

7/1/17

Republic of the Philippines
PROVINCE OF NEGROS ORIENTAL
City of Bayawan
Office of the Sangguniang Panlungsod

EXCERPT FROM THE MINUTES OF THE SPECIAL SESSION HELD BY THE CITY COUNCIL OF BAYAWAN, NEGROS ORIENTAL ON MAY 4, 2017 AT 10:00 AM AT THE SP SESSION HALL.

RECORD OF ATTENDANCE

HON. ISMAEL P. MARTINEZ	(Vice Mayor & Presiding Officer)	Present
HON. PETER PAUL F. RENACIA		On Leave
HON. HENRY E. CARREON, JR.		Present
HON. ERNESTO T. TIJING		Present
HON. MARK FIDENCIO L. AURELIA		OB-Dumaguete
HON. JONAS M. TRIAS		Present
HON. SHARLOU F. JAMIN		Present
HON. NARCISO N. CASIPONG		Present
HON. NICO ANGELO L. LIM		Present
HON. MERLITA R. GAUDIEL		Present
HON. DANILO G. LAMIS		Present
HON. WARLITO C. MAGDASAL	(LNMB President)	Present

RESOLUTION NO. 295

"Presented for Third and Final Reading of An Ordinance Adopting the Bayawan City Revised Local Investments Incentive Code (BCRLIIC) of 2017.

"On motion of Honorable Councilor Lim and duly seconded by Honorable Councilor Carreon, the Council

"RESOLVED, To enact, as it hereby enacts the following ordinance:

ORDINANCE NO. 20

**AN ORDINANCE ADOPTING THE BAYAWAN CITY REVISED
LOCAL INVESTMENTS INCENTIVE CODE (BCRLIIC) OF 2017**

Be it ordained by the Sangguniang Panlungsod of Bayawan City that:

**CHAPTER I
TITLE AND DECLARATION OF POLICY**

- Section 1. Title. This ordinance shall be known as the "*BAYAWAN CITY REVISED LOCAL INVESTMENTS INCENTIVE CODE (BCRLIIC) of 2017*";
- Section 2. Scope. The incentives granted under this Code shall be in addition to any incentive granted by the national government to a Registered Enterprise.
- Section 3. Declaration of Policy. It is hereby declared a policy of the City Government of Bayawan to attract investors, both local and foreign, by creating a good climate for investments and providing incentives for investments that will promote development, income generation and employment for the people of Bayawan.
- Section 4. Purpose, Intent and Objectives. It is the purpose, intent and objective of this act:
- To mandate the legal agenda and mechanism for integrating the investment and incentives laws of the national government with the local development initiative.
 - To spread development from the urban areas to the undeveloped and underdeveloped areas of the city.

- c) To promote the flow of investors, both foreign and local into Bayawan City, thus generating, employment opportunities and providing a two-way channel linking the various business sectors in the city, province and the rest of the country.
- d) To transform chosen areas of Bayawan City into highly developed agri-industrial, small scale environment friendly industries, commercial, tourist, investment and financial centers of the province, the region and the country.
- e) To promote balanced development and the general welfare of the people of Bayawan City through a rationalized land use.
- f) To generate jobs and increase value-added of local products.
- g) To make the business sector a joint ventures between commercial enterprises and farmers association or cooperatives shall be encouraged as a strategy to modernize agriculture and encourage modernization to promote global competitiveness.

CHAPTER II DEFINITION OF TERMS

Section 1. Definition of Terms. For the purpose of this code, the following definition of terms shall apply:

- a) **"BCLEIPC"** refers to Bayawan City Local Economic and Investment Promotion Center
- b) **"BCLEIPO"** refers to Bayawan City Local Economic and Investment Promotion Officer
- c) **"Biodiversity-friendly businesses"** refers to those investments that either directly or indirectly support the protection of the flora and fauna species and other natural resources conservation initiatives and activities. These types of businesses should incorporate biodiversity relevant knowledge and technical resources management and development processes and practices that enhance biodiversity resource conservation.
- d) **"Board of Investments"/"BOI"** shall refer to the implementing agency for Books One to Five of the Omnibus Investments Code (EO No. 226 dated 27 February 1987) as created under the latter.
- e) **"Board"** refers to Bayawan City's Local Investment and Incentives Board created under this Code, the powers and composition of which shall be as provided under Chapter III.
- f) **"Business plan"** refers to a project profile in prescribed form, which presents the marketing, technical, financial and socio-economic aspects of the projects.
- g) **"Code"** shall refer to The City of Bayawan Local Investments Incentive Code of 2016 promulgated pursuant to this Ordinance.
- h) **"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.
- i) **"Existing enterprise"** are businesses engaged in activities that may or may not be included in the IPA List and are already operating in Bayawan City for more than one year.
- j) **"Existing projects"** refers to a project of an existing firm that has started commercial operation at the time of application with the Board that does not qualify as new expansion or modernization project.
- k) **"Expansion"** shall mean installation of additional facilities and/or equipment that will result in the increase of production capacity or the diversification of products by an *existing enterprise*, which qualifies the business as labor intensive, value extensive, or falling under the Investment Priority Areas. It may include modernization.
- l) **"Firms under expansion"** refers to existing firms and are intending to expand and/or diversify to other business ventures falling within the IPAs as defined herein.
- m) **"Foreign investment"** shall mean a corporation, association, partnership, and other juridical persons where more than 40% of its equity is owned by a non-Philippine nationals.
- n) **"Gross income"** shall refer to gross sales or gross receipts derived from the business activity net of sales discounts and sales return allowances.
- o) **"Investment"** means monetary value of intangible assets (e.g., patents, software) and tangible assets (e.g., real properties, buildings, factories, equipment, machinery) purchased/acquired, constructed or donated; cash (whether from owners'/partners'/incorporators' equity, loans, donations, or grants) used for or spent on legitimate business projects or activities to achieve economic gains to uplift the quality of life of the community where said projects are located.

