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REPUBLIKA NG PILIPINAS
SANGGUNIANG PANLUNGSOD
LUNGSOD NG ORMOC

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25 APR 2016

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE
THIRTEENTH SANGGUNIANG PANLUNGSOD NG ORMOC HELD
AT THE SANGGUNIANG PANLUNGSOD SESSION HALL,
ORMOC CITY HALL BUILDING
ON APRIL 21, 2016



PRESENT: ORMOC

Hon. Leo Carmelo L. Locsin, Jr.
Hon. Rolando M. Villasencio,
Hon. Mario M. Rodriguez
Hon. Ruben R. Capahi,
Hon. Benjamin S. Pongos, Jr.,
Hon. Antonio M. Codilla,
Hon. Vincent L. Rama,
Hon. Pedro Godiardo P. Ebcas,
Hon. John Eulalio Nepomuceno O. Aparis II,

Vice Mayor & Presiding Officer
SP Member, Majority Floor Leader
SP Member, Presiding Officer "Pro-Tempore"
SP Member, Asst. Minority Floor Leader
SP Member
SP Member
SP Member
SP Member
SP Member

ON LEAVE:

Hon. Tomas R. Serafica,
Hon. Eusebio Gerardo S. Penserga,
Hon. Mariano Y. Corro,

SP Member, Asst. Majority Floor Leader
SP Member
Ex-Officio SP Member

Chapter President, Liga ng mga Barangay ng Ormoc

PREFATORY STATEMENT

The Sangguniang Panlungsod ng Ormoc City (the 'Sanggunian', for brevity) duly enacted City Ordinance No. 79 entitled, "AN ORDINANCE ENACTING THE ORMOC CITY INVESTMENT INCENTIVES CODE OF 2000 AND FOR OTHER PURPOSES" (the 'Code', for brevity). The said legislation had as among its chief purposes the attraction of business investments into the City through the granting of certain incentives to various industries for the noble ends of promoting economic growth, generating much-needed employment and encouraging the utilization of local raw materials and natural resources. After the lapse of some time, some provisions of the Code were purposely amended thru the enactment of City Ordinance No. 96, with the aim of further strengthening and ensuring the smooth and effective implementation of the original intents of the Code. However, after the passage of more substantial time, the lofty aims of the Code remain an elusive dream, with many of the mechanisms placed purposely for its effective implementation unable to jumpstart, and never gaining ground and momentum at all towards its goals. Moreover, not a single business or industry was able to avail of the incentives, fiscal or otherwise, granted by the Code, thus candidly necessitating its complete overhaul and total revision in the hope that this new recourse will provide the impetus for a genuine thrust towards attaining the desirous goals of more investments and jobs for the City. This call for revision takes into consideration also the reality that circumstances and conditions relevant to achieving the Code's ends have dramatically changed for the City, the country and the world, in general, owing not only to the passage of time but the advent of new technology and the constant changes of rules and dynamics as well relative to our all too rapidly and constantly changing modern world.

Many developing countries around the world as well as progressive Local Government Units (LGUs) in our country have formulated their own investment incentive granting strategies peculiar to their differing situations, but with the common intent of achieving rapid and sustained economic growth and job generation. Our own Philippine Government, thru the enactment of various laws and programs, has expressly adopted this policy trend, including providing for strong initiatives to push local investment incentive legislations. For this purpose, the Department of Trade, Commerce and Industry and the Department of Interior and Local Government have been explicitly mandated to guide, encourage and partner with the LGUs to make these noble goals a reality in the local setting.

The reality of a truly effective, responsive and vibrant investment code in the City, as mentioned, shall require an overhaul and revision of the existing Code. With these in mind, the authors of the herein revised City Investment Incentives Code in the preparation of the draft have embarked on several exhaustive and in-depth undertakings that included the participation of some officials of the City Government, and the aid of our indispensable private partners – for admittedly, not only do they naturally possess the knowledge, expertise and, more importantly, the vast experience on the important subject matter, but also they are the sector that will be affected, in one way or the other, the most. To this end, representatives from said sector impressively nobly responded to the City's call for their involvement by unselfishly and vigorously participating in almost all aspects of the revision's drafting and formulation, including in the various committee meetings, and the public hearings conducted in August 26, 2015 at the SP Session Hall and in August 27-28, 2014 at the Pongos Hotel, Ormoc City (with the assistance of the Board of Investments). No doubt, this final legislation draft is a testament that the best results are attained when the government and private sectors alike work together tirelessly hand in hand.

FOREGOING PREMISES CONSIDERED, on joint motion of Honorable SP Members Benjamin S. Pongos, Jr., Chairman, Committee on Trade, Commerce and Industry, and Ruben R. Capahi, Chairman, Committee on Ways and Means, severally seconded by Honorable SP Members Tomas R. Serafica, Mario M. Rodriguez, Vincent L. Rama and John Eulalio Nepomuceno O. Aparis II, be it

RESOLVED, AS IT IS HEREBY RESOLVED, to pass and enact:

ORDINANCE NO. 026

AN ORDINANCE REVISING ORDINANCE NO. 79, OTHERWISE KNOWN AS "THE ORMOC CITY INVESTMENT INCENTIVES CODE OF 2000", AS AMENDED.

Be it Ordained by the Thirteenth Sangguniang Panlungsod ng Ormoc, in REGULAR SESSION assembled, That:

CHAPTER 1. TITLE AND DECLARATION OF POLICY

SECTION 1. TITLE. This Ordinance shall be known and cited as the "Revised Ormoc City Investment Incentives Code of 2016."

SECTION 2. DECLARATION OF POLICY. To accelerate a sound and environmentally-friendly development of Ormoc City in accordance with its Comprehensive Development Plan (CDP) and Comprehensive Land Use Plan (CLUP), and in consonance with Republic Act No. 5186, otherwise known as the Investment Incentives Act, Republic Act No. 7916, as amended, otherwise known as the Special Economic Zone Act of 1995, Republic Act No. 9593, otherwise known as the Tourism Act of 2009, Republic Act No. 7160, otherwise known as the Local Government Code of 1991, and other relevant national laws, it is hereby declared to be the policy of the City of Ormoc to encourage new investments or expansions/diversifications in Identified Priority Areas which will locally provide employment opportunities, increase revenues and incomes, drastically reduce poverty, promote and achieve inclusive growth, and at the same time, pursue sustainable development.

It is further the policy of the City to promote and engage active and viable partnerships with the private sector and non-governmental organizations in achieving local economic development. Toward this end, the City shall establish a business-friendly environment and adhere to the investment principles of policy coherence, effectiveness, fairness, transparency and accountability.

The City encourages domestic and foreign capital to establish environment friendly enterprises that would utilize substantial amount of labor, with the sustainable use of raw materials and natural resources of the City. Industries and businesses to be set up in the locality shall minimize adverse impacts, and instead enhance positive effects on the environment by undertaking business practices that adhere to the country's and the City's environmental laws such as efficient solid waste or pollution management, and reduction of greenhouse gas emissions which contribute to the reduction of climate change by adopting appropriate measures for disaster risk reduction and management, among others.

The City shall encourage enterprises to provide opportunities and protection for women, children, disabled and indigenous people, and contribute to substantially improving quality of life through real corporate social responsibility programs.

