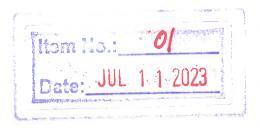
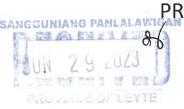
Republic of the Philippines
PROVINCE OF LEYTE
Palo, Leyte





PROVINCIAL LEGAL OFFICE

2nd INDORSEMENT

June 29, 2023

eyte, through the SP

Respectfully returned to the Sangguniang Panlalawigan of Leyte, through the SP Secretary, the attached Ordinance No. 2023-03 of the Municipality of San Miguel, Leyte, recommending for the declaration of its validity, pursuant to its power under Section 56 (C) of R.A. 7160.

The Provincial Legal Office is of the opinion that the ordinance is in line with Section 447 (2)(i)(ii) and (3)(ii) which aims to regulate and manage policies to the benefit of the Local Economy.

ATTY JOSE RAYMUND A. ACOL
Asst. Provincial Legal Officer



Republic of the Philippines PROVINCE OF LEYTE Tacloban City



cince of Leyte

-000-

OFFICE OF THE SANGGUNIANG PANLALAWIGAN

1st Endorsement 22 June 2023

The Provincial Legal Office is respectfully requested to review and submit recommendations, on the herein enclosed Resolution No. 187 series of 2023 embodying MUNICIPAL ORDINANCE NO. 2023-03 OF SAN MIGUEL, LEYTE, ENTITLED: "AN ORDINANCE ENACTING THE ECONOMIC DEVELOPMENT AND INVESTMENT CODE IN THE NEW NORMAL OF THE MUNICIPALITY OF SAN MIGUEL, LEYTE."

FLORINDA JILYS. UYVICO, Secretary to the Sanggunian

SP RECORDS 62223



OFFICE OF THE SANGGUNIANG BAYAMING PANLALAWIGAN

June 22, 2023

The Honorable Members of the Sangguniang Panlalawigan of Leyte PROVINCE OF LEYTE

Thru: The Sangguniang Panlalawigan Secretary

Provincial Legislative Building

Tacloban City

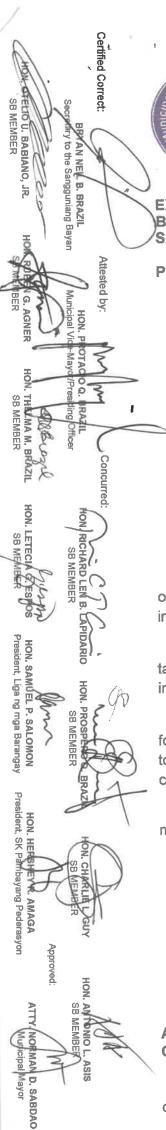
Gentlemen/Ladies:

I have the honor to forward herewith pertinent documents of the Sangguniang Bayan of San Miguel, Leyte for review and approval of the august body, to wit:

- Sixteen (16) copies of Municipal Ordinance No. 2023-03, Series of 2023
 entitled: "AN ORDINANCE ENACTING THE ECONOMIC DEVELOPMENT
 AND INVESTMENT CODE IN THE NEW NORMAL OF THE MUNICIPALITY
 OF SAN MIGUEL, LEYTE".
- 2. Sixteen (16) copies of Certificate of Posting.

Kindly acknowledge receipt hereof.

BRYAN NEIL B. BRAZIL
Secretary to the Sangguniang Bayan



Republic of the Philippines
PROVINCE OF LEYTE
MUNICIPALITY OF SAN MIGUEL
-000-

OFFICE OF THE SANGGUNIANG BAY

SANGGUNIANG PANLALAWIGAN

3 JUN 2023

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF BAYAN, SAN MIGUEL, LEYTE HELD AT THE SESSION HALL, LEG SAN MIGUEL, LEYTE ON MAY 30, 2023.