- p) **"Investment Priority Areas"** shall refer to the business activities which are entitled to incentives granted by the City, which investment area or business activity is specifically included in the Mandatory Investment Priority Areas (MIPAs) or Local Investment Priority Areas (LIPAs), and summarized in an Investment Priority Areas List (IPA List) which shall be amended, as necessary, once every two (2) years.
- q) **"Industrial harmony"** is a situation where the employees and management co-operate willingly for the company's commercial objectives. This creates a high level of employee satisfaction.
- r) **"Local Investment and Incentive Code"** refers to the Bayawan City Investment Incentives Code of 2016.
- s) **"Mandatory Investment Priority Areas"/"MIPA"** are investment areas/business activities identified by the National Government as priority areas of investment and thus encouraged through the extension of incentives not only at the national but also at the local level pursuant to applicable Incentive Law, such as those included in the annual Investment Priorities Plan.
- t) **"Modernization projects"** refer to projects of existing enterprises, which projects are registrable and thus, eligible to incentives if any of the following conditions are met: 1) At least 25% substantial reduction of production cost/cost of provision of the service; or 2) upgrading of product/service quality or classification of the facility (e.g., hospitals, hotels, resorts) to a higher class. Modernization, to be registrable, should meet all of the following conditions:
- iv. The phases/stages of production sought to be modernized must be identified;
 - v. It must not result in the layoff of workers;
 - vi. It must result in any of the following:
 - Substantial reduction in production cost;
 - Significant increase in productive efficiency including debottlenecking;
 - upgrading of product quality;
 - Keeping abreast with the state of the art in the production of the enterprises principal product line.
- u) **"Micro Small, and Medium Enterprises (MSMEs)"** – Business activities/enterprises engaged in industry or agribusiness services, whether single proprietorship cooperative, partnership, or corporation, whose total assets (includes of those arising from loans but exclusive of the land on which particular business entity's office plant and equipment are situated) must have value falling under the following categories:
- By asset size
- | | | |
|--------|---|------------------------------|
| Micro | - | up to P3,000,000 |
| Small | - | P3,000,001 – P15,000,000 |
| Medium | - | P15,000,001 – P100,000,000 |
| Large | - | P100,000,001 to P300,000,000 |
| Big | - | Over P300,000,000 |
- By number of employees
- | | | |
|--------|---|-------------------------|
| Micro | - | 1-9 employees |
| Small | - | 10-50 employees |
| Medium | - | 51-199 employees |
| Large | - | 200-300 employees |
| Big | - | More than 300 employees |
- v) **"National laws"** refers to the following:
- | | |
|-------------|--|
| OIC of 1987 | Omnibus Investment Code Of 1987 |
| RA 7844 | Export Development Act OF 1994 |
| RA 7916 | Special Economic Zone Of 1995 |
| RA 7718 | Build-operate Transfer Law of 1994 |
| RA 9501 | Magna Carta for Micro, Small, and Medium Enterprises |
- x) **"New projects"** refers to a project/activity listed in the IPAs that has not started commercial operation undertaken by 1) a new organized/formed enterprise; or 2) an existing enterprise that shall engage in an entirely distinct and different activity from its existing business operations; or the same activity provided that it is expansion and diversification of projects.
- y) **"Processing"** shall mean the conversion of raw materials into marketable form through physical, mechanical, chemical, electrical, biochemical, biological or other means but shall exclude packing and packaging and rice and corn milling.
- z) **"Registering Agency"** refers to any other government agency/office/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) **"Registered Enterprise"** shall mean any individual, partnership, cooperative, corporation or other entity incorporated and/or organized and existing under Philippine laws that is registered with the Board of Investment (BOI), Department of Trade and Industry, Securities and Exchange Commission, Cooperative Development Authority, and other registering agencies.
- bb) **"Registered Eligible Enterprise"** shall mean any individual, partnership, cooperative, corporation or other entity incorporated and/or organized and existing under Philippine laws that is that is registered with the Local Investment Incentives Board and granted a Certificate of Eligibility to avail of the benefits under this Code.
- cc) **"Preferred investment"** refers to investments listed in section V of this code and those that may hereafter be identified by the Board.

CHAPTER III

THE BAYAWAN CITY LOCAL INVESTMENT and INCENTIVE BOARD (BCLIIB)

Section 1. Creation. There is hereby created the Bayawan City Local Investment and Incentive Board (BCLIIB), herein after referred to as the Board, which shall administer this Code.

Section 2. Functions. The Board shall have the following functions.

- a) Approve or disapprove applications for registration.
- b) Recommend policies to strengthen Bayawan City's attractiveness to investors.
- c) Ensure compliance of registered enterprises with the provisions of this code particularly with regards to the hiring of local residents, adherence to labor laws, rules and regulations ; sourcing of raw materials from local farmers, manufacturers and producers and the protection of the environment.
- d) In coordination with the office of the City Treasurer or with appropriate agencies of the national government, periodically check and verify, by inspection of the books and premises of the registered enterprise or by requiring periodic reports, compliance with this Code, with the implementing rules and regulations promulgated under this Code, and with the terms and conditions of registration.
- e) After due notice, cancel the registration or suspend the enjoyment of incentives of any registered enterprise and/or require refund of incentives enjoyed by such enterprise including interests and monetary penalties, for failure to maintain the qualification required by this Code for registration, for violation of any provision of this Code, of the implementing rules and regulations issued under this Code, or of the terms and conditions of registration. Provided that the registration of an enterprise whose project timetable, as approved by the Board, is delayed by one year, shall be considered automatically cancelled unless otherwise reinstated upon its renewal of application to the Board.
- f) Extend the period of availment of incentives provided that the total period of availment shall not exceed ten (10) years, subject to any of the following criteria;
 - iii. The registered enterprise has suffered operational force majeure that has impaired its viability; or
 - iv. The project of the registered enterprise has a gestation period which goes beyond the period of availment of incentives.
- g) Review and adopt the Investment Promotions Program submitted by the BCLEIPC;
- h) Within three months from the close of the calendar year, submit an annual report to the Sangguniang Panlungsod covering its activities in the administration of this Code including recommendations on investment policies;
- i) Periodically review the list of priority investment areas and activities and, after due public hearing delete or add such areas or activities necessary to further advance the objectives and the declared policies of this Code;
- j) Generally, exercise all the powers ascribed it by this Code and those necessary or incidental to attain the purpose of this Code.

