

EXCERPTS FROM THE MINUTES OF THE 30<sup>TH</sup> REGULAR SESSION OF THE SANGGUNIAN BAYAN OF BACOR, CAVITE HELD AT THE SESSION HALL, BACOR MUNICIPAL HALL, BACOR, CAVITE ON THE 31<sup>ST</sup> DAY OF MARCH 2008.

**PRESENT:**

HON. MIGUEL N. BAUTISTA ----- Acting Presiding  
Officer

HON. ROLANDO S. REMULLA ----- Councilor

HON. AVELINO B. SOLIS ----- Councilor

HON. HUBERT V. GERVACIO ----- Councilor

HON. REYNALDO M. FABIAN ----- Councilor

HON. NORMITA D. CELESTINO ----- Councilor

HON. AVELINO S. DE CASTRO ----- Councilor

HON. BAYANI M. DE LEON ----- Councilor

HON. GIANNE LOUISE OLEGARIO ----- Councilor (SKF-Pres)

HON. CATHERINE SARINO ----- Councilor(ABC-Pres.)

**Municipal Ordinance No. 4-E  
Series of 2008**

***AN ORDINANCE ENACTING THE INVESTMENTS CODE OF  
BACOR.***

*Sponsored by Councilor Hubert Gervacio*

**WHEREAS**, pursuant to the powers of the Sangguniang Bayan of Bacor, Cavite, its members conducted a series of public hearings in aid of legislation intended to encourage direct investments into the municipality, among others.

**WHEREAS**, the Sangguniang Bayan hired legal consultants for the purpose of determining the existence of any municipal ordinance pertaining to the above-mentioned issue and assist the Sangguniang Bayan in drafting the necessary legislation to address the same.

**WHEREAS**, after conducting the necessary consultations and public hearing, a draft ordinance entitled the "Investments Code of Bacoor" was presented to the Sangguniang Bayan for review and consideration.

**WHEREAS**, after a thorough deliberation on the merits of the said proposed municipal ordinance, the Sangguniang Bayan decided to suspend its Internal Rules and proceeded to vote on the said piece of legislation;

**NOW, THEREFORE:**

Be it ordained by the Sangguniang Bayan of Bacoor, Cavite in regular session assembled upon motion of Councilor Hubert Gervacio and unanimously seconded by all its members that:

Section 1. The Investments Code of Bacoor is hereby unanimously enacted. A copy of the said municipal ordinance is attached hereto as **Annex "A"**.

Section 2. Should any provision of the said municipal ordinance be declared void, the remaining provisions of the above-mentioned ordinance not affected thereby shall remain valid and in effect.

Section 3. The said ordinance shall take effect immediately after its publication in a newspaper of general circulation.

Section 4. Let copies of the said municipal ordinance be sent to the Office of the Municipal Mayor and to all the concerned departments of the municipal government of Bacoor, Cavite.

**ENACTED** by the Sangguniang Bayan of Bacoor, Province of Cavite this 31<sup>st</sup> day of March, 2008.

**Attested by:**

**ORIGINAL SIGNED**  
**ATTY. KHALID A. ATEGA JR.**  
*Secretary to the Sangguniang Bayan*

Certified by:

**ORIGINAL SIGNED**  
HON. ROSETTE M. FERNANDO  
*Vice Mayor/Presiding Officer*

Approved by:

**ORIGINAL SIGNED**  
HON. STRIKE B. REVILLA  
*Municipal Mayor*

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## THE INVESTMENT CODE OF BACCOOR 2008

### Chapter 1

#### TITLE AND DECLARATION OF POLICY

**Section 1. Title** - This Ordinance shall be known as the "Bacoor Investment Code of 2008".

**Section 2. Declaration of Investment Policy** - It is hereby declared as a policy of the Municipal Government to promote and encourage domestic and foreign investments in the Municipality of Bacoor. Along this line, the following are the investment policies of the municipality:

1. To encourage local and foreign investment or joint venture to develop industries that shall utilize substantial local inputs to production, enhance value-addition and provide opportunities for local employment;
2. To attract and encourage investments in priority areas that will contribute to the socio-economic development of the Municipality through optimal utilization of natural resources;
3. To promote the Municipality of Bacoor as a favorable investment destination with adequate infrastructure support facilities and services; and,
4. To encourage active public-private sectors partnerships.