PROVINCE OF LEYTE

PRESENT:

Hon, Protacio Q. Brazil - Municipal Vice-Mayor/Presiding Officer

Hon. Richard Len B. Lapidario Hon. Prospero Q. Brazil Hon. Charlie L. Guy Hon. Antonio L. Asis Hon. Otelio U. Babiano, Jr.
SB Member
SB Member
SB Member
SB Member

Hon. Ruben G. Agner - SB Member
Hon. Thelma M. Brazil - SB Member
Hon. Letecía G. Espos - SB Member

Hon. Samuel P. Salomon - Ex-Officio SB Member/President, Liga ng mga

Barangay

Hon. Hershey R. Amaga - Ex-Officio Member/President, Sanggunian Kabataan Pambayang Pederasyon

Resolution No. 187 Series of 2023

WHEREAS, it is widely acknowledged that tourism can serve as the primary engine of growth for the local economy, and become the focal point of related projects and initiatives;

WHEREAS, San Miguel possesses an enormous tourism potential which, if it is tapped and developed, could generate revenue for local businesses, create jobs, and improved basic services to the community;

WHEREAS, the adoption of a tourism code, a blueprint of progress and development for the municipality's tourism, paves the way for the realization of our community's aspiration to become the destination for tourists of every stripe who travels to our country from every corner of the world, and from every part of the Philippines;

WHEREFORE, on motion of Hon. Otelio U. Babiano, Jr. duly seconded by all members present;

RESOLVED, to enact the following ordinance:

Municipal Ordinance No. 2023 - 03 Series of 2023

Sponsored by: HON. OTELIO U. BABIANO, JR.

SB Member/Chairman, Committee on Agriculture, Trade, Industry, Commerce, Livelihood and Cooperatives

Co-sponsored by: HON. RICHARD LEN B. LAPIDARIO

Committee on Rules, Privileges, Ordinances, Legal Matters and Ways and Means

AN ORDINANCE ENACTING THE ECONOMIC DEVELOPMENT AND INVESTMENT CODE IN THE NEW NORMAL OF THE MUNICIPALITY OF SAN MIGUEL, LEYTE

Be it enacted by the Sangguniang Bayan of the Municipality of San Miguel in session duly assembled that:

(Page 1 of Mun. Ordinance No. 2023-03, Series of 2023)

Certified Correct: TELIO U. BABIANO, JR. SB MEMBER BRYAN NEIL F. to the Sangguniang Bayan BRAZIL HON. R HQN. FIO Q. SB MEMBER (M) By on Concurred: HON. LETECIA C. SB MEMBER LAPIDARIO President, Liga ng mga Barangay HON. SAMUEL P. SALOMON HON. PROSPEROTO SB MEMBER BRAZIL HON. HERSHEY R. AMAGA ident, SK Pambayang Pederasyon SB HON. SB MEMBER ATTY, NORMAN D. SABDAO Municipa Mayor

CHAPTER I. TITLE, PURPOSE AND DECLARATION OF POLICY

Section 1. Title. - This Ordinance shall be known and cited as the San Miguel Economic Development and Investment Code in the New Normal.

Section 2. Purpose. - This Code is promulgated to:

- a) Enhance the competitiveness of the local investment climate through appropriate local policies and programs;
- b) Provide the Municipal Local Governments with a guide to draw local and foreign investments in priority areas and industries, and a tool to define the development thrust of the LGU consistent with its Comprehensive Land Use Plan (CLUP) and zoning regulations; and hasten the development and urban/countryside renewal or revitalization, thereby attaining the LGU's economic and social objectives and contributing to regional and national goals;
- c) Engage the League of Municipalities of the Philippines- San Miguel Chapter and the Municipal Government of San Miguel, including its Local Legislative Bodies (Sangguniang Bayan) to provide a cohesive force in establishing strong collaboration between and among LGU's and National Government Agencies (NGAs) in the formulation and implementation of the local investment ordinances, rules, regulations and policies, and in ensuring that local initiatives are consistent with national investment plans and policies;
- d) Improve the investment environment through reforms in legal and regulatory environment for investments including institutional and administrative processes that create bottlenecks and impede the flow of investments;
- e) Direct all LGUs that consultation with various sectors is imperative so that necessary safeguards to protect the environment, ensure the health and safety of the community, and social safety nets for micro, small and medium enterprises, are guaranteed; and
- f) Enjoin National Government to update our Local Investment and Incentives Code (LIIC) to demonstrates that the Municipal Government of San Miguel, Leyte values promotion of efforts to ensure local economic growth and attract investments with the establishment of an office or designation of personnel intended for it pursuant to DILG MC 2010-113 and/or DILG MC No. 2020-167, establish/create Local Economic Development and Investment Promotion (LEDIP) Office/Unit, and other similar structures.