SECTION 3. PURPOSES AND OBJECTIVES. – The purposes and objectives of the "Revised Ormoc City Investment Incentives Code of 2016" (the Code) are as follows:

- a. To provide guidelines, standards, and procedures for the grant, administration, and availment of local incentives;
- b. To define the scope and breadth of incentives that the City may grant in its effort to attract investments to the City consistent with the policy of this Code, as well as promote and support Micro-Small-Medium Enterprises and create business opportunities that can pave the way to an improved utilization of local resources, develop markets for local products, and ignite the ingenuity of the entrepreneurs and other stakeholders;
- c. To provide the guidelines and criteria for the identification of IPAs;
- d. To promote the IPAs of the City;
- e. To establish the Ormoc City Investment Incentives Board and the Local Economic and Investments Promotion Office to implement this Code; and,
- f. To identify the conditions for the grant of incentives to investors.

SECTION 4. STATEMENT OF POLICIES ON THE IDENTIFICATION OF PRIORITY AREAS AND APPROVAL OF INCENTIVES APPLICATIONS. – In line with the foregoing declared policy, the City hereby adopts the following policies:

- a. **Grant of incentives** – The grant of incentives shall be based on categorical and clear criteria, time-bound, and consistent with national laws. The incentives shall be fairly administered to ensure a level playing field for investors in the locality. The incentives shall be extended only to business activities that support and promote the development vision of the City, as expressed in its CDP, CLUP and other local economic development plans, and those which are included in the investment thrust of the regional and national government.

The City shall not consider an economic activity an IPA other than those provided herein and from here onwards, unless it is shown to be economically, technically, and financially sound after thorough investigation and analysis by the Board, without prejudice, however, to the determination of the same by the national government as such. The determination of areas of investment to be included in the list of IPAs (IPA List) shall be based on long-term comparative advantage, taking into account the value of social objectives and employing economic criteria along with market, technical, and financial analysis.

b. **Policy in the Identification of IPAs** – Business activities shall be considered for inclusion in the IPA List on the basis of the following criteria:

1. Significant potential contribution to the growth of a sizable number of existing businesses or to a vital industry in the City;
2. The business activity is aligned with the development vision of the City;
3. Capacity to generate local employment;
4. Use of locally available materials and resources;
5. Amount of additional capital investment within the City;
6. Pioneering nature of technology to be employed in the business;
7. Ability to promote the dispersal of business/commercial activities to less developed areas within the City;
8. Ability to improve environmental conditions within the City, or to involve activities that promote sustainability of existing natural resources of the City; and,

Contribution to the infrastructure in the City through Public-Private Partnership (PPP).

Provided, That in the case of Existing Businesses (as defined in Section 5 hereof), in the interest of maintaining the current revenue sources of the City, they shall only be qualified to avail of incentives in case they undertake an Expansion or Rehabilitation Projects or New Projects, as defined in Section 5.

c. **Identification of Investment Priority Areas** – The business activities entitled to incentives should be limited to those included in the list of Mandatory Investment Priority Areas (MIPA List) or the list of Local Investment Priority Areas (LIPA List); provided that, the local incentives of those in the MIPA List shall generally be limited to those granted and subject to the terms and conditions under the relevant Incentive Law, as hereinafter defined.

d. **On continuing conditions of the grant of incentives** – The Board may impose any of the following minimum continuing conditions on Registered Enterprises as a condition to their continued entitlement to the incentives granted at the time of their registration:

1. Efficient use of natural resources to conserve and protect those indigenous to the City;
2. They minimize the adverse impact or enhance the positive effects of their operations on the environment by undertaking business practices that adhere to the country's environmental laws, such as efficient solid waste pollution management, adopting technologies that reduce greenhouse gas emissions, and implementing climate change adaptation measures and disaster risk reduction and management, among others;
3. Compliance with all applicable labor law and standards, including those relating to occupational health and safety; and,
4. In the case of Registered Enterprises enjoying fiscal incentives beyond three (3) years, they shall adopt corporate social responsibility programs.

- e. **On the procedure for the grant of incentives** – The procedure for the application, processing, and grant of applications for incentives shall be transparent and reasonable, and must be completed within a reasonable period not exceeding three (3) months from Date of Official Acceptance, as defined in Section 5. No requirement shall be imposed unless there is categorical ample basis, reason or purpose for imposing the same. Where the applicant for registration anchors its application on its status as an entity registered under an Incentive Law with a Registering Agency, as defined in this Code, the procedure for its registration under this Code shall be simplified and shall be made mainly dependent on the fact of its registration with the Registering Agency.

TITLE II

DEFINITION OF TERMS

SECTION 5. DEFINITIONS. – For purposes of this Code –

- a. **"Barangay Micro Business Enterprise"/"BMBE"** shall be as defined under Barangay Micro Business Enterprises (BMBEs) Act of 2002 (Republic Act No. 9178), i.e., any business entity or enterprise engaged in the production, processing or manufacturing of products or commodities, including agro-processing, trading and services, whose total assets including those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated, shall not be more than Three Million Philippine Pesos (PHP3,000,000.00).
- b. **"Board"** shall mean the Ormoc City Investment Incentives Board created under this Code.
- c. **"Board of Investments"/"BOI"** shall refer to the implementing agency for Books One to Five of Executive Order No. 226 or the Omnibus Investments Code.
- d. **"Capitalization"** refers to the total project cost which includes land, building, machineries, equipment, and working capital except where it pertains to a BMBE, in which case, the same shall be exclusive of the cost of the land; provided that in the case of corporations, capitalization shall refer to its paid-up capital.
- e. **"City"** shall mean the City of Ormoc covering all the areas within its territorial jurisdiction as provided for by law and its charter.
- f. **"Code"** shall mean the Ormoc City Investment Incentives Code of 2016 promulgated pursuant to this Ordinance.
- g. **"Date of Official Acceptance"** refers to the date the application for registration was received by the receiving personnel of the LEIPO and recorded in a logbook for the purpose.
- h. **"Date of Registration"** refers to the date when the Certificate of Registration is issued by the Board, which information shall be recorded in a Registration Logbook to be maintained by the Board.
- i. **"Diversification"** refers to the introduction and production of a distinct line of products or services by an Existing Business, whether or not a Registered Enterprise; Provided, That, to be considered distinct, it should require new investment in terms of machinery or equipment or would involve the use of new skills set not currently used in the existing product or services, Provided further, That a new service or product may constitute a diversification even if such service or product is already within the scope of its original or existing business purposes.

b. **Policy in the Identification of IPAs** – Business activities shall be considered for inclusion in the IPA List on the basis of the following criteria:

1. Significant potential contribution to the growth of a sizable number of existing businesses or to a vital industry in the City;
2. The business activity is aligned with the development vision of the City;
3. Capacity to generate local employment;
4. Use of locally available materials and resources;
5. Amount of additional capital investment within the City;
6. Pioneering nature of technology to be employed in the business;
7. Ability to promote the dispersal of business/commercial activities to less developed areas within the City;
8. Ability to improve environmental conditions within the City, or to involve activities that promote sustainability of existing natural resources of the City; and,

Contribution to the infrastructure in the City through Public-Private Partnership (PPP).