Section 3. Composition of the Bayawan City Local Investment and Incentive Board (BCLIIB). The board shall be composed of the following;

- a) City Mayor as Chairperson
- b) President of the Chamber of Commerce and Industry or any Business Association as Vice-Chairperson
- c) The BCLEIPO as Secretariat
- d) City Planning and Development Officer
- e) City Treasurer
- f) City Assessor
- g) Provincial Director Department of Trade and Industry
- h) Four (4) representatives from the private sector to be appointed by the City Mayor
- i) Sanggunian Chairperson of the Committee on Trade, Commerce and Industry;
- j) Sanggunian Chairperson of the Committee on Ways and Means

Section 4. Term of office. The term of office of the members of the Board shall be co-terminus with the term of office of the appointing officer, who is the local chief executive, without prejudice to their reappointment by the successor City Mayor.

Section 5. Duties and responsibilities of the Chairperson. The Chairman shall have the following duties and responsibilities:

- a) To preside over the meetings of the Board.
- b) To ensure that applications for registration are acted upon expeditiously;
- c) In consultation with the private sector, to appoint the BCLEIPO and staff of the BCLEIPC;
- d) To render annual reports to the Sangguniang Panlungsod;
- e) Generally, to exercise such powers and perform such other duties to carry out the objectives of this Code.

Section 6. Duties and responsibilities of the Vice-Chairperson. The Vice-Chairperson shall have the following duties responsibilities:

- a) To preside over the meetings of the Board in the absence of the Chairman.
- b) To perform the other duties of the Chairman in the absence of the latter.

Section 7. Quorum. Seven (7) members of the Board shall constitute a quorum. A simple majority of the members constituting a quorum shall be sufficient to carry its acts. If the chairman is not present, the vice-chairman shall preside; if both the chairman and vice-chairman are not present, then the presiding officer shall be elected by the members present from among themselves.

Section 8. Meetings. The Board shall meet at least once a month and upon the call of the Chairperson whenever he deems it necessary on such day and time as the Board may fix. Notice of meetings shall be given to all members of the Board. The chairman shall convene a special meeting of the Board at any time he/she deems immediate action is crucial on a given application for incentive or on a given policy issue.

CHAPTER IV BAYAWAN CITY LOCAL ECONOMIC AND INVESTMENT PROMOTION CENTER (BCLEIPC)

Section 1. Creation. The Bayawan City government, in partnership with the private sector, shall establish a Bayawan City Local Economic and Investment Promotion Center (BCLEIPC) to actively promote investments in the city.

Section 2. Functions. The BCLEIPC shall function as a one-stop-shop for investors and shall serve as the technical secretariat of the Board. In addition, it shall have the following duties and responsibilities:

- a) Prepare and implement, in coordination with the local development council (LDC), the annual investments promotion plan as approved by the Board;
- b) Issue application forms and advice investors on how to comply with registration requirements;

- c) Handle all inquiries from investors including the provision of relevant socio-economic and zoning data;
- d) 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;
- e) Render after-care services to Registered Eligible Enterprises as well as to investors in general;
- f) Assist the Board in arranging joint ventures among local and foreign investors.
- g) 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;
- h) Recommend to the Board such policies and measures to better carry out the objectives of this Code;

Section 3. Operation of the Bayawan City Local Economic and Investment Promotion Center (BCLEIPC). The City Planning and Development Office/City Administrator's Office shall serve as the interim BCLEIPC until such time that the city government and the private sector shall have come up with the permanent Local Economic and Investment Promotion Center. Once constituted, a Bayawan City Local Economic and Investment Promotion Officer (BCLEIPO) shall head the BCLEIPC who shall be appointed by the City Mayor and shall receive compensation as determined by the BCLIIB.

Section 4. Duties and responsibilities of the BCLEIPO. The BCLEIPO shall have the following duties and responsibilities:

- a) To execute, direct and implement the policies, regulations and resolutions issued by the Board;
- b) To manage and coordinate the implementation of the Investment Promotions Program;
- c) To manage the budgetary appropriations and financial disbursements of the BCLEIPC;
- d) To supervise the BCLEIPC and to maintain official records, files and proceedings of both the BCLEIPC and the Board.

Section 5. Tenure. The tenure of office of the BCLEIPO and staff of the BCLEIPC shall be co-terminus with the term of office of local officials without prejudice to their reappointment by the successor City Mayor, provided that they may be terminated earlier for cause.

CHAPTER V TECHNICAL ASSISTANCE TEAM (TAT)

Section 1. Technical Assistance Team (TAT). The TAT, which will be composed of the City Planning and Development Officer, as TAS Coordinator, City Engineer, City Legal Officer, City Cooperative and Manpower Development Officer, City Assessor, and City Treasurer or their designated alternate staff shall render technical and other pertinent assistance that are within their mandated functions.

Section 2. Duties and Responsibilities of the TAT. The TAT has the following duties and responsibilities:

- a) Conduct studies and research, gather data, provide and supply pertinent data to the BCLIIB and BCLEIPC for reference and input into future decision-making;
- b) Assist the BCLIIB and BCLEIPC in technical and legal matters;
- c) Prepare business plans, investment briefs, investment guides and other documents required for investment promotions; and,
- d) Perform other functions and responsibilities as may be directed by the Board.

CHAPTER VI BAYAWAN CITY INVESTMENT PRIORITY ZONES

Section 1. Bayawan City Investment Priority Zones. There shall be nine (9) priority investment zones within the city each of which shall have its own investment priority areas. These are:

- a) Main Central Business District – as defined in the revised Comprehensive Land Use Plan (CLUP) and Zoning Ordinance of 2015, specifically located in barangay Poblacion, Suba, Ubos, Boyco and Tinago;
- b) Coastal Waterfront Growth Areas – coastal and beach areas of Barangay Suba, Boyco, Tinago and Villareal;
- c) Bayawan River Waterfront Growth Areas – areas along the Bayawan River bank within barangays Suba, Banga, Ubos, Nangka, Kalumboyan and Kalamtukan;
- d) Tourism Growth Areas – comprise Barangay Pagatban, Malabugas, San Roque, Banga, Nangka, Narra and Kalumboyan;
- e) Rural Service Centers – these shall be located in rural barangays proper with mixed use such as residential, commercial, institutional and light industrial districts; these include Nangka, Maninihon, Kalumboyan, Dawis, Tayawan, and Manduao.
- f) Agriculture Development Zones – all agricultural areas of the city shall be deemed as agriculture development zones;
- g) Socialized Housing Zones – comprise Barangay San Roque, Banga, Villareal, Maninihon, Nangka, and Malabugas, which areas are socialized housing sites as identified by the city land use plan;
- h) City East and City West Development Areas – comprise the area along and immediately contiguous to the National Highway from Barangay Pagatban, Malabugas, Banga up to Barangay Villareal boundary;
- i) Uptown Development Areas – Areas located in Barangay Nangka, Maninihon, northern portions of Barangay Malabugas and Banga;

