport systems (e.g., bus, jeepney, taxicabs, tricycles)
  - Car or truck fleets
  - Ferries
  - Manufacturing systems
- Replacement of diesel generators or kerosene lamps by solar panels, mini-hydros or other renewable energy facilities

*Note : Cogeneration from municipal solid waste is not eligible*

**Sub-Loan amount:**

Up to maximum loan of Php 200 million

**Loan Tenor:**

- Minimum of 2 years
- Maximum of 10 years
- With grace period of maximum of 2 years

**Interest Rate To borrowers**

Fixed interest rate.

**Project Cost Sharing**

It is based on the Total Project Cost; as follows:

Borrower’s Equity/LBP and/or others (minimum)	20%
KfW funds (maximum)	<u>80%</u>
Total Project Cost	100%

**Collateral**

Loans shall be secured by the object of financing and any or a combination of the following:

- Private sector and entities (sole proprietorship, partnership, corporation of at least 70% Filipino-owned, cooperatives and associations) as borrowers:
  - Real estate Mortgage
  - Chattel Mortgage
  - Hold-out on deposits

- Assignment of Receivables and/or inventories
- JSS of principal stockholders/officers
- Guarantee cover
- Other securities acceptable to the Bank
- Cooperatives as borrowers:
  - Real estate Mortgage
  - Chattel Mortgage
  - Hold-out on deposits
  - Assignment of Receivables and/or inventories
  - JSS of principal stockholders/officers
  - Guarantee cover
  - Other securities acceptable to the Bank
- Local Government Units as borrowers:
  - Assignment of Internal Revenue Allotment
- National Government agencies/ Government Owned and Controlled Corporations as borrowers:
  - ROP Guarantee and other acceptable guarantee cover
  - Real Estate Mortgage
  - Chattel Mortgage
  - Hold-out on deposits

#### Insurance

All insurance collaterals shall be subject to insurance coverage in accordance with LBP's Credit Policy.

### CREDIT LINE FOR ENERGY EFFICIENCY AND CLIMATE CHANGE PROTECTION

#### Objective:

To support the national government's call to develop renewable and alternative fuel/energy sources.

To provide financial assistance to entities that are or will be engaged in renewable energy projects.

#### Eligible Borrowers:

- Sole proprietorship (100% Filipino-owned)
- Partnership (100% Filipino-owned)
- Corporation (at least 60% Filipino-owned)
- Cooperatives
- Local Government Units
- Non-government organizations with legal personality to borrow

#### Eligible Projects

Renewable energy projects such as, but not limited to the following:

- Biofuels projects
- Biomass-based projects
- Hydropower projects
- Wind projects (power and non-power)
- Geothermal project
- Solar photovoltaic

- Solar water heaters
- Cogeneration projects

#### **Loan Purposes**

- Project Feasibility Study Preparation/engineering Design
- Working Capital
- Permanent Working Capital
- Fixed Asset investment

#### **Loan Size**

Based on project requirement and the established loan ceiling of the bank for each client type.

#### **Loan Tenor**

- Working Capital – via up to 360-day PN
- Permanent Working Capital – maximum of five years
- Term Loan

LBP internal funds – maximum of 10 years

Special Funds – up to 15 years

#### **Repayment Term**

- Short Term Loan  
Principal and interest – based on Promissory Note maturity
- Term Loan  
Principal – based on projected cash flow, with maximum two years grace period on principal  
Interest – monthly or quarterly payment

#### **Interest Rate**

- LBP market rate (variable)
- Special financing rate (variable/fixed)

#### **Collateral**

Loans shall be secured by the object of financing and any or a combination of the following:

- Private enterprises (SMEs and large enterprises) and cooperatives as borrowers:
  - Real Estate Mortgage
  - Chattel Mortgage
  - Hold-out on deposits
  - Assignment of Receivables and/or inventories
  - JSS of principal stockholders/officers
  - Guarantee cover
  - Other securities acceptable to the Bank
- Local Government Units as borrowers:
  - Assignment of Internal Revenue Allotment

#### **Basic Processing Requirements**

##### ***For Sole Proprietorship***

- Certificate of Registration with DTI
- Bio-data of Applicant
- Mayor's Permit
- Income Tax Return (last three years)
- Financial Statements (last three years, BIR-filed)
- Latest interim Financial Statement
- Statement of Assets and Liabilities

**For Corporation**

- Corporate Documents
- List of Officers and Directors as certified by Corporate Secretary and bio-data of officers/directors
- Alien Registration Certificate of Foreign Officers
- Statement of Assets and Liabilities of Officers
- List of Stockholders and their shareholdings
- Board of Resolution to: 1) borrow in the amount of and; 2) sign in behalf of the company
- Financial Statement (last three years, BIR-filed)
- Latest Interim Financial Statement

**For Cooperatives**

- Certified true copy of the Certificate of Registration with Articles of Cooperation and By-laws
- Information sheet of the Board of Directors and Officers
- Co-op Board Resolution authorizing the co-op to borrow and designating at least two officers to negotiate and sign documents (BOD Resolution to be submitted together with the specimen signatures and pictures of co-op's authorized signatories)

**For Local Government Unit**

- Letter of Intent
- Sangguniang Resolution authorizing the Local Chief Executive to negotiate and sign all documents pertaining to the loan with LBP
- Description of the proposed project
- COA Audited financial statements in the past three years
- BLGF Certification on Net Borrowing Capacity for the current year
- Approved Budget for the current year
- Collateral documents

## CREDIT PROGRAM FOR RURAL ELECTRIFICATION

Cognizant of the need to energize the barangays to spur socio-economic growth and generate more employment in the countryside, Landbank makes available financing assistance to qualified Electric Cooperative (ECs) and wholesale power aggregators.