Provided, That in the case of Existing Businesses (as defined in Section 5 hereof), in the interest of maintaining the current revenue sources of the City, they shall only be qualified to avail of incentives in case they undertake an Expansion or Rehabilitation Projects or New Projects, as defined in Section 5.

c. **Identification of Investment Priority Areas** – The business activities entitled to incentives should be limited to those included in the list of Mandatory Investment Priority Areas (MIPA List) or the list of Local Investment Priority Areas (LIPA List); provided that, the local incentives of those in the MIPA List shall generally be limited to those granted and subject to the terms and conditions under the relevant Incentive Law, as hereinafter defined.

d. **On continuing conditions of the grant of incentives** – The Board may impose any of the following minimum continuing conditions on Registered Enterprises as a condition to their continued entitlement to the incentives granted at the time of their registration:

1. Efficient use of natural resources to conserve and protect those indigenous to the City;
2. They minimize the adverse impact or enhance the positive effects of their operations on the environment by undertaking business practices that adhere to the country's environmental laws, such as efficient solid waste pollution management, adopting technologies that reduce greenhouse gas emissions, and implementing climate change adaptation measures and disaster risk reduction and management, among others;
3. Compliance with all applicable labor law and standards, including those relating to occupational health and safety; and,
4. In the case of Registered Enterprises enjoying fiscal incentives beyond three (3) years, they shall adopt corporate social responsibility programs.

- t. **"Mandatory Investment Priority Areas"/"MIPA"** are investment areas or business activities identified by the National Government as priority areas of investment and thus encouraged through the extension of incentives pursuant to applicable Incentive Law.
- u. **"Micro, Small, and Medium Enterprises"/"MSMEs"**, for purposes of this Code shall refer to businesses that meet the criteria below and which engage in a business activity included in the IPA List:

By Asset Size:

Micro Enterprise:	Up to Php3,000,000.00
Small Enterprise:	Php3,000,001 – Php15,000,000
Medium Enterprise:	Php15,000,001 – Php100,000,000

Provided, That, in the case of Micro Enterprises, including BMBEs, land which is not officially contributed into the business as capital or purchased by the business shall not form part of the assets of the business for purposes of determining the asset size above.

Provided further, That, for purposes of securing incentives, in lieu of meeting the foregoing criteria, an enterprise may qualify as an MSME using the following criteria:

By Number of Employees:

Micro Enterprise:	1-9 employees
Small Enterprise:	10 - 50 employees
Medium Enterprise:	51- 199 employees

In the event that an enterprise falls under different classifications in the foregoing categories, the classification that will entitle it to more incentives shall be controlling.

The foregoing categories may be amended, from time to time, to render the definitions consistent with national laws and other issuances pertaining to MSMEs.

- v. **"New Projects"** refer to projects or activities in the IPA List that have not started commercial operation, undertaken by (1) a newly organized or formed enterprise; or 2) an Existing Business that proposes to engage in an entirely distinct activity from its existing business as would qualify as a Diversification.
- w. **"PEZA"** shall refer to the Philippine Economic Zone Authority, as created under the PEZA Law.
- x. **"Project Study"** refers to a project profile which presents, among others, highlights of the projected financial viability and environmental and socio-economic impact of the proposed business.
- y. **"Registered Enterprise"** refers to any individual, partnership, cooperative, or corporation, whether a domestic or foreign corporation licensed to do business in the Philippines, that has been issued a Certificate of Registration by the Board pursuant to this Code.
- z. **"Registering Agency"** refers to any other government agency, office or instrumentality that is authorized to administer incentives under, and register and regulate corporations that are enjoying incentives at the national level pursuant to an applicable Incentive Law, such as but not limited to the BOI and the PEZA.

aa. "**Sanggunian**" refers to the Sangguniang Panlungsod ng Ormoc.

TITLE III
ORMOC CITY INVESTMENT INCENTIVES BOARD

SECTION 6. THE ORMOC CITY INVESTMENT INCENTIVES BOARD; CREATION. – The Board is hereby created to implement the provisions of this Code and to supervise and manage the operation of the LEIPC.

SECTION 7. COMPOSITION OF THE BOARD. – The Board shall be composed of nine (9) members as follows:

- a. City Mayor as Chairperson;
- b. President of the Local Chamber of Commerce and Industry, which must be duly accredited by the Sanggunian, as Vice-Chairperson;
- c. The LEIPO, if one is assigned, or the City Planning and Development Coordinator;
- d. Sanggunian Chairperson of the Committee on Trade, Commerce and Industry;
- e. Sanggunian Chairperson of the Committee on Ways and Means;
- f. Two (2) Private Sector Representatives from the following major Investment Priority Areas, namely: 1) energy; 2) processing or manufacturing; 3) agricultural crop industry; 4) agricultural livestock, poultry and fisheries industry; and 5) academic institutions, with both representatives not belonging to a single area, to be appointed by the City Mayor for a term of two (2) years, and duly confirmed by the Sanggunian;
- g. A representative of a Non-Governmental Organization (NGO) duly accredited by the Sanggunian, to be appointed by the City Mayor for a term of two (2) years, and duly confirmed by the Sanggunian; and,
- h. A member of the City Development Council (CDC) chosen by the CDC for a term of two (2) years, and duly confirmed by the Sanggunian.

The Board may likewise invite, from time to time, representatives from pertinent national government agencies (NGAs), including but not limited to Regional Officers of the BOI or the Department of Trade and Industry (DTI), and other relevant stakeholders for advice or consultation in their areas of expertise.

SECTION 8. MEETINGS AND QUORUM OF THE BOARD – The Board shall meet at least once a month on such day and time as the Board may fix, and on special cases upon the call of the Chairperson whenever he deems it necessary. Notice of meetings shall be given to all members of the Board. The presence of at least a majority of the members of the Board shall constitute a quorum and the affirmative vote of a majority of the quorum shall be necessary for the exercise of its powers and the performance of its duties, including the approval of all decisions and policies issued by the Board.

SECTION 9. POWERS AND FUNCTIONS OF THE BOARD – The primary functions of the Board are to establish a favorable and stable policy for business, encourage and support private sector investment, and encourage business retention and expansion. Pursuant to this, the Board is generally vested with the following powers:

- a. Promulgate rules and regulations as may be necessary to implement the intent and provisions of this Code;
- b. Every two (2) years, review and recommend LIPAs eligible for incentives, taking into consideration the developmental needs of the City, relevant economic and technical factors of the City, available resources, prospects of an industry, among other relevant considerations;
- c. Decide controversies concerning the implementation of this Code;
- d. Adopt an investments promotion program;
- e. Act on applications for registration of projects and availment of local incentives as well as suspend or cancel, as appropriate and consistent with this Code, the enjoyment of incentives so granted after hearing and with due notice to the Registered Entity;
- f. Recommend to the Sanggunian any amendments to the Code;
- g. Supervise the operations of the LEIPO, including appoint/hire, discipline, or remove its employees in accordance with applicable law;
- h. Establish cooperative undertakings with other local government units (LGUs), the private sector, non-governmental organizations (NGOs) or other institutions as may be necessary;
- i. Establish trade and investment satellite offices in such other places as may be necessary to effectively carry out its mandate;
- j. Decide controversies concerning the implementation of this Code that may arise between the Registered Enterprise and the City government agencies or other governmental agencies within sixty (60) days after the controversy has been submitted for decision;
- k. Coordinate and consult with the CDC in the identification of LIPAs and the formulation of local incentives; and,
- l. Perform such other tasks necessary and incidental to the performance of its functions.