**Section 3. Scope and Coverage** - This Code shall apply to all persons, entities or enterprises, belonging to small, medium and large-scale categories in preferred areas of investments as may be determined from time to time by the Board.

### Chapter 2

#### DEFINITION OF TERMS

**Section 1. Definition of Terms** – When used in this Code, the following terms and phrases shall mean as follows:

- a) "*Code*" - shall refer to the Bacoor Investment Code of 2008.
- b) "*Board*" – shall refer to the Bacoor Investment Board.
- c) "*Existing Enterprises*" - shall refer to those licensed establishments or enterprises whose areas of operation or production are presently located within the territorial jurisdiction of Bacoor.
- d) "*Expansion Projects*" - include modernization and upgrading, and shall mean an increase of existing capitalization.
- e) "*Incentives*" - shall refer to fiscal and non-fiscal incentives as provided for in this Code.
- f) "*New investors/Enterprises*" - shall refer to investors or enterprises that have actually established their operation or production in Bacoor after the passage of this Code.
- g) "*Preferred areas of Investment*" - refer to economic activities or sectors declared as priority investment areas which may later be identified by the Board.
- h) "*Provision*" - shall refer to the Municipality of Bacoor covering all the areas within its territorial jurisdiction as provided for by law and its charter.
- i) "*Registered Enterprises*" - refer to enterprises or businesses registered in accordance with the provisions of the Code.

- j) "*Sanggunian*" - shall refer to the Sangguniang Bayan of the Municipality of Bacoor.

### **Chapter 3 BACoor INVESTMENT BOARD**

**Section 1. Creation of the Bacoor Investment Board** – There is hereby created a body to be known as the Bacoor Investment Board to implement the provisions of this Code and whose members shall be appointed by the Mayor, which shall define strategies and plans to pursue the policies identified in Section 2, Chapter 1 of this Code.

**Section 2. Composition of the Board** – The Board shall be composed of the following:

CHAIRMAN: Municipal Mayor

VICE CHAIRMAN: President of a recognized Commerce and Industry Group of the Municipality;

MEMBERS:

1. SB Chairman, Committee on Trade and Industry
2. SB Chairman, Committee on Ways and Means
3. SB Chairman, Committee on Appropriations
4. Municipal Treasurer
5. Municipal Assessor
6. Representative, Power Sector
7. A Representative of the Office of the Representative, 1<sup>st</sup> District of Cavite
8. SB Chairman, Committee of Infrastructure
9. SB Chairman, Committee on Environment

The representatives from the private sector shall be co-terminus with the term of the Municipal Mayor.

The membership of the Board may be increased or decreased by the Sangguniang Bayan upon the recommendation of the Board for the effective implementation of the Code.

**Section 3. Board Meeting and Quorum** – The Board shall meet every two months on a regular basis or as often as may be necessary as called by the Chairman. The presence of a simple majority of the total members of the Board will constitute a quorum.

**Section 4. Power and Functions of the Board** – The Board shall establish a favorable and stable business climate policy that will encourage and support private sector investments consistent with the developmental needs and environmental objectives of the Municipality. Pursuant to this, the Board shall be vested with the following powers and functions:

1. To formulate rules and regulations, systems and procedures to implement the intent and provisions of this Code;
2. To review and approve technical researches needed on the priority investment areas to be promoted as well as the appropriate incentives and support



- measures to be extended to registered enterprises;
3. To formulate and adopt a long-range investment promotions program and to provide corresponding incentives and support measures to attract investors;
  4. To recommend, for approval by the Sanggunian, additional fiscal and non-fiscal incentives granted to registered enterprises under the Code;
  5. To recommend the cancellation of the registration or suspension of the enjoyment of incentives or benefits of any registered enterprises for failure to maintain the qualifications and standards required and violation of any provision of this Code;
  6. To generate additional funding and resources to supplement the budgetary support provided by the Municipality for the implementation and operation of this Code;
  7. To create sub-committees on different areas of economic and investment promotions; and,
  8. To undertake active advocacy campaigns for infrastructure programs aimed at providing necessary facilities, as well as policy reforms to enhance Bacoor investment climate.