**Eligible Borrowers:**

- ECs that are duly registered by the Cooperative Development Authority (CDA), or those rated at least "A" by the National Electrification Administration (NEA) in the last calendar years, or the ratings as available in the NEA
- Joint venture/consortium of ECs (with a rating of the majority of the members of at least "A") and/or of the players in the electric power generation, transmission, distribution and supply sectors
- Wholesale Power Aggregators duly registered/licensed by the Energy Regulatory Commission (ERC).

**Eligible Loan Purposes:**

- Sub-project preparation, e.g. Feasibility Study, assessment studies to support feasibility study (if allowed under a special financing program)

- Construction, upgrading or rehabilitation of the ECs power generation and/or distribution system, but not limited to the following:
  - Expansion and/or upgrading of EC power distribution lines (line voltage upgrading through construction of new transmission lines)
  - Rehabilitation and capacity upgrade of existing supply system
  - Establishment of Sub-Stations (consists of line terminal structures, high/low-voltage switchgears, one or more power transformers, surge protection, controls, grounding system, metering, etc.)
  - Construction of power generation plants
- Acquisition, rehabilitation and upgrading of TRANSCO STAs
- Purchase of capital equipment
- Working Capital of the EC
- Fulfillment of prudential requirements (i.e. guarantee or security deposit) to be put up by ECs under the terms of Power Sales Contracts with aggregators/commercial power plants and as a precondition to their participation as direct members in the WESM

**Credit Facilities**

- Short-Term Loan Line – for working capital
- Term Loan – for capital expenditure requirements
- Stand-by Letter of Credit to comply with prudential requirements of wholesale power aggregators or WESM

**Financing Mix**

- For Internally-funded loan:
  - Electric Cooperative – 25% (in cash or in kind)
  - Landbank – 75%
- For loans funded under ODA/Special financing program

**Tenor Availability**

- For Short Term Loan Line (STLL)
  - Available via maximum of 360-day Promissory Note (PN)
- For Term Loan (TL)

Purpose	Tenor	
	Internal Funds	ODA Funds
Feasibility Study Preparation	n/a	Maximum of 3 years without grace period on principal
Equipment Acquisition	Based on economic useful life of the equipment but not to exceed 10 years	
Construction of power generation/distribution system	Maximum of 10 years, inclusive of maximum of 2 years grace period on principal	Maximum of 15 years, inclusive of maximum of 2 years grace period on principal
Acquisition of STAs	Maximum of 10 years, inclusive of maximum of 2 years grace period on principal	Maximum of 15 years, inclusive of maximum of 2 years grace period on principal

- For Stand-by LC Facility

Available based on standby LC terms and conditions up to a maximum of 360-day PN to coincide with the maturity of the credit line.

### Collateral

Any or a combination of the following:

- Real Estate Mortgage
- Chattel Mortgage
- Hold-out on Deposits
- Assignment of Receivables
- Guarantee Cover

### Additional Conditions:

- The borrower shall establish a debt-servicing deposit account with Landbank and with outstanding balance equivalent to at least one amortization for term loan;
- Where applicable, the electronic metering, billing and collection (eMBC) scheme shall be required; and
- When the EC materially breaches its obligations under the loan agreement, the Bank shall have the option to step in and take over the management of the EC.

### Basic Documentary Requirements:

- a. Corporate Papers
  - NEA or CDA Registration
  - Articles of Cooperation and By-laws
  - Organizational Structure
  - Board Resolution to borrow and list of authorized signatories and specimen signatures
  - Information Sheet of Board of Directors and Officers (with photos)
  - List of offered collateral
- b. Financial Documents
  - Three-year audited Financial Statements
  - Latest Interim Financial Statements
  - List of existing and past loans
- c. Project Documents
  - Feasibility Study
  - Capital Investments Plan as approved by the Energy Regulatory Commission (for CAPEX)
  - Business Plan including investment plan and financial projections
  - Environmental Impact Assessment (EIA) Report
  - Environment Compliance Certificate (ECC), if applicable

For projects involving construction:

- Project plans and specification
- Cost estimate
- Bill of Materials
- Work programs / schedule duly approved by the Board

For machineries and equipment acquisition:

- Cost, description and estimated cost of machineries and equipment based on price quotation
- Certification from dealers/suppliers as to the availability of spare parts in the local market, and other after-sales services.



## DEVELOPMENT BANK OF THE PHILIPPINES

### CLIMATE CHANGE AND CARBON FINANCING

- a. Promotion of JBIC 6 Facility - Financing program for CDM projects or any project that has business relations with Japanese enterprises. Terms of loan can extend on five years depending on cash flow.