SECTION 10. POWERS AND FUNCTIONS OF THE CHAIRPERSON. – The Chairperson of the Board shall have the following powers and duties:

- a. Preside over the regular and special meetings of the Board;
- b. Sign the Certificate of Registration in accordance with the rules and regulations of the Code;
- c. Render a semi-annual report to the City Mayor and the Sanggunian regarding the results of the operation of the Board and its on-going efforts to implement this Code and achieve its mandate; and,
- d. Exercise such other powers and perform such other duties as the Board may direct it to perform to carry out the objectives of this Code.

SECTION 11. POWERS AND FUNCTIONS OF THE VICE-CHAIRPERSON. – The Vice-Chairperson shall have the following powers and duties:

- a. To preside over the regular and special meetings of the Board in the absence of the Chairperson;

- b. To perform such other duties and functions as may be necessary for and in behalf of the Chairperson; and,
- c. To exercise such other powers and perform such other duties as the Board may direct it to perform to carry out the objectives of this Code.

TITLE IV
THE LOCAL ECONOMIC AND INVESTMENTS
PROMOTION OFFICE

SECTION 12. CREATION. – There shall be created a Local Economic and Investment Promotions Office (LEIPO), a section under the Business Permits and Licensing Office (BPLO) division, which is under the Office of the City Mayor. It shall be headed by the LEIPO Head to be appointed by the City Mayor and shall report directly to the BPLO Head.

SECTION 13. QUALIFICATIONS AND RANK OF THE LEIPO HEAD – The LEIPO Head shall have the rank of Section Chief and a Salary Grade of SG-18. He shall possess the following qualifications:

- a. A Filipino citizen, bona fide resident of Ormoc City, and of good moral character;
- b. A holder of a college degree, preferably in Marketing/Management/Economics/Finance, or any related field;
- c. A Professional Civil Service Eligible or its equivalent; and,
- d. At least three (3) years professional experience and relevant trainings.

For the effective operations of the LEIPO, the City Mayor may hire or designate additional personnel whose positions and qualifications are based on stipulations and policies of the Qualification Standards of Civil Service Commission (CSC) M.C. No. 1, S-1997.

SECTION 14. FUNCTIONS OF THE LEIPO – The LEIPO shall function as a one-stop shop for investors and shall serve as the technical secretariat of the Board, taking an active role in implementing the Code. In addition, it shall have the following duties and responsibilities:

- a. Prepare and implement, in coordination with the CDC, the annual investments promotion plan as approved by the Board;
- b. Receive, process and evaluate applications for registration and applications for the availment of local incentives and submit its recommendation to the Board within a specified period from the official receipt of the application;
- c. Assist in: (1) securing licenses and permits; (2) identifying business partners for joint venture or PPP modalities, raw materials suppliers and possible business sites; (3) sourcing skilled manpower and service providers; and (4) facilitating the resolution of issues and concerns encountered by business enterprises, among others;
- d. Render genuine and thorough after-care services to Registered Enterprises as well as to investors in general;
- e. Monitor and supervise compliance of Registered Enterprises with their undertakings and the terms of their Certificate of Registration, as well as properly administer the grant of incentives to investors;

- f. Prepare and disseminate investments promotion collaterals, e.g., brochures and a website or specific pages of the website of the City for the purpose of information dissemination, including issuing reminders to Registered Enterprises, and providing information relevant to investors, among other information generally relevant to doing business in the City;
- g. Conduct briefings and information drives to potential investors with the goal of enticing them to invest in the City;
- h. Represent the City in trade and investments meetings, conferences, conventions and other similar gatherings in both domestic and foreign venues as directed by the Board;
- i. Collate, analyze, and compile pertinent data and studies concerning areas that have been or may be declared as IPAs;
- j. Establish cooperative undertakings with other LGUs, NGAs, the private sector, NGOs, or other institutions as may be necessary, useful, and incidental to the effective and efficient implementation of the Code; and,
- k. Perform such other functions as may be necessary to implement the intent of the Code.

TITLE V

INVESTMENTS PRIORITY AREAS

SECTION 15. THE IPA LIST. – The IPA List, which shall consist of two parts, the MIPA List and the LIPA List, shall be consolidated by the Board and shall be subject to the periodic review at least once in every two (2) years. It will be posted continuously on the website and in at least three conspicuous places in the City. In addition, it shall be published at least once in a local newspaper of general circulation in the City. The initial IPA List is as provided under Annex "A", which is made an integral part of this Code.

The MIPA List shall be automatically amended upon the issuance of the revised annual IPP and/or the issuance of any other law granting incentives, fiscal or otherwise, at the national as well as at the local level. Business activities in the MIPA List shall be dropped in accordance with applicable provisions of national law or the repeal of the law that granted local incentives to a particular business activity. No addition or deletion from the MIPA List shall be made in the absence of a corresponding statutory or other basis issued by the national government. The entitlement to incentives of applicants for registration whose business activity belong to the MIPA List shall be mainly governed by the national law or other issuance pursuant to such law.

The LIPA List shall be determined in accordance with the policies and criteria for the identification of investment priority areas and the grant of incentives provided under Section 4 of this Code, and shall be subject to the approval of the Sanggunian.

SECTION 16. PERIODIC REVIEW OF THE LIPA LIST. – The Board shall undertake periodic review of the IPAs taking into consideration the socioeconomic development plan and public investment plans formulated by the CDC and the preferred areas of investments as provided under pertinent national laws and may amend the same from time to time based on the results of such periodic review. The policies laid down in Section 4 shall likewise govern each and every subsequent amendment of the LIPA List.

The Board may recommend the removal of a business activity from the LIPA List (a) as soon as the sufficient investments in the area has been attained; and (b) continued extension of incentives is no longer to the interest and benefit of the locality.

TITLE SIX
REGISTRATION

SECTION 17. REGISTRATION PREREQUISITE TO AVAILMENT OF INCENTIVES. In the interest of orderly administration of local incentives, in all cases, prior registration with the Board is required in order to avail of local incentives. Those entitled to local incentives under Incentive Laws shall complete their registration with the Board at the soonest time possible after they have secured their Certificate of Registration under the applicable Incentive Law to avoid any inconvenience and disallowance of their claims for local incentives for the period prior to their registration with the Board.

SECTION 18. TYPES OF PROJECTS FOR REGISTRATION. - The following are the types of projects eligible for registration, provided they involve business activities included in the IPA List:

- a. New Projects;
- b. Expansion Projects; and,
- c. Diversification Projects.

SECTION 19. REGISTRATION REQUIREMENTS. - The procedure and requirements for application for local incentives shall vary depending on whether or not the applicant has a Certificate of Registration from a Registering Agency pursuant to an Incentive Law.