CHAPTER VII BAYAWAN CITY INVESTMENT PRIORITY AREAS (BCIPA)

Section 1. Investment priority areas. The following are the priority investment activities which shall be encouraged in each of the priority investment zones:

- a) Main Central Business District

Accommodation establishments	Shopping malls and centers
Indoor recreation facilities	Research institutions
Parks and playgrounds	Parking spaces
Restaurants	Commercial complexes
Travel and tour operations	*Service centers and industries

*Service centers and industries such as but not limited to:

- Health and wellness
 - Spa
 - Medical tourism
 - Medical services/facilities
 - Laboratory facilities
- Information Communication Technology (ICT)
 - Engineering/architectural
 - Creative industries (animation, publishing)
 - Business process outsourcing (as long as requirements for BPO industry are met)
- Human Resource Development
 - Academic and vocational institutions
 - Training centers

- b) Coastal Waterfront Growth Areas

Accommodation establishments	Convention centers
Restaurants	Commercial complexes
Entertainment, recreation and amusement centers	Parks and playgrounds

- c) Bayawan River Waterfront Growth Areas

Theme parks, eco-parks	Entertainment, recreation, and amusement facilities
Commercial complexes	Agribusiness and fishery processing, trading, and marketing facilities
Restaurants	

d) Tourism Growth Areas

Accommodation establishments	Convention centers
Theme parks, nature parks, eco parks	Retirement and eco-villages
Resorts	Entertainment, recreation and amusement facilities

e) Rural Service Centers

academic and research institution	health and wellness facilities
satellite markets subject to the minimum standards as to floor area, facilities, and provision of greenbelts as set by the city government	
	public transport terminal

f) Agriculture Development Zones

*Agribusiness and fishery processing, trading, and marketing facilities

**Agroforestry-based industries

Facilities that produce and develop renewable and sustainable energy

Resort and Day farms for farm tourism

*Agribusiness and fishery industries such as but not limited to:

- Corn-based industries
 - Post-harvest facilities
 - Feed mill
 - Corn processing
- Rice-based industries
 - Post-harvest facilities
 - Rice processing
- Sugar-cane based industries
 - Alcohol production and processing
 - Sugar processing
- Cassava, banana, coconut, coffee industries
- Fruit processing
- Livestock and poultry breeding, production, and processing
- Fish breeding, production, and processing
- Essential oils production, processing and marketing
- Gifts, decors and housewares
- Textile and garments production

**Agroforestry based industries such as but not limited to:

- Rubber processing
- Bamboo processing
- Handicrafts

g) General Residential Zones

Housing, retirement, and eco-villages and subdivisions under the standard of Housing and Land Use Regulatory Board (HLURB)

h) City East and City West Development Areas

Accommodation establishments	Warehousing and packaging
Commercial complexes	Agricultural mills
Gasoline station with tourist service area	*Service centers and industries
Travel and tour operations	**Light industries

*Service centers and industries such as but not limited to:

- Health and wellness

- Spa
- Medical tourism
- Medical services/facilities
- Laboratory facilities
- Information Communication Technology (ICT)
 - Engineering/architectural
 - Creative industries (animation, publishing)
 - Business process outsourcing
- Human Resource Development
 - Academic and vocational institutions
 - Training centers
- **Light industries such as but not limited to:
 - Manufacturing
 - Garments and textile
 - ICT and electronic precision assembly
 - Furniture and furnishing
 - Lime processing

i) Uptown Development Areas

Accommodation establishments	Commercial complexes
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Section 2. Investment priority areas for Micro Enterprises. The following are the priority investment activities for Micro Enterprises or those with capitalization up to three million pesos (P3,000,000.00), which shall be encouraged in each of the priority investment zones:

a) Main Central Business District

Homestay, Boutique hotels	Restaurants
Travel and tour operations	

b) Coastal Waterfront Growth Areas

Homestay, Boutique hotels	Restaurants
Entertainment, recreation and amusement centers	

c) Bayawan River Waterfront Growth Areas

Homestay, Boutique hotels	Agribusiness and fishery processing, trading, and marketing facilities
Entertainment, recreation, and amusement facilities	

d) Tourism Growth Areas

Homestay, Boutique hotels	Entertainment, recreation and amusement facilities
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e) Rural Service Centers

Tourism-related enterprises

f) Agriculture Development Zones

*Agribusiness and fishery processing, trading, and marketing facilities

**Agroforestry-based industries

Facilities that produce and develop renewable and sustainable energy

Resort and Day farms for farm tourism

*Agribusiness and fishery industries such as but not limited to:

- Corn-based industries
 - Post-harvest facilities
 - Feed mill
 - Corn processing

- Rice-based industries
 - Post-harvest facilities
 - Rice processing
- Sugar-cane based industries
 - Alcohol production and processing
 - Sugar processing
- Cassava, banana, coconut, coffee industries
- Fruit processing
- Livestock and poultry breeding, production, and processing
- Fish breeding, production, and processing
- Essential oils production, processing and marketing
- Gifts, decors and housewares
- Textile and garments production
- **Agroforestry based industries such as but not limited to:
 - Rubber processing
 - Bamboo processing
 - Handicrafts

g) General Residential Zones
Homestay, Boutique hotels

h) City East and City West Development Areas
Homestay, Boutique hotels Travel and tour operations

i) Uptown Development Areas
Homestay, Boutique hotels Commercial complexes

Section 3. Non-area specific priority investment activities. New investments in economic activities which fall under any of the following categories shall be eligible for incentives even if they locate outside the defined priority investment areas;

- a) Labor-intensive – investments resulting in the employment of a minimum number of employees for a given period as shall be fixed in the implementing Rules and Regulation of this Code;
- b) Value-extensive – investments resulting in products with a local raw materials content of at least 60%;
- c) Tourism-related investments - resulting in the development of the city's natural resources for tourism purposes, or the construction of infrastructure, or the operation of transport or services facilities, or the production of souvenir items, all catering to tourists and of a type, class or category that will boost the city's attractiveness as a tourist destination;
- d) Trans-shipment Facilities such as but not limited to:
 - i. Airport and Seaport Infrastructure and Expansion
 - ii. Common and Bonded Warehouses
 - iii. Shipping Facilities/Seaport Infrastructure
- e) Green Investments – investments which fall under any of the following categories;
 - i. Tree planting
 - ii. Landscaping
 - iii. Production of organic fertilizers
 - iv. Soil and water conservation facilities

Section 4. Expansion and diversification projects. An existing business enterprise that is diversifying or expanding its business shall be granted incentives provided that ALL the following conditions are complied with:

- a) The expansion or diversification must be in line with the preferred areas of investment listed under section 1 and 2 of this chapter.
- b) The expansion or diversification fall under non-area specific priority investment activities as specified under section 3 of this chapter.
- c) Provide additional employment of no less than 20% of existing workforce.