Eligible Borrowers: Private Enterprises; LGUs and Cooperatives

Project Managers: Ma. Ana Visitacion M. Domingo  
Assistant Vice President  
Tel Nos.: 818-9511 loc 2346 or 2357  
Email: mavmdomingo@devbankphil.com.ph

Anita C. Salayon  
Assistant Vice President  
Tel. No.: 8191409/8189511 Loc. 2342  
Email: acsalayon@devbankphil.com.ph

- b. Registration of eligible projects with Clean Development Mechanism (CDM) – any project activity found to reduce emission of greenhouse gases are eligible CDM projects

Eligible Borrowers: Private Enterprises and LGUs

Project Managers: Ma. Ana Visitacion M. Domingo  
Assistant Vice President  
Tel Nos.: 818-9511 loc 2346 or 2357  
Email: mavmdomingo@devbankphil.com.ph

Anita C. Salayon  
Assistant Vice President  
Tel. No.: 8191409/8189511 Loc. 2342  
Email: acsalayon@devbankphil.com.ph

### ENVIRONMENT PROTECTION AND MANAGEMENT FACILITY

#### Priority Projects:

Industrial Pollution Prevention / Reduction Projects; Cleaner Technology Investments; Pollution Abatement Technologies; Solid Waste Management; Sanitary Landfill; Materials Recovery Facilities; Waste Segregation / Reduction

#### Eligible Borrowers:

Private Enterprises, LGUs/GOCCs, Participating Financial Institutions

#### Terms:

Up to 12 years with 3 years grace period

**Project Managers:**

Mr. Paul D. Lazaro  
First Vice President  
Program Development  
Tel. No. 818 – 9511 loc. 3310

Marichelle F. Corachea  
Assistant Manager  
Tel. No.: 818-9511 loc. 2352  
Email: mfcorachea@devbankphil.com.ph

Anita Salayon  
Assistant Vice President  
Tel. Nos.: 819-1409 / 818-9511 loc 2342  
Email: acsalayon@devbankphil.com.ph

Noel A. Arriola  
Assistant Manager  
Tel. No.: 818-9511 loc. 2353  
Email: narriola@devbankphil.com.ph

Raquel Cervantes-Azures  
Manager  
Tel. Nos.: 819-1409 / 818-9511 loc 2342

**SUSTAINABLE ENTREPRENEURSHIP ENHANCEMENT AND  
DEVELOPMENT (SEED) CLEANER TRANSPORT PROGRAM**

**Priority Projects:**

Public Transport Sector

**Eligible Borrowers:**

Transport Operators (Tricycles and Jeepneys)

**Terms:**

Maximum of 5 years inclusive of 3 months grace period

**Project Managers:**

Romeo B. Carandang  
Assistant Vice President  
Tel. Nos.: 892-2357 / 818-9511 loc. 2546  
Email: rcarandang@devbankphil.com.ph

Leonore L. Tianco  
Tel. Nos.: 892-2357 / 818-9511 loc. 2546  
Email: ltianco@devbankphil.com.ph

# ALLIED BANKING CORPORATION

## PROJECT FINANCING TO ENERGY PROJECTS

### Documentary Requirements

*Note:*

- *To be submitted to Special Financing Department - Merchant Banking Division (SFD-MBD) upon loan application.*
- *Photocopy unless original is specified*

1. Application Letter
2. Audited Financial Statements with stamped received by BIR or in-House Financial Statement for the past three (3) years certified correct by the firm's authorized signatories and Income Tax Returns for the same period.
3. Project Feasibility Study (for loans above Php 5 Million and below)
4. Project Summary Report – form provided by SFD (for loans above Php 5 Million and below)
5. Bio-data of proprietors/key officers &/or stockholders with listing of other related business and extent of interest
6. Business Registration Papers:
  - a. DTI Certification of Registration/Mayor's Permit (for single proprietorship)
  - b. Articles of Incorporation/By Laws/SEC Registration together with all amendments thereto (for corporation)
7. Assets to be offered as collaterals for the loan
  - a. Land and Building - Transfer Certificate of Title (TCT) (certified true copy), Location Plan, Vicinity Map, Tax Declaration, current Tax Receipts and Tax Clearance
  - b. For Machineries & Equipment – Purchase Invoice, Serial numbers, Specifications and Affidavit of Ownership
  - c. Merchandise Inventory – Location of warehouse and listing of stocks
8. Photographs of project site and facilities and/or properties offered as collaterals
9. Board Resolution (for corporation):
  - a. Authorizing loan application authority to borrow and designating the authorized signatories of the borrower.
  - b. Authorizing mortgage of properties as collaterals.
10. For Fixed Investment Loans, submit whichever is applicable:
  - a. Plant Layout, Building Plan & Specifications, Building Permit, Bill of Materials certified by the contractor (for building construction).
  - b. Proforma Invoices/Price Quotations/Letters of Credit from Supplier (for machineries & equipment to be purchased)
11. Application letter for an Environmental Certificate Compliance (ECC) or its equivalent, duly acknowledged by Environmental Management Bureau (EMB) (for loans above Php 20 million)
12. Other requirements

## PHILIPPINE EXPORT-IMPORT CREDIT AGENCY (PhilEXIM)

### What is PhilEXIM?

Pursuant to Executive Order No. 85 dated March 18, 2002, the Trade and Investment Development Corporation of the Philippines (TIDCORP), a government-owned and controlled corporation attached to the Department of Finance and created under Presidential Decree No. 1080, as amended by Republic Act No. 8494 dated February 12, 1998, was designated as the Philippine Export-Import Credit Agency (PhilEXIM). The aim of PhilEXIM is to contribute to the Philippine economic development by providing exporters with appropriate financing services such as export credit guarantees, direct lending, trade credit insurance and other type of support to Philippine exporters. Its programs and services also aim to support import substitution industries and projects in priority areas of the National Government where the country has distinct advantages and where foreign exchange may be generated and/or saved.