1. General Requirements

- a. Fully accomplished and notarized application form;
- b. Certified true copy of the primary registration of the applicant to do business in the Philippines as issued by the DTI, Securities and Exchange Commission (SEC), or the Cooperatives Development Authority (CDA), as applicable;
- c. If the applicant has already commenced operation, its latest available comparative audited financial statements acknowledged received by the Bureau of Internal Revenue (BIR) and the SEC (in the case of corporations); and,
- d. Proof of proposed place of business which shall show that the main operating facility, whether a services/manufacturing/production facility or plantation, and not just the warehouse or the administrative office of the applicant, is located within the territorial jurisdiction of the City.

2. Additional Requirements For Those Registered Under An Incentive Law In general, no additional requirements or conditions shall be imposed on those whose activities are under the MIPA List and have subsisting registration with a Registering Agency under an Incentive Law as would diminish their right to the local incentives granted them by virtue of their registration under said Incentive Law. Nonetheless, in addition to the general requirements in the immediately preceding provision, the following requirements are required to be submitted:

- a. Certified true copy of its Certificate of Registration with the appropriate Registering Agency pursuant to the applicable Incentive Law granting applicant's business, investment incentives, including the terms and conditions of the same;
 - b. Proof of commencement of commercial operation, if commercial operation has commenced; and,
 - c. Copy of the feasibility study or Project Study submitted to the Registering Agency.
3. Additional Requirements For Local Registrants
 - a. Project Study; and
 - b. Proof that the applicant meets the criteria pursuant to which it is claiming eligibility to avail of incentives.

SECTION 20. REGISTRATION PROCEDURE. – The procedure for the processing of registration under this Code is as follows:

1. Filing of Applications
All applications shall be filed with the LEIPO together with all the documentary requirements listed above. Prior to acceptance of the application, the LEIPO shall already evaluate the completeness of the application form and the other requirements so that the applicant can be advised immediately of any erroneous or missing documentary requirement. It is only upon the determination of completeness of the application form and the supporting documents that the application may be logged in the Registration Application Logbook and the application form is stamped "Received". The date stamped on the application and entered in the Registration Application Logbook shall be considered as the Date of Official Acceptance of the application.
2. Assessment
Simultaneous with the official acceptance of the application, the LEIPO shall issue an Order of Payment for the applicant to already pay a non-refundable filing fee of Two Thousand Philippine Pesos (PhP2,000.00), or such fee as the Board may thereafter deem reasonable, provided Micro Enterprises shall be exempt from the payment of any filing fee.
3. Posting
All applicants shall post in the City Hall bulletin board until the time of receipt of action on the application the following information: name of the applicant, the area of investment, the capacity applied for, and the plant site.
4. Evaluation/Approval of Application
Once an application is officially accepted, the proposed project will be evaluated by the LEIPO, which may conduct ocular inspection at the premises of the business, if necessary. The results of the evaluation by and the recommendation of the LEIPO shall be submitted to the Board and included in the agenda for the immediately succeeding meeting of the Board. The LEIPO shall immediately inform the applicant in writing of the Board action on its application, together with the terms and conditions of the approval/registration.

The Board shall approve or disapprove the application within sixty (60) calendar days from the Date of Official Acceptance in the case of Local Registrants, and thirty (30) days for those already registered with Registering Agencies. If no approval or disapproval is issued within the periods indicated, at no fault attributable to the applicant, the Board is deemed to have approved the application, thus the Board shall nonetheless issue a Certificate of Registration with the usual terms and conditions.

5. Issuance of Certificate of Registration

Upon approval, an enterprise shall be issued a Certificate of Registration by the Board thru the LEIPO which shall state, among others, the following:

- a. Name of the Registered Enterprise;
- b. The IPA in which the Registered Enterprise will engage;
- c. The incentives granted and the respective term of each incentive; and,
- d. Such other terms and conditions to be observed by virtue of its registration.

The Certificate of Registration shall be issued not later than five (5) working days from the date of approval of the application by the Board or the lapse of the prescribed processing period. The fact of issuance of the Certificate of Registration under this Code shall be recorded in the Registration Book.

TITLE VII
INCENTIVES

SECTION 21. LOCAL FISCAL INCENTIVES UNDER INCENTIVE LAWS.

Registered Enterprises enjoying incentives under an Incentive Law pursuant to a subsisting Certificate of Registration with a Registering Agency shall only enjoy the fiscal and non-fiscal incentives at the local level that are expressly granted under the Incentive Law under which it is registered and specifically included among the incentives in its Certificate of Registration with the Registering Agency.

A Registered Enterprise which ceases to be registered with a Registering Agency or wishes to avail of local incentives other than those provided under the Incentive Law under which it is registered may apply for incentives under this Code, subject to the registration procedure applicable to Local Applicants.

SECTION 22. ADMINISTRATION OF LOCAL INCENTIVES GRANTED UNDER INCENTIVE LAWS. – The local incentives of Registered Enterprises pursuant to Incentive Laws shall be subject to the following general policies.

1. Local incentives mandated under national laws shall not be diminished and shall be valid for such period as are allowed under the relevant Incentive Law or as provided under the pertinent Certificate of Registration, provided prior registration is made with the Board, accordingly—
 - a. The term and extent of local incentives as provided under Section 133(g) of the Local Government Code (LGC) shall be observed, unless the registration of the Registered Enterprise with the BOI is earlier revoked.
 - b. Unless otherwise amended, duly registered Regional or Area Headquarters or Regional Operating Headquarters of multinational companies shall be exempt from all kinds of local taxes, fees, or charges imposed by the City except real property tax on land improvements.
 - c. Art. 61 of the Cooperative Code, as amended, provides tax exemptions on the transactions of cooperatives with their members. Unless otherwise amended, cooperatives with accumulated reserves and undivided net savings of not more than Ten Million Philippine Pesos (Php10,000,000.00) shall be exempt from all local taxes of whatever name and nature.

- d. Unless otherwise amended, the pertinent provisions of The Special Economic Zone Act of 1995 (Republic Act No. 7916, as amended; "PEZA Law") provide for exemption from all taxes, including local taxes, of specific ECOZONE locators but in lieu thereof, the concerned ECOZONE locators shall pay a special tax rate of five percent (5%) on gross income.
2. The withdrawal of incentives for violation of the conditions for the grant of the same under the relevant Incentive Law or the pertinent Certificate of Registration shall automatically result in the withdrawal of local incentives granted pursuant to such Incentive Law or by virtue of the issuance of the Certificate of Registration by a Registering Agency.
3. The City, through the CDC, upon recommendation or coordination with the Board, may provide for incentives in addition to incentives provided under the Incentive Laws.