Section 3. Declaration of Investment Policy. – It is hereby declared as a general policy of the Municipal Government of San Miguel to encourage a holistic Local Economic Development (LED) to build up the economic capacity of the municipality and its component barangays to improve its economic future and the quality of life for all. It shall adhere to LED principles and the approaches to promote and encourage domestic and foreign investments that shall generate employment, create local wealth, build quality place, promote sustainable development and support the pursuit of poverty reduction in the Municipality of San Miguel. Along this line, the following are the investment policies of the municipality:

- a) To attract and encourage investments in priority areas as determined in this Code and other relevant development priorities of the Municipal Government, that shall significantly contribute to the socio-economic development of the province and enhance local competitiveness and quality of life for all;
- b) To promote San Miguel as a competitive and sustainable investment destination in the Asia Pacific region and other global markets,
- To encourage investment projects that utilize local manpower and local capacities with greater inclusivity and in compliance with labor laws, promote local culture and values, and contribute to community resilience;

Certified Correct: OTELIO U. BABIANO, JR. SB MEMBER BR AN NEIL B. BRAZIL

July to the Sargguniang Bayan HON. Attested by: DTACK SB MEMBER w Co Con goncurred: HON. LETECIA HON. SB MEMBER President, Liga ng mga Barangay HON. SAMUEL P. SALOMON HON. PROSPERO Ghan SB MEMBER President, HON. HERSHEY R. AMAGA SK Pambayang Federasyon SB Approved: SB MENDER ATTY, NORMAN D. SABDAO Municipa Mayor ASIS

- d) To ensure the optimal utilization of local resources and the implementation of PPP projects within the context of sustainable environment and resources management enunciated in the San Miguel Environmental Code, National Building Code, NIPAS Act, and in the Municipal Development and Physical Framework Plan;
- e) To push for the development and growth of local micro, small and medium-scale enterprises, encourage livelihood activities, and initiate corporate responsibility programs, that foster self-sufficiency; and
- f) To pursue active community and multi-sectoral engagement as partners and catalysts to assure that the benefits of development accrue to the people of San Miguel.

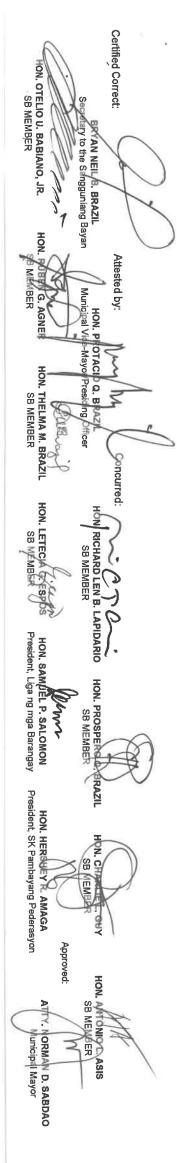
Section 4. Scope and Coverage. This Code shall apply to all persons, entities or enterprises, belonging to micro, small, medium and large-scale categories in preferred areas of investments, and other areas of investments as may be determined from time to time by the board:

- a) All Barangay Government Units (BGUs) in the municipality to harmonize and streamline development and investments priorities, business processes and incentives availment; spur local competitiveness; and enhance quality of place and life;
- b) All Local Economic Development and Investment Promotion Offices/Units (LEDIPO/Us) in coordination with the Municipal Planning and Development Office, Business Permit and Licensing Office (BPLO) and other relevant local and national government agencies, to strengthen effectiveness and efficiency, and build local competencies and standards.