### GUARANTEE PROGRAM FOR LARGE ACCOUNTS

#### Program

- Guarantees on loans to direct and indirect exporters, involved in priority projects of the National Government and import substitution industries;
- Guarantees on investments.

#### Purpose of the Loan

- CAPEX inclusive of land acquisition
- Working capital
- Project financing

#### Program Coverage

- Guarantee Coverage : Up to 90% of the principal of the approved loan
- Eligible Borrowers : Any entity, enterprise or corporation organized or licensed to engaged business in the Philippines
- Debt to Equity Ratio : 3:1 or 75:25 maximum after financing
- Exposure Limit : Maximum : Single Borrower's Limit
- Term : Fixed or Revolving
  - Short Term : up to 1 year
  - Medium term : more than 1 year up to 3 years
  - Long Term : more than 3 years
- Collateral : Project assets and other acceptable collaterals
- Application Fee : Php 100,000 plus Gross Receipt Tax (GRT) payable up-front upon application, non-refundable
- Processing Fee : 1/8 of 1% of the guaranteed amount plus GRT, payable upon receipt of Notice of Approval
- Guarantee Fee : Maximum of 2.5% per annum, plus GRT

- Amendment or Extension Fee : Php 5,000 plus GRT per amendment or extension
- Out-of –Pocket Expenses : For account of the applicant/funder as billed
- Taxes : Applicable taxes for account of the borrower

### Requirements

- Standard Corporate Information
  - Business/Client Information
  - Business Plan/Info Memo
  - Audited Financial Statements
  - Accreditations
- Contracts/Agreements
  - Marketing, Management Contracts
  - Engineering Procurement & Construction (EPC) Agreement
  - Loan Agreement, if any

## EXISTING INCENTIVES IN THE ENERGY SECTOR

### EXISTING INCENTIVES IN THE ENERGY SECTOR

Under Book I of *E.O. 226* or the *Omnibus Investments Code of 1987*, a qualified enterprise may enjoy certain benefits and incentives provided it invests in preferred areas of investments enumerated in the Investment Priorities Plan (IPP). The plan is issued annually by the BOI and contains the list of areas of investments eligible for government incentives.

Upon registration with BOI, a qualified enterprise is entitled to the following fiscal and non-fiscal incentives:

#### ***Fiscal Incentives:***

- Income tax holiday;
- Exemption from taxes and duties on imported spare parts;
- Exemption from wharfage dues and export tax, duty, impost and fees;
- Modified duty rate for capital equipment by virtue of E.O. 313;
- Tax credits; and,
- Additional deductions from taxable income.

#### ***Non-fiscal incentives:***

- Employment of foreign nationals;
- Simplification of customs procedures;
- Importation of consigned equipment; and,
- The privilege to operate a bonded manufacturing/trading warehouse subject to custom rules and regulations.

### **OIL AND GAS**

***Presidential Decree (PD) No. 87 or the Oil Exploration and Development Act of 1972*** provides the legal basis for the exploration and development of indigenous petroleum resources in the country by authorizing the grant of service contracts entered into through public bidding or through negotiations.

- Exemption from payment of tariff duties and compensating tax on the importation of machinery and equipment, and spare parts and all materials required for petroleum operations;
- Reimbursement of operating expenses of up to 70 percent of gross proceeds from production with carry-forward of unrecovered costs;
- Service fee of up to 40 percent of net production income;
- FPIA of up to 7.5 percent of the gross proceeds for service contract with minimum Filipino company participation of 15 percent;
- Exemption from all taxes except income tax;
- Easy repatriation of investments and profits;
- Income tax obligation paid out of government's share;
- Special income tax of 8 percent gross Philippine income for subcontractors; and,
- Free market determination of crude oil prices, i.e., prices realized in a transaction between independent persons dealing at arm-length.

### **COAL**

***P.D. 1174 amending P.D. 972, otherwise known as "The Coal Development Act of 1976"*** provides for the following incentives to prospective coal operators:

- Recovery of operating expenses not exceeding 90.0 percent of the gross proceeds from production in any year with carry forward of unrecovered cost;
- Special allowance of up to 40.0 percent of the net proceeds;
- Exemption from all taxes except income tax;
- Exemption from payment of tariff duties and compensating tax on the importation of machinery, equipment, spare parts and all materials for coal operations;
- Entry of alien technical and specialized personnel; and,
- Right of ingress to and egress from the COC area.

## RENEWABLE ENERGY LAW

***R.A. 9513 or “An Act promoting the development, utilization and commercialization of renewable energy resources and for other purposes”*** provides for the following incentives both for power and non-power applications. Incentives will be in proportion to and to the extent of the RE component.