Section 5. Compliance with land use plan and zoning ordinance. The location of investments projects shall comply with the provision of the Comprehensive Land Use Plan and Zoning Ordinance of Bayawan City.

Section 6. Delisting of investment priority areas. The BCLIIB may likewise remove, subject to the approval of the SP, any areas from the list of existing preferred areas of investment, if:

- a) Sufficient investment in the preferred area of the activity has been attained as determined by the BCLIIB;
- b) The continued expansion of incentives for the specific investment is no longer to the interest of the City; and,
- c) The investment of the activity does not attract investors within a reasonable length of time or may result in an unfavorable and uncompetitive business climate.

CHAPTER VIII INCENTIVES

Section 1. 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 2. 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.

- a) 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—
 - i. 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.
 - ii. 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.
 - iii. 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 Pesos (P10,000,000.00) shall be exempt from all local taxes of whatever name and nature.
 - iv. 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.
- b) 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.

- c) Bayawan City, through its LDC upon recommendation or coordination with the BCLIIB, may provide for incentives in addition to incentives provided under the Incentive Laws.

Section 3. 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:

- a) The grant of local tax exemptions shall not extend to fees and charges imposed for services rendered by Bayawan 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.
- b) Incentives granted shall take effect from—
 - i. 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
 - ii. 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.
- c) 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.
- d) 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 4. Fiscal incentives for new investments. All new investments shall enjoy incentives and investments in priority economic activities shall be entitled to the following fiscal incentives of their operation;

- a) Exemption from the payment of all applicable business taxes;

	6 years	5 years	4 years	3 years	2 years
By capitalization	Above P300,000,001	P100,000,001 – P300,000,000	P15,000,001 - P100,000,000	P3,000,001 - P 5,000,000	not more than P3,000,000
By projected average number of human resource starting on the 2 nd year of operation	More than 300	200-299	51-199	10-50	1-9

In the event that an enterprise falls under different classifications foregoing categories, incentive administration shall be based on amount of capitalization.

- b) Exemption from the payment of permit fees and charges;
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 services rendered by the City such as grass cutting, garbage collection, seepage fee, and other similar fees as stated in Chapter VII, Section 3a.

Section 5. Non-fiscal incentives. A Registered Enterprise shall be entitled to the following non-fiscal incentives:

- a) Assistance in securing local permits and licenses;
- b) Assistance in identifying business location and factory sites;
- c) Joint ventures match-making;
- d) Facilitating access to financial and technical assistance programs of the government;
- e) 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.

Section 6. Grant of incentives for accommodation establishments and restaurants. Incentives may only be granted to accommodation establishments and restaurants that have passed either a local accreditation by the local tourism office or by the Department of Tourism. This is to ensure that the facilities and services offered by the enterprise have met a minimum standard that supports the tourism thrust of the City.

Section 7. Application of incentives. An enterprise engaged in two or more lines of business shall be entitled to fiscal incentives only for its income derived from investments in priority economic activities; incentives shall apply on income reckoned from the scheduled start of commercial operations.

Section 8. Fiscal incentives for micro enterprises. Enterprises with a capitalization up to three million pesos (P3,000,000.00) may only enjoy incentives specified in Section 4 and Section 5 of this chapter if the said enterprise is engaged in an investment priority area listed in Chapter VII, Section 2.

Section 9. Fiscal incentives for expansion projects. The additional facilities or equipment installed as a result of expansion, diversification, or modernization shall enjoy the same incentives provided in Chapter VIII, Section 4 and Section 5.

CHAPTER IX INCENTIVES FOR JOINT AGRI-BUSINESS VENTURES

Section 1. Location. Joint agri-business ventures shall be encouraged in all agricultural areas of the city.

Section 2. Nature. A joint agri-business ventures shall be an enterprise which is composed of farmers' associations or cooperatives contributing land and other resources and a partner firm contributing technology, managerial expertise, market linkages and capital for the purpose of integrating farm production, processing and marketing either for the domestics or export market.



Section 3. Incentives. A joint agri-business venture shall enjoy full exemption from all applicable business taxes and from all permit fees and charges, within a period outlined in the table below:

	6 years	3 years	2 years
By capitalization	More than P3,000,000.00	P300,001.00- P 3,000,000.00	not more than P300,000.00

Section 4. Application for incentives.

- a) The incentive on business tax shall be for the income derived by the joint venture from its processed products arising from the integration of its operations;