SECTION 23. GENERAL POLICIES IN THE ADMINISTRATION OF INCENTIVES. – Unless specifically provided under an applicable Incentive Law or the LGC, the grant of incentives shall be governed by the following general policies:

1. The grant of local tax exemptions shall not extend to fees and charges imposed for services rendered by the City, such as garbage fees, sanitary inspection fees, electrical inspection fees and other similar fees, as well as rental for use of public utilities owned and operated by the local government such as charges for actual consumption of water, electric power and toll fees for use of public roads and bridges and the like, and those levied for the use of government facilities and properties.
2. Incentives granted shall take effect from—
 - (a) The Date of Registration until the lapse of the term of such incentive, unless another reckoning date is approved by the Board on justifiable grounds, but in no case beyond six (6) months from the Date of Registration; or,
 - (b) Such other reckoning as may be prescribed under an applicable Incentive Law; Provided, That in the case of BOI-registered enterprises, their local incentives shall be reckoned from the date of their registration with the BOI, as provided under Section 133(g) of the LGC.
3. In case of change of ownership of the enterprise, the local incentives which it is enjoying shall continue to be enjoyed by the enterprise; Provided that the terms and conditions of the registration of the project are assumed by the new owner/s; Provided further, That if a Registered Enterprise is enjoying local incentives pursuant to an Incentive Law, the Certificate of Registration issued by the Registering Agency remains valid despite the change of ownership. Any change in the controlling shareholders of a Registered Enterprise shall be reported to the Board.
4. The local incentives to which a Registered Enterprise is entitled shall be limited to those specified under its Certificate of Registration from the Board, regardless of the enumerated incentives under this Code.

SECTION 24. FISCAL INCENTIVES. – Local Applicants who have been registered with the Board may be entitled to the following fiscal incentives, Provided that in each case, the actual incentives that a Registered Enterprise may enjoy shall be those that are specifically granted under its Certificate of Registration, Provided further, that the Board, as provided for in Section 47 herein, shall come up with the specific guidelines and criteria for the granting of fiscal incentives based on factors such as, but not limited to, type or nature of industries, impact on local employment/economy, extent or degree of employment of City residents, business capitalization, nature of technology used, pollution factor and location, as well as a formula to determine the actual duration of said fiscal incentives which are the following:

1. Local Business Tax Holiday (LBT Holiday)

Registered Enterprises shall enjoy exemption from local business tax that is otherwise due on their gross receipts in accordance with the Ormoc City Local Revenue Code of 1992, as amended. The exemption shall be for a term of at least two (2) years but not more than seven (7) years to start from the time of commencement of commercial operations.

The Registered Local Applicant shall include information regarding the criteria developed by the Board and the basis thereof in its Project Study, for further verification by the LEIPO.

2. Real Property Tax (RPT) Exemption

Buildings, machinery and equipment and other real property otherwise subject to real property tax used directly in the registered activity of Registered Enterprise.

Land shall only be exempt from real property tax if the same is owned by the Registered Enterprise and only to the extent that the same is actually, directly, and exclusively used in the registered activity.

The RPT Exemption shall have the same duration as the LBT Holiday of the Registered Enterprise. The RPT Exemption herein provided shall not be deemed to include exemption from Special Education Fund (SEF).

3. Permit Fees

Registered Enterprises shall, for the duration of the LBT Holiday, be exempt from the payment of all permit fees collected by and the proceeds of which accrue solely to the benefit of the City. Accordingly, fees due to, or partly allocable to, other agencies such as the Bureau of Fire Protection shall remain due and payable.

This exemption shall not cover fees intended to specifically defray certain municipal services rendered by the City such as garbage collection and water fees.

SECTION 25. NON-FISCAL INCENTIVES. – The Board, through the LEIPO, shall provide the following non-fiscal incentives to Registered Enterprises:

1. Assistance in site selection and negotiation for right of way;
2. Assistance in securing water, electric power, communications and other public utilities;
3. One-stop documentation for simplified registration procedure with the assistance from the LEIPO;

4. Assistance in resolving issues and concerns with National Government Agencies, Non-Government Organizations and other service providers;
5. Support for industrial peace thru reconciliation and mediation;
6. Coordination in the negotiation of special rates for utilities for industries with a certain minimum load, if feasible;
7. Facilitation of outbound and inbound missions of investors;
8. Joint venture partner identification, partner referral, and identification of possible source of required labor and raw materials;
9. Networking with concerned national agencies such as Technical Education Skills and Development Authority (TESDA) and other similar institutions for training of workers to enhance manpower skills of the enterprise and assistance in identifying and sourcing of skilled human resources;
10. Facilitation and/or referral of existing technical and financial assistance programs available through national and local government;
11. Such other aftercare services that may be accorded to investors;
12. For Micro Enterprises, they shall be given opportunities to participate in LGU/Non-governmental agency/organization-organized trade fairs and exhibits, entrepreneur development and training, and inclusion in business matching.

TITLE VIII
CONDITIONS FOR AVAILMENT OF INCENTIVES

SECTION 26. GENERAL CONDITIONS. – Registered Enterprises shall abide by the provisions of this Code and its implementing regulations as well as the terms and conditions specifically imposed in their respective Certificates of Registration. Compliance with the continuing conditions for the availment of the incentives shall be subject to verification by the Board, and for which reason it shall have visitorial power. Noncompliance by a Registered Enterprise with the conditions of its registration shall be sufficient basis for the Board to exercise its authority under Title XII of this Code.

SECTION 27. VISITORIAL POWER AND SCOPE OF POWER. – Without prejudice to the regulatory powers of the City over businesses within its jurisdiction as provided under the LGC, the visitorial power of the City provided under this Code shall be exercised solely for the purpose of ensuring that the Registered Enterprises continue to satisfy all the terms and conditions of its registration with the Board, and continue to meet or satisfy the basis or criteria that rendered them eligible for registration with the Board.

SECTION 28. CONTINUING ELIGIBILITY FOR REGISTRATION. – A Registered Enterprise shall continue to satisfy whatever criteria rendered it eligible for registration under this Code. Accordingly, if a Local Applicant was qualified for registration under this Code on account of the amount of manpower, nature of technology, or local raw material that it represented will be used in its production or other factors, the Board, through the LEIPO, shall have the authority to inspect the Registered Enterprise to verify that it is in fact using the technology or the local raw material that it represented will be used, as the case maybe. If the Registered Enterprise ceases to meet the said registration criteria that rendered it eligible for registration or for the availment of incentives under this Code, the Board shall have the authority to suspend all or some of the incentives of the Registered Enterprise or to revoke its registration subject to the provisions of Title XIII below.

SECTION 29. PERIODIC AND OTHER COMPLIANCE REQUIREMENTS. -

Nothing under this Code exempts a Registered Enterprise from applicable requirements of the City on businesses, as generally applicable to all businesses or specifically applicable to the business activity or circumstances of the Registered Enterprise. Accordingly, Registered Businesses, except those specifically exempt under applicable law, shall secure and comply with all the requirements to secure a Business Permit and renew the same annually.

Except as expressly provided under this Code or the Incentive Law under which they are likewise registered, Registered Enterprises shall comply with all applicable laws as other enterprises engaged in the same business as they are engaged in are required to comply with.

Other than as provided under Section 27 above, Registered Enterprises shall not be required to comply with any other requirements that businesses not registered under this Code are not required to comply with.

SECTION 30. ADDITIONAL CONDITIONS ON REGISTERED ENTERPRISE UNDER THE MIPA LIST. -

Those enjoying incentives by virtue of their registration with a Registering Agency and pursuit of a business activity in the MIPA List shall submit annually to the LEIPO an original copy of a certification from the Registering Agency that it continues to be registered with said Registering Agency and that it remains in good standing as such and thus fully entitled to all the incentives granted under its Certificate of Registration. Failure to submit such certificate to LEIPO on or before every anniversary date of the Registered Enterprise's registration with the Registering Agency shall authorize the Board to exercise its authority under Title XIII of this Code.