### ***Incentives for Renewable Energy Projects and Activities***

- *Income tax holiday* for the first seven (7) years of its commercial operations;
- *Duty-free importation of RE machinery, equipment and materials* including control and communication equipment within the first ten (10) years upon the issuance of a certification of an RE developer;
- *Special realty tax rates on equipment and machinery*, and other improvements of a Registered RE Developer actually and exclusively used for RE facilities shall not exceed one a half percent (1.5%) of their original cost less accumulated normal depreciation or net book value;
- *Net operating loss* of the RE Developer during the first three (3) years from the start of the commercial operation which had not been previously deducted from gross income for the next seven (7) consecutive taxable years immediately following the year of such loss (Net Operating Loss Carry Over (NOLCO));
- *Corporate tax rate*. After seven (7) years of ITH, all RE Developers shall pay a corporate tax of 10 percent (10%) on its net taxable income;
- *Accelerated Depreciation* of plant, machinery and equipment may be applied if the project fails to receive an ITH before full operation;
- *Zero Percent Value-Added Tax Rate*. The sale of fuel or power generated from renewable sources of energy such as, but not limited to, biomass, solar, wind, hydropower, geothermal, ocean energy and other emerging energy sources using technologies such as fuel cells and hydrogen fuels, shall be subject to zero percent (0%) VAT. Purchases of local supply of goods, properties and services needed by RE developers in the development, construction and installation of its plant facility as well as exploration and development of RE resources and its conversion into power shall be entitled to zero-rated value added tax;
- *Tax Exemption of Carbon Credits*. All proceeds from the sale of carbon emission credits shall be exempt from any and all taxes;
- *Cash Incentive of Renewable Energy Developers for Missionary Electrification*. An RE Developer established after the effectivity of this Act, shall be entitled to a cash generation-based incentive per kilowatt-hour rate generated, equivalent to fifty percent (50%) of the universal charge for power needed to service missionary areas where it operates the same, to be chargeable against the universal charge for missionary electrification; and,
- *Tax Credit on Domestic Capital Equipment and Services*. A tax equivalent to one hundred percent (100%) of the value of the VAT and custom duties that would have been paid on the RE machinery, equipment, materials and parts had these items been imported shall be given to an RE operating contract holder who purchases from a domestic manufacturer.

***Exemption from the Universal Charge***

Power and electricity generated through the RES for the generator's own consumption and/or for free distribution in the off-grid areas shall be exempted from the payment of the Universal Charge.

***Payment of Transmission Charges***

A registered RE Developer producing power and electricity from an intermittent RE resource may opt to pay the transmission and wheeling charges of TRANSCO or its successors-in-interest on a per kilowatt-hour basis at cost equivalent to the average per kilowatt-hour rate of all other electricity transmitted through the grid.

***Hybrid and Cogeneration Systems***

The tax exemptions and/or incentives shall be availed of by registered RE Developer of hybrid and cogeneration systems utilizing both RE sources and conventional energy: Provided however that the tax exemptions and incentives shall apply only to the equipment, machinery and/or devices utilizing RE resources.

***Intermittent RE Resources***

TRANSCO or its successors-in-interest, in consultation with stakeholders, shall determine the maximum penetration limit of the Intermittent RE-based power plants to the Grid, through technical and economic analysis. Qualified and registered RE generating units with intermittent RE resources shall be considered "must dispatch" based on available energy and shall enjoy the benefit of priority dispatch. All provisions under the WESM rules, Distribution and Grid Codes which do not allow "must dispatch" status for intermittent RE resources shall be deemed amended or modified.

***Incentives for RE Commercialization***

All manufacturers, fabricators and suppliers of locally-produced RE equipment and components duly recognized and accredited by the DOE, in consultation with DOST, DOF and DTI, shall, upon registration with the BOI, be entitled to the following privileges:

- *Tax and Duty-free Importation of Components, Parts and Materials.* All shipments necessary for the manufacture and/or fabrication of RE equipment and components shall be exempted from importation tariff and duties and VAT;
- *Tax Credit on Domestic Capital Components, Parts and Materials.* A tax equivalent to one hundred percent (100%) of the amount of the VAT and custom duties that would have been paid on the components, parts and materials had these items been imported shall be given to an RE equipment manufacturer, fabricator, and supplier for the manufacture, fabrication and sale of the RE equipment;
- *Zero-rated VAT transactions.* All manufacturers, fabricators and suppliers of locally produced renewable energy equipment shall be subject to zero-rated VAT on its transactions with local suppliers of goods, properties and services; and,
- *Income Tax Holiday and Exemption.* For seven (7) years starting from the date of recognition/ accreditation, an RE manufacturer, fabricator and supplier of RE equipment shall be fully exempt from income taxes levied on net income derived only from the sale of RE equipment, machinery, parts and services.

***Incentives for Farmers Engaged in the Plantation of Biomass Resources***

For a period of ten (10) years after the effectivity of this Act, all individuals and entities engaged in the plantation of crops and trees used as biomass resources such as but not limited to jatropha, coconut, and sugarcane, as certified by the DOE, shall be entitled duty-free importation and be exempted from VAT on



all types of agricultural inputs, equipment, machinery such as, but not limited to, fertilizer, insecticide, pesticide, tractor, trailers, trucks, farm implements and machinery, harvesters, threshers, hybrid seeds, genetic materials, sprayers, packaging machinery and materials, bulkhandling facilities, such as conveyors and mini-loaders, weighing scales, harvesting equipment, and spare parts of all agricultural equipment.

#### **Tax Rebate for Purchase of RE Components**

To encourage the adoption of RE technologies, the DOF, in consultation with DOST, DOE, and DTI, shall provide rebates for all or part of tax paid for the purchase of RE equipment for residential, industrial, or community use. The DOF shall also prescribe the appropriate period for granting the tax rebates.