CHAPTER X GREEN INCENTIVES

- Section 1. Coverage. Enterprises availing of green incentives need not fall under any of the category set forth under Chapter VII.
- Section 2. Regreening. An enterprise which plants trees at specified locations shall be entitled to P5,000.00 deduction from its gross receipts for each growing trees but not to exceed 30% of its gross receipts for the year subject to the following conditions:
- a) To be qualified for incentive, a tree must have been growing for at least one year and must be at least 4 feet in height at the time it is applied for incentive.
 - b) Any excess may be charged against succeeding tax years for a maximum period of three years subject to the same ceiling of 30% of gross receipts.
 - c) This incentive may be availed of only once every three years;
 - d) A tree or trees which are destroyed or otherwise die due to negligence by the enterprise within the period of availment of incentives shall result in the addition of P5,000.00 to the current tax base for each tree lost.
 - e) This incentive is non-transferable. In case of a change of ownership of the enterprise, the incentives shall not be transferred to the new owner, but shall continue to be enjoyed by the original owner and applied to his/her new business enterprise, if any, provided the period of incentive shall expire within two years from the date of application regardless of whether the owner availed of it or not.
 - f) An enterprise availing of this incentive shall file an application with the BCLEIPC regarding its intent to plant, the kind of trees to be planted, location and the date of planting. Planting shall be completed within one month from approval of said application.
 - g) The trees must be planted within, or at the frontage of the enterprise's place of business, or along the street fronting such place of business or in the absence of space at the enterprise's place of business, in any of the following priority areas;
 - i. Within (easement area) or 20 meters of the either side of the Bayawan River or the Bayawan City portion of Ilog River; (and other tributaries where suitable)
 - ii. Residual forest areas;
 - iii. Areas identified with historical values in the city
 - iv. Areas of high biodiversity;
 - v. Eroded slopes;
 - vi. Public open spaces especially in residential and commercial areas including street islands, parks, promenades, parking area peripheries and in wide sidewalks as may be suitable; provided that proper coordination is made with the city government whenever the enterprise decides to plant trees in a public property and provision is made by the enterprise to ensure the care and survival of the planted trees.
- Section 3. Landscaping. An existing enterprise which landscapes its premises shall be entitled to deduct from its gross receipts its direct landscaping cost but not to exceed 30% of its gross receipts for the tax year subject to the following conditions:
- a) Any excess may be charged against succeeding tax years for a maximum period of three years subject to the same ceiling of 30% of gross receipts;
 - b) This incentive may be availed of only once every three years;
 - c) The landscaping shall not be less than 20 sq.m. of contiguous or adjacent areas which shall include the enterprise's entire frontage area.
 - d) In the absence of sufficient space at the enterprise's place of business, the required area may be complied with by landscaping any of the following priority areas.
 - i. Areas identified with historical values;
 - ii. Public open spaces especially in commercial areas including street islands, parks, promenades, parking area peripheries and in wide sidewalks as may be suitable; provided landscaping undertaken in any of these public areas shall not be less than 10 sq.m. regardless of the total area landscaped within the premises of the enterprise.
 - e) The city reserves the right to reappraise the cost of the landscaping in case it finds the reported cost excessive.
 - f) The landscape shall have been properly maintained for at least one year.
 - g) This incentive may be availed of only once every three years.
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- Section 4. Production of organic fertilizers. New enterprises engaged in the production of organic fertilizers of plant and animal origin including the production of microbial fertilizer with nitrogen fixing organism and the production of mycorrhiza shall be entitled to the incentives provided for under Chapter VII provided the enterprise maintains a price differential vis-a-vis synthetic fertilizers as may be fixed by the BCLIIB. Mere mixing and compounding organic fertilizers are not covered.
- Section 5. Soil and water conservation facilities. An existing enterprise which constructs soil and water conservation facilities in its premises shall be entitled to deduct from its gross receipts its direct cost for construction of the facility but not to exceed 30% of its gross receipts for the tax year subject to the following conditions:
- a) Any excess may be charged against succeeding tax years for a maximum period of three years subject to the same ceiling of 30% of gross receipts;
 - b) This incentive may be availed of only once every three years;
 - c) The city reserves the right to reappraise the cost of the facility construction in case it finds the reported cost excessive.
 - d) The facility should be properly maintained and should be fully functional for the 3-year duration of the incentive availment.
 - e) This incentive may be availed of only once every three years.
- Section 6. Regulation. The BCLIIC shall ensure that the greening and landscaping projects undertaken by enterprises on public property shall be in harmony with the overall greening and beautification program of the city government.

CHAPTER XI CONDITIONS FOR AVAILMENT OF INCENTIVES

- Section 1. 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 BCLIIB, 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 BCLIIB to exercise its authority specified in this Code.
- Section 2. 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 BCLIIB and continues to meet or satisfy the basis or criteria that rendered them eligible for registration with the BCLIIB.
- Section 3. 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, the BCLIIB, through the BCLEIPC, 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. If the Registered Enterprise ceases to meet the said registration criteria that rendered it eligible for registration under this Code, the BCLIIB 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 Chapter XVI, Section 9 Penal Clause.
- Section 4. 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 Eligible Enterprise. Accordingly, Registered Eligible Enterprises, 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 during the same period applicable to other businesses. 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 2 of this Chapter, Registered Eligible 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 5. 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 BCLEIPC 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 BCLEIPC on or before every anniversary date of the Registered Enterprise's registration with the Registering Agency shall authorize the BCLIIIC to exercise its authority under Chapter XVI, Section 8 Sanctions for late submission of reportorial requirements and Section 9 Penal Clause of this Code

CHAPTER XII REGISTRATION OF ENTERPRISES

- Section 1. Qualifications of enterprises. Open to any person, sole-proprietorship or partnership, cooperative, corporation whether domestic or foreign, or any other form of business or those intending to engage in an economic activity qualified for incentive under this Code may apply for registration.
- Section 2. Registration requirements. Enterprises intending to avail of the incentives granted under this Code shall register with the BCLIIIB submitting the following documents to the Bayawan City Local Economic and Investment Promotion Center (BCLEIPC):
- a) Three (3) copies of duly accomplished and notarized application form provided by the BCLEIPC.
 - b) Payment of registration fee
 - c) A certified copy of the following;
 - i. SEC Registration for corporations and partnerships;
 - ii. Registration with the DTI for single proprietorship;
 - iii. Articles of Cooperation for cooperatives;
 - iv. Certification of Registration for those enterprise enjoying incentives under national laws;
 - v. Articles of Incorporation and By-Laws for corporations and partnerships;
 - vi. Board Resolution or Secretary's Certificate authorizing a representative to file for the application of incentives on behalf of the corporation or partnership;
 - vii. Zoning Clearance; and,
 - viii. Environment Compliance Certificate (ECC), Building Permit, Occupancy Permit, and others, when and if applicable;
 - d) Project feasibility study or project briefs in the case of micro enterprises of the proposed investment;
 - e) Promotional company brochures;
 - f) List of directors, principal officers, their respective nationalities and current addresses as certified by the corporate secretary;
 - g) A copy of audited financial statements for existing enterprises that are expanding or diversifying;
- Section 3. Registration procedure. The BCLIIIB is authorized to adopt rules and regulations to facilitate action on all applications filed with it, prescribe criteria for the evaluation of applications,

devise standard forms for use of applicants and grant additional incentives as may be warranted under the circumstances. To ensure an orderly manner of registration, the following procedures shall be observed:

- a) Period of filing of applications – All applications shall be filed before start of construction or commencement of business operation, but in no case later than six (6) months after commencement of business operation;
- b) Venue for filing of applications – All applications shall be filed with the BCLIIB through the BCLEIPC:
 - i. Filing Fee – A non-refundable filing fee of ONE THOUSAND PESOS (P1,000.00) and FIVE HUNDRED PESOS (P500.00) for those availing of Green Incentives, except for micro enterprises which shall be exempted, shall be paid to the City Treasurer; and,
 - ii. Processing Time – The BCLEIPC shall act upon the application, fifteen (15) working days from the official acceptance of the said application. Otherwise, the application shall be deemed approved;
- c) Procedure for filing, processing, evaluation, and approval:
 - i. The BCLEIPC Officer provides pre-counseling/advice to prospective applicants as to the various provisions of this Code;
 - ii. The BCLEIPC gives a checklist of requirements and forms for the applicant to accomplish;
 - iii. The applicant submits all the required documents to the BCLEIPC. All applicants submissions shall be recorded accordingly in a registration book and all documents shall be stamped "Received" with the corresponding date of submission. Thereafter, the applicant is required to pay the non-refundable filing fee.
 - iv. BCLEIPC forwards the application and its initial evaluation and recommendation report to the BCLIIB, through the Chairman. The BCLIIB shall deliberate and decide on the application within fifteen (15) working days from the date of official acceptance
 - v. The BCLEIPC records the approval or disapproval of the BCLIIB in the application and registration book;
 - vi. Approval or disapproval of each application shall be by resolution furnishing the concerned applicant with a copy of such resolution. One resolution may be issued for all approved applications but each rejected application shall be covered by one resolution explaining the reasons for the rejection therein.
 - vii. Approved applicants shall be required to pay the registration fee as provided in Section 4 below and a Certificate of Registration shall be issued to the applicant.

Section 4. Registration fee. The approved eligible business enterprises shall pay a one-time, non-refundable registration fee as follows:

Classification	Capitalization	Registration Fee (Php)
Micro enterprises	Up to P3,000,000.00	1,000.00
	P3,000,001.00 – P10,000,000.00	5,000.00
Small enterprises	P10,000,001 – P15,000,000.00	10,000.00
	P15,000,001.00 – P 50,000,000.00	20,000.00
Medium enterprises	P50,000,001.00 – P100,000,000.00	30,000.00
Large enterprises	P100,000,001.00 – P300,000,000.00	45,000.00
Big enterprises	More than P300,000,000.00	55,000.00
	Up to P300,000.00	500.00
Joint agribusiness venture	P300,001.00 – P3,000,000.00	1,000.00
	More than P3,000,000.00	5,000.00
Enterprises availing of green incentives		500.00

Section 5. Annual availment fee. Registered Eligible Enterprises which are classified as new projects, expansion projects or joint agribusiness ventures regardless of the amount of capitalization,

shall pay an annual availment fee for each subsequent year until the end of the period for availment of incentives as indicated in the respective Certificate of Registration.

Annual availment fee shall be 1/10 of 1% of the gross income of the Registered Eligible Enterprise in the effective year.

Micro enterprises and those availing of green incentives are exempted from the payment of the annual availment fee.

The annual Availment Fee shall be remitted to the City Treasurer's Office on or before January 31 of each calendar year.

Section 6. Certificate of Registration. A Certificate of Registration shall be issued to an applicant whose application has been approved by the BCLIIB. This Certificate shall then serve as the applicant's proof of availing the incentives and privileges granted. The Certificate shall be in such form and style as the BCLIIB may determine and shall state among others the following:

- a) Name of the eligible business enterprise;
- b) Preferred type of investment the business enterprise will be engaged in;
- c) Incentives granted;
- d) Validity period; and
- e) Other terms and conditions to be observed by the business enterprise by virtue of its eligibility.

Section 7. BCLIIB decision. Any order or decision of the BCLIIB shall be final and executory after thirty (30) days from its promulgation.

Section 8. Confidentiality of applications. All applications and their supporting documents filed under this Code shall be confidential and shall not be disclosed to any person, except with the consent of the applicant or on orders of a court of competent jurisdiction.

CHAPTER XIII DUTIES AND RESPONSIBILITIES

Section 1. Duties and responsibilities of the City Government. All eligible business enterprises are entitled to the rights and guarantees provided by the law and the Philippine Constitution. In addition to such rights and guarantees, and enhance investor confidence in the incentives program, the City Government through the Board shall:

- a) Provide concise and comprehensive information to prospective investors on the economic priorities of the City Government, including target investment areas and the general conditions applicable to incoming direct private investors;
- b) Communicate investment evaluation criteria and procedures to enhance transparency in the process of granting government incentives;
- c) Take the fullest possible account of the need of the investors for stability, growth and profit in the operations in the formulation or modifications of policies and ordinances that effect investment;
- d) In accordance with law and where no local personnel or worker is capable and available, allow the employment of qualified foreign personnel where it is necessary for the efficient operation of the business enterprise or for technology transfer; and,
- e) Resolve all doubts concerning the benefits and incentives granted under the ordinances enacted for the purpose of encouraging investment, in favor of the investor.

Section 2. Duties and Responsibilities of the Registered Eligible Enterprise to the BCLIIB. All eligible business enterprises shall submit to the BCLIIB through the BCLEIPC the following reports and/or documents within the time herein prescribed:

- a) Amendment of Articles of Incorporation and By-Laws, or Articles of Partnership, or Articles of Corporation, within thirty (30) days from the date of submission of said documents with the SEC or the CDA;

- b) Change of the Directors within thirty (30) calendar days from the change;
- c) Report of alien officers or employees within thirty (30) calendar days from the date of registration or from the appointment of their alien replacements, provided that such aliens are registered as such with the Bureau of Immigration and Deportation (BID) and with the Department of Labor and Employment (DOLE);
- d) Latest audited annual financial statements within thirty (30) calendar days after its submission to the Bureau of Internal Revenue (BIR); and
- e) Submission of semi-annual reports on operations.