**Section 5. Honorarium** – Only non-government members of the Board may receive honoraria at the rate to be fixed by the Board in accordance with existing laws.

#### **Chapter 4** **THE CREATION OF THE BACOOR TRADE AND INFORMATION CENTER**

**Section 1. The Bacoor Trade and Information Center (BTIC)** – It shall serve as the trade investment and information resource center, a venue for all Bacoor opportunities and information services. It shall have a showroom or product display center and a business/information center;

**Section 2. Service Offered** - Pursuant to the provisions of this Code, the following services shall be provided:

- a. Information on investment opportunities, business procedures, permits, requirements, government regulations and other data required by prospective investors;
- b. Assist in completing the requirements of government regulatory agencies;
- c. Facilitate referrals to relevance of government bodies, support organizations, services providers and important contacts;
- d. Assist in organizing appointments, itineraries, site visits and logistical support; and
- e. Provide updated data on infrastructure support projects in the Municipality and other related information needed by investors.

#### **Chapter 5** **INVESTMENT PRIORITIES**

**Section 1. Criteria in Determining Investment Priority Areas** - The determination of preferred areas of investment to be listed in the Investment Priorities shall be based on the following:

- a. Environmental impact
- b. Economic soundness



- c. Long-term comparative advantage
- d. Extent of contribution of the activity to a specific development goal
- e. Market and technical considerations
- f. Value of social benefits

**Section 2. Preferred Investment Areas** - In the initial years of implementation, the following shall be adopted as priority investment areas by the Board:

**MANUFACTURING**

- metalcrafts
- furniture/furnishings
- garments
- gifts, toys and housewares
- shellcrafts/handcrafts
- assembly plants
- fashion accessories
- cements production

**SERVICES**

- Media/Advertising
- Medical
- Information Technology
- Financial
- Engineering/Architectural
- Training and Sports
- Ship Building, Repair and Development
- Development of Indigenous Power Sources
- Human Resource (construction, security, business, domestic, household, etc.)
- Funeral Homes/Memorial Parks
- Infrastructure (construction of ports)
- Transportation - Research and Educational Facilities
- Pawnshops
- Medical/Physical Therapy Clinic

**REAL ESTATE DEVELOPMENT**

- Housing
- Shopping malls
- Retirement village
- Convention and Cultural Facilities
- Fast Food Centers

**Section 3. Removal/Termination of Investment Areas** – The Board shall recommend to the Sanggunian the removal of an area or activity from the list, at any point, when any or all of the following conditions are present:

1. Sufficient investments in the area or activity have been attained;
2. Continued extension of incentives or support measures for the specific investment area no longer serve the best interests of Bacoor, or may place the government and the public in adverse position;

3. The investment area or activity cannot attract investors within reasonable time and costs, or may result in unfavorable business climate; and
4. Lack of progress in the implementation of an environmental management plan.

**Section 4. Review of Investment Incentives and Support Measures** – To promote the growth of investment in the Municipality particularly in the preferred investment areas, the Board shall review the package of incentives and support measures at least every two (2) years, and recommend, for approval to the Sanggunian, the appropriate specific fiscal and non-fiscal incentives that the government may grant to investors and enterprises.