#### **BIOFUELS**

R.A. 9367 known as the “*Biofuels Act of 2006*” provides that production, distribution and use of locally-produced biofuels at and above the minimum mandated blends, without prejudice to enjoying applicable incentives and benefits under existing laws, rules and regulations, the following additional incentives are hereby provided under this Act:

- Income tax holiday;
- Exemption from taxes and duties on imported spare parts;
- Exemption from wharfage dues and export tax, duty, impost and fees;
- Modified duty rate for capital equipment under E.O. 528;
- Tax credits;
- Specific tax on local or imported biofuels component, per liter of volume shall be zero. The gasoline and diesel fuel component shall remain subject to the prevailing specific tax rates.
- The sale of raw material used in the production of biofuels such as, but not limited to, coconut, jatropha, sugarcane, cassava, corn and sweet sorghum shall be exempt from the value added tax (VAT);
- All water effluents, such as, but not limited to distillery slops from the production of biofuels used as liquid fertilizer and for other agricultural purposes are considered “reuse”, and are therefore exempt from wastewater charges under the system provided under Sec. 13 of RA 9275, also known as the Philippine Clean Water Act; and
- Financial Assistance. Government financial institutions, such as DBP, LBP, Quedancor and other government institutions providing financial services shall, in accordance with and to the extent allowed by the enabling provisions of their respective charters or applicable law, accord high priority to extend financing to Filipino citizens or entities, at least sixty percent of the capital stock of which belongs to citizens of the Philippines that shall engage in activities involving production, storage, handling and transport of biofuel and biofuel feedstock, including the blending of biofuels with petroleum, as certified by the DOE.

#### **COMPRESSED NATURAL GAS**

**Section 5 of E.O. 290 “*Implementing the NGVPPT*”** provides for the following privileges and incentives that may be availed of by NGVPPT participants:

- Preferential and exclusive franchises from the Land Transportation Franchising Regulatory Board (LTFRB) for NGVs to newly opened routes;
- Issuance by the Land Transportation Office (LTO) Certificates of Compliance with Emissions Standards to NGVs;
- Income tax holiday for pioneering projects qualifying under the BOI Investments Priorities Plan;
- One percent rate of duty on imported NGVs, NGV engines and other NGV industry related equipment, facilities, parts and components as certified by the DOE;

- Accelerated issuance by the DENR of Environmental Compliance Certificate (ECC) for NGV facilities and refueling stations;
- Affordable and commercially tenable financial packages from Government Financing Institutions (GFIs);
- Manpower development and capability building through training and technology transfer programs; and
- Attractive CNG prices which translate to a discount to diesel prices.

## NATURAL GAS

Under P.D. 87, otherwise known as *“The Oil Exploration and Development Act of 1972”*, the following incentives may be availed of by prospective service contractors in the natural gas industry, to wit:

- Service fee of up to 40.0 percent of net production income;
- Reimbursement of operating expenses of up to 70 percent of gross production income with carry-forward of unrecovered cost;
- 7.5 percent participation incentive allowance for local investors;
- Exemption from all taxes except income tax;
- Exemption from payment of tariff duties and compensating tax on the importation of machinery and equipment, and spare parts and all materials required for operations subject to the conditions that said machinery, equipment, and spare parts and materials of comparable price and quality are not manufactured domestically;
- Tax and duty-free importation of materials and equipment; and
- Entry of alien technical and specialized personnel (including the immediate members of their families), who may exercise their professions solely for the operation of the contractor.

## DOWNSTREAM OIL INDUSTRY

Section 9, Chapter II of R.A. 8479, or *“An Act Deregulating The Downstream Oil Industry, and For Other Purposes”* provides that persons with new investments as determined by the DOE and registered with the BOI in refining, storage, marketing and distribution of petroleum products shall be extended the same incentives granted to BOI-registered enterprises engaged in a preferred area of investments pursuant to E.O. 226, or the Omnibus Investments Code of 1987, thus:

- Income tax holiday for 5 years from the date of commercial operation;
- Tax credit on domestic capital equipment;
- Unrestricted use of consigned equipment;
- Exemption from taxes and duties on imported spare parts;
- Exemption from contractor’s tax;
- Exemption from real property tax on production, equipment or machineries;
- Minimum tax and duty of three (3) percent and value-added tax (VAT) on imported capital equipment;
- Wharfage dues and export tax exception;
- Additional deduction on labor expense; and,
- Employment of foreign nationals.

## INCENTIVES FOR PEZA REGISTERED COMPANY

- 4 to 8 years income tax holiday (ITH);
- Special 5% tax rate on gross income after ITH;
- Tax and duty exemption on imported capital equipment;
- Exemption from 12% input VAT on allowable local purchase of goods and services;
- Exemption from wharfage dues; and
- Employment of foreign nationals

## DIRECTORY

### ALLIED BANKING CORPORATION

Allied Bank Center  
Ayala Avenue cor Legaspi St.  
Makati City  
Tel. Nos. : (632) 818-7961 to 69  
Fax Nos. : (632) 816-3311 to 50  
Website : <http://www.alliedbank.com.ph>

### BOARD OF INVESTMENT

Industry and Investments Bldg.,  
385 Sen. Gil J. Puyat Ave.,  
Makati City  
Tel. Nos. : (632) 897-5582 / 8909332  
Fax No. : (632) 896-7342  
Website : <http://www.boi.gov.ph>

### BUREAU OF CUSTOMS

F OCOM Bldg., BOC,  
Port Area, South Harbor, Manila City  
Tel. Nos. : 526-6355 / 527-4537 / 527-4573  
Fax No. : (632) 527-4511  
Website : [www.customs.gov.ph](http://www.customs.gov.ph)