CHAPTER XIV INDUSTRIAL HARMONY

- Section 1. Minimum benefits. Workers, employees and other personnel employed by registered enterprises shall be accorded wages and benefits not less than those provided under the Labor Code and other relevant laws, issuances, rules and regulations of the Department of Labor and Employment and the Regional Wage Board.
- Section 2. Basic rights. All workers shall be assured of their basic rights under the Constitution and Labor Code including the right to security of tenure and humane conditions of work and the right to self-organization.
- Section 3. Priority in hiring. Enterprises enjoying incentives under this Code shall hire no less than 60% of their labor force from among residents of Bayawan City.

CHAPTER XV PROTECTION OF THE ENVIRONMENT

- Section 1. Environmental impact assessment. Environmentally critical projects or enterprises locating their activities or expansion projects in environmentally critical areas shall comply with the requirements of Presidential Decree No. 1586 (Philippine Environmental Impact Statement System) and related issuances of the Department of Environment and Natural Resources.
- Section 2. Hazardous substances. Projects involving the handling, transport, processing and storage of toxic, hazardous substances and/or nuclear waste shall not be entitled to any incentives under this Code.
- Specific prohibitions:
- a) No industrial or manufacturing facility or any other facility involved in handling, transport, processing and storage of toxic and hazardous waste shall be operated without proper solid and wastewater disposal facilities and prior registration of facility with the EMB-DENR
 - b) No industrial or manufacturing plant shall be operated at levels beyond the operating capacity of their respective waste treatment facilities in order to maintain the effluent quality within the standards required by law;
 - c) All Industrial and manufacturing establishment shall subject their operations and premises, facilities and systems to periodic environmental assessments which shall be conducted by the city government in coordination with the Department of Environment and Natural Resources. Refusal to be subject to such inspection shall be sufficient ground for the forfeiture of any incentive and the revocation of its business permit.
- Section 3. Role of the City Environment and Natural Resources Office (CENRO). The CENRO is assigned to enforce provisions under Chapter XIII.

CHAPTER XVI FINAL PROVISIONS

- Section 1. Ecozone investments. Republic Act. No. 7916 otherwise known as the Special Economic Zone Act of 1995 shall govern the grant of incentives and the administration of enterprises

within the Bayawan City Economic Zone upon proclamation by the President of the Philippines of the metes and bounds delineating the area of such eco-zone.

- Section 2. Activation of the BCLIIB. Within 45 days from the effectivity of this Code, the City Mayor shall appoint the members and vice-chairman of the Board and, in partnership with the private sector, constitute the Bayawan City Local Economic and Investment Promotion Center (BCLEIPC).
- Section 3. Implementing rules and regulations. Within 30 days from the effectivity of this Code, the Sangguniang Panlungsod Committee on Trade and Industry and its Technical Working Group shall formulate the corresponding Implementing Rules and Regulations which shall take effect upon approval by the City Mayor.
- Section 4. Appropriations. The expenditures to operationalize the BCLIIB and the BCLEIPC shall be provided through regular or supplemental budget. The City shall appropriate the funds necessary for the implementation of the provisions of this Code based on a budget that may be presented by the Board to include Personnel Services, Maintenance and Other Operating Expenses (MOOE), Capital Outlay, and Contingency.
- Section 5. Revenues from the operation of the code. Income derived from the operation of this Code shall go to a special account captioned "Bayawan City Local Economic and Investments Promotion Fund" (BCLEIP Fund), which shall be used solely for the operation and maintenance and other operating expenses of the BCLIIB, BCLEIPC, TAT, including investments promotion expenses of the City.
- Section 6. Barangay action. No barangay council within Bayawan City shall take any action in conflict with or which will nullify the provisions of this Code.
- Section 7. Modification in the systems and procedures of the city government offices. The City Mayor's Office, the City Treasurer's Office, and such other offices of the city government involved at any stage of the application for and availment of incentives shall henceforth modify their systems and procedures in the issuance of applicable permits and license so as to be consistent with the provisions of this Code and its implementing rules and regulations. These offices shall further coordinate with the BCLEIPC for the purpose of setting up a one-stop processing center to expedite the processing of all applications.
- Section 8. Sanctions for late submission of reportorial requirements. For late submission of the reportorial requirement provided under Chapter XI, Section 5 and Chapter XIII, Section 2 hereof, these are the following penalties:

1 st Violation	P300.00 for every violation plus P100.00 per week of continued non-compliance
2 nd Violation	P500.00 for every violation plus P300.00 per week of continued non-compliance
3 rd Violation and subsequent suspension	P1,000.00 for every violation plus P500.00 per week of continued non-compliance

- Section 9. Penal clause. Any violation of the provisions of this Code whether in part or in whole, shall be a ground for the cancellation of the business registration with the BCLIIB and the immediate withdrawal of all the incentives granted under this Code.

The Certificate of Registration, as provided under the Code, may also be cancelled or revoked due to failure to commence actual project development within one (1) year from registration as an eligible business enterprise under this Code.

Cancellation or revocation of the Certificate of Registration shall mean the withdrawal of incentives granted under the Code, and all remaining unpaid fees and

charges because of the expansion shall become due and demandable, which shall be on a pro-rated basis.

The Board may cancel or revoke the Certificate of Registration of the concerned business enterprise through a formal written notice. The revocation shall become effective on the 16th day from receipt of such written notice.

Section 10. Separability clause. In the event any provision of this Code or parts thereof are declared unconstitutional, the other parts not affected therein shall remain in full force and effect.

Section 11. Repealing clause. The provisions of ordinances, executive orders and other issuances or parts thereof inconsistent with this Code are hereby repealed or modified accordingly.


Section 12. Effectivity. This ordinance shall take after compliance with the provision of R.A. 7160, the Local Government Code 1991.

“Enacted.”

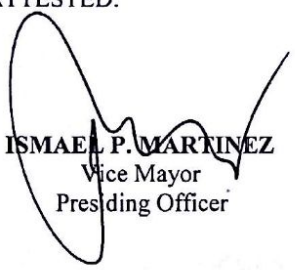
* * *

I hereby certify to the correctness of the foregoing resolution.

* * *


JULIUS T. ESPARTERO
Secretary to the Sangguniang Panlungsod

ATTESTED:


ISMAEL P. MARTINEZ
Vice Mayor
Presiding Officer

DATE APPROVED: JUN 23 2017


PRYDE HENRY A. TEVES
Mayor

Copy for:

- The Honorable Provincial Board, Dumaguete City