## **Chapter 6 REGISTRATION OF ENTERPRISES**

**Section 1. Qualifications for New Enterprises** – All new enterprises intending to avail of the incentives as provided for in this Code must be able to meet the following requirements:

- a. The business enterprise must have complied with all the requirements mandated under existing laws, both local and national, and under the Philippine Constitution;
- b. The prospective investor's place of production and operation shall be located within the Municipality;
- c. The prospective investment must engage in any of the aforesaid areas or activities in the preferred areas and those that may hereafter be declared as such by the Board;
- d. The new enterprise must have a capitalization of at least P3 Million but not more than P15 Million for a small scale enterprise, more than P15 Million but not more than P100 Million for a medium scale enterprise and more than P100 Million for a large scale business project cost, as stated in the investor's project study submitted to and approved by the Board;
- e. Foreign companies intending to apply for registration must comply with the Foreign Investment Act of 1991 (R.A. 7042) and the provisions of this Code;
- f. Project must be in accordance with existing environmental laws, rules, and regulations;
- g. It must be registered with the Securities and Exchange Commission (SEC) in the case of a corporation and association, Department of Trade and Industry (DTI) in the case of a single proprietorship or Cooperative Development Authority (CDA) in the case of a cooperative; and,
- h. The project will provide at least ten percent (10%) of its top level management and not less than fifty percent (50%) whenever applicable, rank and file manpower requirements to bona fide residents of the Municipality.

**Section 2. Qualifications for Existing Enterprises** – Any existing enterprise who intends to expand may avail of the incentives under this Code, provided that it meets all the following qualifications:

- a. An enterprise whose place of operation and production is located within the territorial jurisdiction of the Municipality;
- b. The business enterprise must have complied with all requirements mandated



under the existing local and national laws and the Philippine Constitution;

c. The intended expansion or diversification of the existing enterprise must engage in an economic activity identified as an investment priority area by the Board;

d. The expansion or diversification shall be based on the total additional project cost as stated in the investor's project study submitted to the Board; and,

e. The expansion or diversification project will provide at least ten percent (10%) of its top level management and not less than fifty percent (50%) whenever applicable, rank and file manpower requirements to bona fide residents of the Municipality.

**Section 3. Application Requirements** – Qualified applicants shall file their application for registration with the Board within sixty (60) days from the approval of this ordinance. Thereafter, new or existing investors/enterprises qualified under this ordinance shall file their application within sixty (60) days from qualifying for the incentives provided herein. Qualified investors/enterprises shall be considered to have waived its privilege to avail of incentives provided in this ordinance if no such application is received within the specified period. The applicants shall file three (3) copies of duly completed application form in accordance with the provisions of this Code which shall be accompanied by the following:

a. A non-refundable filing fee in the following amount:

P2,000.00 for small scale investment

P5,000.00 for medium scale investment

P10,000.00 for large scale investment

b. A copy of the Certificate of Registration issued by the SEC, DTI, CDA, or any other government agency, where applicable.

c. For existing enterprises, a copy of the latest financial statement of the applicant firm.

d. For tourism related businesses, compliance with the tourism accreditation policies and guidelines is required; and

e. Documents such as, but not limited to, project feasibility study, business plan, and other relevant documents as may be deemed necessary by the Board.

**Section 4. Approval and Registration Procedures** – The Board shall, within thirty (30) days from the receipt of the application, either notify the applicant, in writing, of its approval, refusal or request for an additional information be submitted.

**Section 5. Certificate of Registration** – Under this Code, an enterprise is considered registered upon approval of its application with the Board, and as such, is entitled to fully avail of any or all incentives provided in this Code. A Certificate of Registration duly signed by the Chairman of the Board shall be issued.

## **Chapter 7 RIGHTS AND PRIVILEGES**

**Section 1. Rights and Privileges** – The Municipal Government of Bacoor, through the Bacoor Investment Board, guarantees to all registered enterprises their full entitlement of the rights and privileges provided under this Code and other laws,

to wit:

- a. Provide concise and comprehensive information to prospective investors regarding economic priorities of the Municipality, target investment areas, and the general conditions applicable to incoming direct private investments.
- b. Disseminate to investors and the general public, the investment evaluation criteria and registration procedures to enhance government transparency in the process of granting incentives.
- c. Take into full account the need of investors for industrial peace, stability, growth and profit in their operations, whenever policies are to be formulated and modified affecting investments.
- d. Not to interfere or modify arrangements with investors after the details for the implementation of an investment project has been accepted and approved, and the ownership and management structure of the enterprise has been established, unless the law provides otherwise.
- e. Avoid and/or prevent unfair treatment between or among enterprises operating within the territorial jurisdiction of the Municipality, whether domestic or foreign, when granting any special exemptions or incentives aimed at encouraging investment in the identified target areas.
- f. In accordance with law, all investors who shall invest under this Code are hereby encouraged to hire employees residing within the Municipality; and in cases where no local personnel or worker is qualified and capable, allow the employment of qualified non-residents or foreign personnel where such is necessary, for the efficient operation of the enterprise or for technology transfer.
- g. Resolve all doubts and/or conflicts concerning the benefits, privileges, and incentives granted under this Code or in other municipal ordinances enacted for the purpose of encouraging investment in favor of the investor.

## **Chapter 8 FISCAL AND NON-FISCAL INCENTIVES**

**Section 1. Fiscal Incentives** – A registered enterprise under this Code shall enjoy the following tax incentives within three (3) years from the start of its commercial operation:

Be exempt from the municipal impositions under the conditions and manner herein prescribed:

For qualified enterprises:

100%	-	1st year
75%	-	2nd year
50%	-	3rd year
0%	-	4th year

**Section 2. Non-Fiscal Incentives** – Registered enterprises and investors shall be granted the following non-fiscal incentives:

- a. Provision of a one-stop documentation center for simplified documentation procedures.
- b. Promote harmonious employer-employee relationship.
- c. Assistance in securing direct source of electric power and water supply connection.



- d. Assistance in the negotiation of special rates for industries with a minimum load of at least 1000 kilowatts.
- e. Assistance in site selection, negotiation for right of way and construction of access road.
- e. Assistance in labor recruitment and arbitration.
- f. Other non-fiscal incentives as may be determined by the Board.

**Section 3. General Guidelines** – The Municipal Government of Bacoor, upon recommendation of the Bacoor Investment Board, shall grant exemptions and incentives under the terms and conditions provided in this Code, and its implementing rules issued thereafter. However, this exemption shall not apply to regulatory fees levied under the police power of the Provincial Government. Tax exemptions shall be conferred through the issuance of a tax exemptions certificate, which shall be non-transferable. That grant of these exemptions and incentives shall be governed further by the following:

- a. Tax exemptions:
  - 1. The grant to a type or kind of business shall apply to all business similarly situated subject to pertinent provisions of this Code.
- b. Tax incentives.
  - 1. Tax incentives shall be granted only to new investments qualified under this Code.

Existing enterprises with proposed expansion may register and qualify for exemptions on the expanded portion under this Code.

## **Chapter 9 FUNDING**

**Section 1. Funding** – Initial funding necessary for the implementation of the provisions of this Code, which shall be sourced from the General Fund of the Municipality, is hereby appropriated. Thereafter, the Municipal Government shall appropriate annually, based on the budget presented by the Board, for the continued implementation of the provisions of this Code, subject to the usual government accounting and auditing rules.

## **Chapter 10 FINAL PROVISIONS**

**Section 1. Monitoring and Evaluation** - The Board shall monitor and evaluate project implementation for purposes of ensuring that the objectives are accomplished.

**Section 2. Penal Provisions** - Any violation of the provisions of this Code, existing laws, ordinances, rules and regulations by any registered enterprise, shall be a ground for the cancellation or revocation of the registration of the business and the withdrawal of all incentives granted under this Code.

**Section 3. Separability Clause** – It is declared that the provisions of this Code are separable, and in the event that one or more of the provisions are declared illegal or unconstitutional by a competent court, the validity of the provisions shall not be affected, and shall continue to be in force and effect.

**Section 4. Repealing Clause** – All ordinances, executive orders, rules and

regulations inconsistent or in conflict with the provisions of this Code are hereby repealed, amended or modified accordingly.

**Section 5. Effectivity** – This ordinance shall take effect immediately after its publication.