### BUREAU OF INTERNAL REVENUE

BIR National Office Building,  
BIR Road Diliman,  
Quezon City  
Tel. No. : (632) 925-2915 loc. 7382  
Website : <http://www.bir.gov.ph>

### CAGAYAN ECONOMIC ZONE AUTHORITY

Business Development & Marketing Office  
7<sup>th</sup> Floor Westar Building  
611 Shaw Blvd., Pasig City  
Tel. Nos. : (632) 636-5780/82  
Email Add : [cgayanecozone@vasia.org](mailto:cgayanecozone@vasia.org)  
Website : <http://www.cagayanfreeport.org>

### CAGAYAN ECONOMIC ZONE AUTHORITY

One Stop Action Center (OSAC)  
CEZA Administration Building  
Centro, Sta. Ana, Cagayan  
Tel. No. : (6378) 858-1023  
Email Add : [cgayanecozone@vasia.org](mailto:cgayanecozone@vasia.org)  
Website : <http://www.cagayanfreeport.org>

### CIVIL AVIATION AUTHORITY OF THE PHILIPPINES

1300 MIA Road  
Pasay City  
Tel. Nos. : (632) 879-9223 / 879-9217  
Website : [www.caap.gov.ph](http://www.caap.gov.ph)

### CIVIL AERONAUTICS BOARD

CAB Building, Old MIA Road  
Pasay City 1300  
Tel. Nos. : (632) 853-7259 / 854-5996  
Website : [www.cab.gov.ph](http://www.cab.gov.ph)

### CLARK DEVELOPMENT CORPORATION

Bldg. 2127 Quirino St.,  
Clark Freeport Zone  
Pampanga, Philippines  
Tel. No. : (6345) 599-4652  
Fax No. : (6345) 599-2642  
Email add : [info@clark.com.ph](mailto:info@clark.com.ph)  
Website : <http://www.clark.com.ph/>

### DEPARTMENT OF AGRICULTURE

Elliptical Road, Diliman Quezon City  
Tel. No. : (632) 929-1522  
Website : [www.da.gov.ph](http://www.da.gov.ph)

### DEPARTMENT OF AGRARIAN REFORM

Elliptical Road, Diliman, Quezon City  
Tel. Nos. : (632) 480-6080/928-7031  
Website : <http://www.dar.gov.ph>

### DEPARTMENT OF ENERGY

Energy Center, Rizal Drive,  
Bonifacio Global City, Taguig  
Trunkline : (632) 479-2900  
Website : <http://www.doe.gov.ph>

Director Mylene C. Capongcol  
Electric Power Industry Management Bureau  
(EPIMB)  
Tel. No.: (632) 840-21-20  
Email add : [mycaps@doe.gov.ph](mailto:mycaps@doe.gov.ph)

OIC Director Rino E. Abad  
Energy Resource Development Bureau (ERDB)  
Tel. No. : (632) 840-20-68  
Email add : [reabad@doe.gov.ph](mailto:reabad@doe.gov.ph)

OIC Director Jesus A. Anunciacion  
Energy Utilization Management Bureau (EUMB)  
Tel. No. (632) 840-2089  
Email Add : [janunciacion@doe.gov.ph](mailto:janunciacion@doe.gov.ph)

Director Zenaida Y. Monsada  
Oil Industry Management Bureau (OIMB)  
Tel. Nos. : (632) 840-21-14 / 840-20-95  
Email add : [nmonsada@doe.gov.ph](mailto:nmonsada@doe.gov.ph)

Director Mario C. Marasigan  
 Renewable Energy Management Bureau (REMB)  
 Tel. No. : (632) 840-22-68  
 Email add: mcmarasigan@doe.gov.ph

**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**

Visayas Avenue, Diliman, Quezon City 1116  
 Tel. Nos. : (632) 929-6626 to 29 ; (632) 929-6552 (632) 929-6620; (632) 929-6633 to 35

**ENVIRONMENTAL MANAGEMENT BUREAU  
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**

DENR Compound, Visayas Ave., Diliman Quezon City  
 Tel. No. : (632) 928-3725  
 Website : <http://www.emb.gov.ph>

**DEPARTMENT OF JUSTICE**

Padre Faura St., Ermita, Manila  
 Tel. Nos. : (632) 523-8481; 523-6826  
 Fax. No. : (632) 526-7643  
 Website : [www.doj.gov.ph](http://www.doj.gov.ph)

**DEPARTMENT OF LABOR AND EMPLOYMENT**

DOLE Bldg., Muralla St. cor. Gen. Luna St.  
 Intramuros Manila  
 Tel. Nos. : (632) 527-3000  
 Fax. : (632) 527-2421  
 Website : <http://www.dole.gov.ph>

**DEPARTMENT OF TRADE AND INDUSTRY**

385 Industry and Investments Building  
 Sen. Gil Puyat Avenue, Makati City  
 Tel. No. (632) 751-0384  
 Website : [www.dti.gov.ph](http://www.dti.gov.ph)

**DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS**

The Columbia Tower  
 Brgy. Wack-Wack, Ortigas Ave.  
 1555 Mandaluyong City  
 Telefax : (632) 723-4925  
 Trunkline : (632) 727-7960 to 79