TITLE IX
CORPORATE SOCIAL RESPONSIBILITY

SECTION 31. CORPORATE SOCIAL RESPONSIBILITY REQUIREMENT. -

BOI-registered enterprises with projects under pioneer status is highly encouraged to undertake Corporate Social Responsibility (CSR) activities which shall be monitored starting on the fourth year of operation of the business enterprise. Those on non-pioneer status are encouraged, in the course of their operations, to undertake CSR activities in accordance with the development plan of the community where the registered project is located.

Registered Local Applicants are also likewise highly encouraged to pursue CSR projects as soon as they can afford to allocate resources for the purposes.

SECTION 32. ELIGIBLE CSR PROJECTS. - CSR projects which a Registered Enterprise may undertake include but shall not be limited to the following:

1. Urban Renewal, Greening or Re-greening
 - a. Rehabilitation and restoration of buildings or other structures in accordance with the urban renewal or restoration plan of the City;
 - b. Reforestation, rehabilitation, and urban greening or landscaping of major road sides; areas with historical or tourism value; areas in bio-geographic zones, especially key biodiversity areas; eroded slopes as technically appropriate based on assessment by competent authorities; public open spaces especially in residential and commercial areas including street islands, parks, promenades, parking area peripheries, and the like, provided that the enterprise takes care of the maintenance of the trees and plants, otherwise, reimbursement of the incentive granted shall be due and demanded should the trees and plants die due to poor maintenance.

2. Social Projects
 - a. Housing for employees;
 - b. Educational projects;
 - c. Cultural revivals;
 - d. Programs for women, children, elderly, disabled, out of school youth and indigenous people;
 - e. Community infrastructure projects aligned with the development plan of the City; and,
 - f. Such other projects or activities based on the development needs of the community where the project is located or as identified by the National Anti-Poverty Commission (NAPC).

TITLE X
ENVIRONMENTAL PROTECTION

SECTION 33. ENVIRONMENTAL POLICY. – Environmentally critical projects or enterprises locating their activities or expansion projects in environmentally critical areas must comply with the requirements of Presidential Decree No. 1586 (Philippine Environmental Impact Statement System) and other related laws, ordinances and issuances of the Department of Environment and Natural Resources (DENR).

Projects involving the handling, transport, processing and storage of toxic, hazardous substances and/or nuclear waste shall be subject to strict regulations as provided under applicable local issuances and national laws. The Sanggunian shall have the option to exclude such projects from being entitled to local incentives except to the extent that they fall under the MIPA List.

TITLE XI
OTHER SUPPORT ACTIVITIES

SECTION 34. TERM PLAN ON INDUSTRY DEVELOPMENT AND INVESTMENT PROMOTIONS – The City, thru the LEIPO, shall lead in developing a multi-sectoral term plan on industry development and investment promotions and lead in the implementation and monitoring of the said plan.

SECTION 35. INVESTMENT AND BUSINESS MONTH – In order to institute continuing awareness of the crucial role of investment and business in nation-building and in people empowerment, and to celebrate and espouse the firm commitment of the City in the promotion, growth and development of MSMEs, the month of October of every year shall be declared as the "Investment and Business Month". The Board, LEIPO and accredited business organizations, shall work together and be jointly responsible in organizing activities to commemorate the event.

SECTION 36. LOCAL BUSINESS AWARDS – In addition to other means of commemorating the Investment and Business Month, local business awards for good business practices criteria, consisting of rewards in cash or in kind, shall also be given to deserving awardees by the event organizers. Recognition may also be given to development partners which may include, among others, banks, lending institutions, and international agencies.

TITLE XII
BUDGET APPROPRIATIONS

SECTION 37. APPROPRIATIONS. – The expenditures to cover the operations of the Board and the LEIPO and to implement all the other provisions of this Code for Calendar Year 2016 shall be provided through Supplemental Budget from the General Fund of the City, or from any available funds of the City Treasury.

The annual fund necessary for the maintenance and operation of the Board and the LEIPO, as well as to implement all other provisions of this Code, shall be included in the yearly operations from the General Fund of the Ormoc City Government which shall be based on a budget presented by the Board to the City Mayor to include Personal Services, Maintenance and Other Operating Expenses and Capital Outlay.

SECTION 38. REVENUES FROM THE OPERATION OF THE CODE. – All incomes derived from the operations of this Code shall accrue to the General Fund of the City.

TITLE XIII
PENALTIES

SECTION 39. PENALTIES. – The Certificate of Registration issued under this Code may be cancelled or revoked or the incentives of the Registered Enterprise temporarily suspended upon any of the grounds provided in Section 40 hereof. The cancellation or revocation of the Certificate of Registration shall mean withdrawal of all incentives granted under this Code.

In case of cancellation or revocation of its Certificate of Registration due to fraudulent misrepresentation relating to a matter that would have otherwise disqualified from or rendered it ineligible for registration under this Code, the Board shall require the refund of all incentives availed of, including the imposition of liquidated damages the amount of which is to be determined by the Board. The effect of the cancellation or revocation of the Certificate of Registration of a Registered Enterprise shall retroact to the day when the continuing condition for registration under the Code, as provided in the terms and conditions of the Certificate of Registration is proven to have been violated or had ceased to exist.

The Board shall adopt a table of fines and penalties for violations that may be committed by Registered Enterprises of a less serious nature that do not justify the imposition of the penalty of cancellation of the Certificate of Registration. The Board is likewise authorized to give Registered Enterprises a grace period within which they have to remedy any violation committed, whenever such grace period is justified or the violation is of a nature that can be remedied.

Nothing under this Code prevents the imposition of other penalties that are properly imposable under applicable law depending on the nature of violation committed by a Registered Enterprise, as determined by the appropriate regulatory authority.

SECTION 40. GROUNDS FOR CANCELLATION OF CERTIFICATE OF REGISTRATION. – The grounds for cancellation of Certificate of Registration are as follows:

1. Violation of the provisions of the Code and such other violation of the relevant laws, rules and regulations or ordinances issued pursuant to or in relation to this Code;

2. Violation of material term or condition specified in the Certificate of Registration issued under this Code; or,
3. Material fraudulent misrepresentation by an enterprise in relation to its application for the grant of incentives under this Code or in any other document required to be submitted pursuant to this Code.

The Board may impose a lesser penalty of temporary suspension of the incentives granted to the Registered Enterprise if the gravity of the violation, act, or omission committed by a Registered Enterprise is not of a serious nature, or the subsequent conduct or other relevant circumstances of the Registered Enterprise would justify the imposition of a less grave penalty than revocation of the Certificate of Registration of the Registered Enterprise.

SECTION 41. PROCEDURE FOR SUSPENSION OF INCENTIVES, CANCELLATION, OR REVOCATION OF CERTIFICATE OF REGISTRATION. -

The Board, upon a written complaint filed by any interested party or *motu proprio*, may commence proceedings for the cancellation or revocation of the Certificate of Registration issued to an enterprise under this Code. Within ten (10) working days from receipt of a written complaint, the Board shall assess whether there is a *prima facie* case for cancellation or revocation based on such complaint. Should it find that there is a *prima facie* case for cancellation or revocation, the Board shall issue a show cause notice indicating the ground for cancellation or revocation and the specific circumstances constituting such ground, and directing the enterprise to explain within ten (10) working days from receipt of the notice why its Certificate of Registration should not be revoked. A copy of the written complaint shall be attached to the show cause notice. Within ten (10) working days from receipt of explanation of the enterprise together with its supporting documents, if any, the Board shall schedule a hearing and notify the enterprise of such hearing. Within five (5) days from the conduct of such hearing, the Board shall decide whether or not to cancel or revoke the enterprise's Certificate of Registration based on evidence on record. The enterprise concerned shall be notified in writing of the decision of the Board.