**ENERGY REGULATORY COMMISSION**

16/F Pacific Center Bldg.,  
 San Miguel Ave., Ortigas Center,  
 Pasig City  
 Tel. Nos. : (632) 683- 0282 / 914-5000  
 Website: [www.erc.gov.ph](http://www.erc.gov.ph)

**LIGHTERAGE ASSOCIATION OF THE PHILIPPINES**

Unit 99, 3<sup>rd</sup> Floor, A.V. Reyes building  
 Beaterio St., Intramuros, Manila  
 Telefax : (632) 400-7797  
 Email Add : [lap.inc\\_phils@yahoo.com](mailto:lap.inc_phils@yahoo.com)

**MARITIME INDUSTRY AUTHORITY**

Parkview Plaza  
 Taft Avenue cor. Kalaw St., Manila  
 Tel. Nos.(632) 523-9078 / 526-0971  
 Website : [www.marina.gov.ph](http://www.marina.gov.ph)

**NATIONAL COMMISSION ON INDIGENOUS PEOPLE**

2/F N dela Merced Building  
 cor. West and Quezon Ave., Quezon City  
 Telephone: 373-9787  
 Website: <http://www.ncip.gov.ph/>

**NATIONAL WATER RESOURCES BOARD (NWRB)**

8/F, NIA Bldg., EDSA Diliman, Quezon City  
 Telephone: 928-2365 / 920-2641  
 Website: <http://www.nwr.gov.ph/>

**PHILIPPINE ECONOMIC ZONE AUTHORITY**

Almeda Building  
 President Roxas Blvd. cor. San Luis St.  
 Pasay City  
 Tel. No. : (632) 551-3436/57  
 Website : <http://www.peza.gov.ph>

**PHILIPPINE EXPORT-IMPORT CREDIT AGENCY**

17th Floor, Citibank Tower  
 Citibank Plaza, Makati City 1226  
 Telephone : (+632) 893-4474/893-4809  
 Telefax : (+632)893-4758/848-1925  
 Fax : (+632) 848-7292  
 Website : <http://www.philexim.gov.ph>

**PHILIPPINE NUCLEAR RESEARCH INSTITUTE**

Nuclears Regulations, Licensing and Safeguards Division  
 Commonwealth Ave., Diliman, Quezon City  
 Tel. No. : (632) 929-6010 to 19  
 Fax No. : (632) 920-1646  
 Website : [pnri.dost.gov.ph](http://pnri.dost.gov.ph)

**PHIVIDEC INDUSTRIAL AUTHORITY**

PHIVIDEC Industrial Estate  
 Sta. Cruz, Tagoloan  
 9001 Misamis Oriental  
 Mindanao, Philippines  
 Tel. Nos. : (6388) 567-0351/890-1108  
 Fax Nos. : (6388) 567-0194 or (08822) 740-177  
 Email Add : [pia\\_mo@phividecauthority.com.ph](mailto:pia_mo@phividecauthority.com.ph)  
 Website: <http://www.phividecauthority.com.ph>

**PHIVIDEK INDUSTRIAL AUTHORITY**

PIA Makati Business and Liaison Office  
4<sup>th</sup> Floor, DAO1 Bldg.,  
189 Salcedo St. Makati City  
Tel. Nos. : (632) 892-6361 / 892-5448 / 817-5330  
Fax Nos. : (632) 818-1338  
Email- Add : piamblo@pworld.net.ph

**LANDBANK OF THE PHILIPPINES**

LBP Plaza 1598 M. H. del Pilar cor.  
Dr. J. Quintos St.  
Malate, Manila  
Tel. Nos. : (632) 405-7339 / 405-7340 / 405-7736  
Website : <http://www.landbank.com>

**PHILIPPINE COAST GUARD**

139 25<sup>th</sup> Street, Port Area  
1018 Manila  
Tel. Nos. : (632) 527-8481  
Website : [www.coastguard.gov.ph](http://www.coastguard.gov.ph)

**PHILIPPINE NATIONAL POLICE  
Firearms and Explosives Division**

CSG Building, Camp Gen. Crame  
EDSA, Quezon City  
Tel. No. : (632) 723-0401  
Email Add : [pnpfed@gmail.com](mailto:pnpfed@gmail.com)  
Website : [www.fed.org.ph](http://www.fed.org.ph)

**PHILIPPINE PORTS AUTHORITY**

Bonifacio Drive, South Harbor  
Port Area, Manila 1018  
Tel. Nos. (632) 527-8356  
Fax. No. : (632) 527-4855

**SECURITIES AND EXCHANGE COMMISSION**

SEC Building, EDSA, Greenhills, Mandaluyong City  
Telephone: 584-5343 / 584-0923 loc. 286  
Website: <http://www.sec.gov.ph/>

**SUBIC BAY METROPOLITAN AUTHORITY**

Rm 104, Bldg. 225, Dewey Ave.  
Subic Bay Freeport Zone  
Telephone: (+6347)252-4636/4632/4486/  
0920-849-1602  
Website: <http://www.sbma.com>

**ZAMBOANGA ECONOMIC ZONE AND FREEPORT AUTHORITY**

San Ramon, Zamboanga City  
Mindanao, Philippines  
Tel. Nos. : (6362) 992-2012 / 992-0409  
Fax Nos. : (6362) 993-0209 / 992-3224  
Email Add: [ecozone@zambofreeport.com](mailto:ecozone@zambofreeport.com)  
Website : <http://www.zambofreeport.com.ph>