SECTION 42. MOTION FOR RECONSIDERATION. - The applicant or business enterprise whose Certificate of Registration has been cancelled or revoked may file a motion for reconsideration with the Board within fifteen (15) days from receipt of the Board's decision, otherwise the decision shall become final and executory.

TITLE XIV
FINAL PROVISIONS

SECTION 43. COORDINATION AMONG LGUs. - The City shall as much as possible modify its systems and procedures in the issuance of applicable permits and licenses to be consistent with the provisions of this Code. The Sanggunian shall coordinate or consult with the Board of concerned LGUs on matters pertaining to incentives such as real property tax, to allow them to align or harmonize their incentives.

SECTION 44. SEPARABILITY CLAUSE. - If, for any reason, any portion or provision, section or part of the Code is declared not valid by a court of competent jurisdiction or suspended or revoked by the Sanggunian, such judgment shall not affect or impair the remaining portions, provisions, sections, or parts hereof which shall remain or continue to be in full force and effect.

SECTION 45. CONSTRUCTION OF THIS CODE. - The provisions of this Code shall be construed in harmony with the provisions of existing laws such as but not limited to the Omnibus Investment Code, the PEZA Law, and the Foreign Investments Act of 1991 (Republic Act No. 7042, as amended).

SECTION 46. REPEALING CLAUSE. - All ordinances, rules and regulations or parts thereof which are in conflict or inconsistent with the provisions of this Code are hereby considered repealed, amended or modified, accordingly.

SECTION 47. IMPLEMENTING RULES AND REGULATIONS. - The Board may issue such implementing rules and regulations as it deems necessary to aid in the orderly implementation of this Code. However, in the case of implementing rules and regulations for the administration of fiscal incentives allowed to be extended under this Code, including their duration, type and extent, as provided for in Section 24 herein, the Board shall formulate and submit the same for approval by the Sanggunian before the same may be implemented.

SECTION 48. PROSPECTIVE APPLICATION. - No ordinance shall be passed removing any incentive that is currently being enjoyed by a Registered Enterprise. All ordinances amending this Code, including the IPA List shall take effect prospectively and shall not be construed to adversely affect or impair the rights granted to Registered Enterprises pursuant to their Certificate of Registration.

SECTION 49. TRANSITORY PROVISION. - All enterprises already enjoying incentives from the City at the time this Code takes effect shall be required to comply with the requirements of the Code prospectively. In the interest of ensuring uniformity of treatment, registration in accordance with this Code shall still be required, however, their belated registration shall not result in any impairment or diminution of their incentives or imposition of any penalty. The enterprises covered under this provision shall have thirty (30) days to comply with the registration requirement and shall provide the latest available version of the documentary requirements listed under Section 19 of this Code, provided further that the following documents which are otherwise required shall likewise be dispensed with:

- a. Requirement under Section 19(1)(d);
- b. Requirement under Section 19(2)(c); and,
- c. Requirements under Section 19(3).

SECTION 50. DATE OF EFFECTIVITY. - This Code shall take effect immediately after compliance of the posting and publication requirements in accordance with the LGC.

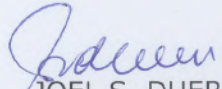
ENACTED, April 21, 2016.

RESOLVED, FURTHER, to furnish copies of this Ordinance each to the Honorable City Mayor Edward C. Codilla, the City Administrator, the City Legal Officer, the City Planning & Development Coordinator, the City Treasurer, the City Accountant, the City Budget Officer, the City Auditor, the Business Permits, Licensing & Franchising Office; the President, Ormoc City Chamber of Commerce & Industry, the Department of Trade & Industry-Leyte, and other offices concerned;

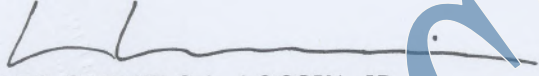
CARRIED UNANIMOUSLY.

Ord. No. 026

I HEREBY CERTIFY to the correctness of the foregoing ordinance.


JOEL S. DUERO
Secretary to the
Sangguniang Panlungsod

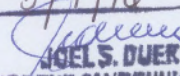
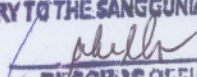
ATTESTED:


LEO CARMELO L. LOCSIN, JR.
Vice Mayor & Presiding Officer

APPROVED:

EDWARD C. CODILLA
City Mayor

(Date)

CERTIFICATION
DATE RECEIVED BY THE CITY MAYOR: <u>4/26/16</u>
DATE DEEMED APPROVED BY THE CITY MAYOR'S
IN ACTION IN ACCORDANCE WITH SECTION 54(B)
OF RA 7160 <u>5/7/16</u>
 JOEL S. DUERO
SECRETARY TO THE SANGGUNIANG PANLUNGSOD
 RECORDS OFFICER

INITIAL INVESTMENT PRIORITY AREAS LIST (IPA LIST): (ANNEX A)

1. Research and Development

2. Renewable Energy

Geothermal

Solar

Hydro

Biomass

3. Water Testing or Treatment Facilities

4. Solid and Liquid Waste Management Facilities (This includes collection, segregation and disposal/recycling of wastes).

5. Storage and Warehousing Facilities

6. Socialized Housing Projects

7. Sports, Leisure and Recreation Facilities

8. Organic Fertilizer Production

9. Commercial Production of Crops Determined by the City Agriculture Office

10. Inland Freshwater Fisheries

11. Commercial Organic Farming

12. Poultry Processing and Dressing Plants

13. Feed Mills

14. Post Harvest Facilities

15. Slaughter House

16. Food Processing

17. Commercial Cutflower Production

18. Sugarcane By – Processing

19. Commercial Tree Farming and Wood Processing
20. Dairy Production and Processing
21. Aqua Processing and Packaging
22. Establishment of Nurseries
23. Structural and Decorative Bricks Production
24. Bamboo Craft
25. Furniture-related Industries
26. Souvenir Items Production and Souvenir Shops
27. Accommodation Establishments such as but not limited to hotels, resorts, apartments, hotels, tourist inns, motels, pension houses, private homes for homestay, ecolodges, condotels, serviced apartments, and bed and breakfast facilities
28. Convention and exhibition facilities or "meetings, incentives conventions and exhibition" (MICE) facilities
29. Adventure and Eco-Tourism Facilities
30. Health and Wellness Facilities such as but not limited to Spas
31. Agri-tourism Farms
32. Development of Retirement Villages
33. Tourist Transport Services whether for Land, Sea and Air Transport
34. Industrial Estate Development
35. Airport- Seaport Development
36. IT Parks and BPOs
37. Educational Institution
38. Major Commercial Centers such as Shopping Malls and Supermarkets
39. Commercial Hog Raising
40. Commercial Raising of Small and Large Ruminants