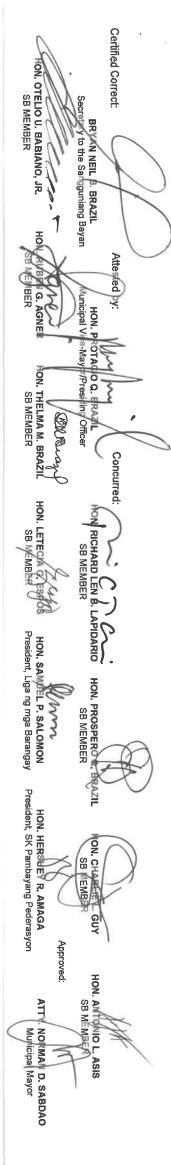
Section 5. Enabling Policies for a Sustainable Local Economic Development and Legal Compliance. – The Local Government Code of 1991 or RA 7160 gives LGUs more power and authority to accelerate local economic development. Further, pertinent national issuances prescribe development directions and guidelines for LGUs:

- 5.1) Philippine Development Plan 2017-2022
- 5.2) DILG and DTI Joint Memorandum Circular No. 2011 01: Formulation of Local Investment and Incentives Code;
- Memorandum Circular No. 2016-120: Guidelines for the Implementation of Public-Private Partnership for the People Initiative for Local Governments (LGU P4);
- 5.4) DILG and PPP Center Joint Memorandum Circular No. 2019-01: Supplemental Guidelines for the Implementation Of Public-Private Partnership for the People Initiative for Local Governments (LGU P4);
- 5.5) DILG Memorandum Circular 2020-167: Guidelines on Promoting Local Economic Development and Investment Promotion and Establishment of Local Economic Development and Investment Promotion Office/Unit in all Provinces, Cities and Municipalities;
- 5.6) Other relevant laws and regulations.

Section 6. Definition of Terms. When used in this Code, the following terms and phrases shall mean as follows:

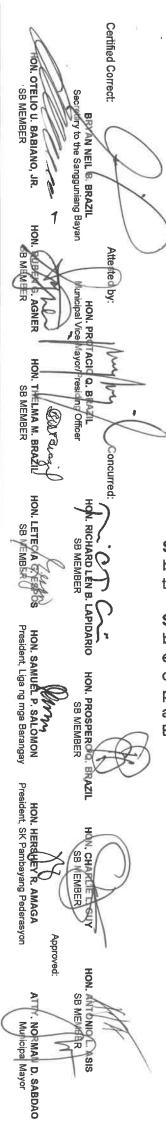


- a. **LEDIPO** refers to the Local Economic Development and Investment Promotion Office, created under this Code, streamlining and expanding the functions and structure of the office formerly known as BIPC;
- b. SMI Board refers to the San Miguel Investment Board (SMIB);
- c. San Miguel Business One-Stop Shop (BOSS) refers to the facility within the premises of LEDIPO where services and information assistance of mandatory and cooperating National Government Agencies (NGAs) are being provided that enables the fast-tracking or processing of requirements for the registration of a business or enterprise, advisory, or handholding of entrepreneurs and investors;
- d. San Miguelnon-inspired Design and Architecture a look, style, function, structure or effect that conforms with the local landscape and resonates with the culture of the Municipality of San Miguel, highlighting features that make us of indigenous materials crafts;
- e. Civil Society refers to formal groups of individuals that are independent of government and do not function as for-profit business, whether people's organizations, that have a presence in public life, expressing the interests and values of their members and non-members, based on ethical, cultural, scientific, religious or philanthropic considerations;
- f. Code refers to this Code;
- g. Corporate Social Responsibility the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve quality of life in ways that are both good for business and good for development;
- h. Eco-Tourism a form of sustainable tourism within a natural and cultural heritage area where community participation, protection and management of natural resources, culture and indigenous knowledge and practices, environmental education ethics, as communities and the satisfaction of visitors. Ecotourism is based on the principles of biodiversity conservation, community and stakeholder participation, social and cultural sustainability, local economic benefits and quality of visitor experience;
- i. Expansion Project shall mean installation of additional facilities/equipment that will result in increase in production capacity of the same product line within the same existing plant/facilities of the enterprise, provided that total expansion project cost is at least 50% of the total cost pertaining to its fixed assets of the original project, as stated in the investor's study;
- j. Fixed Asset a tangible asset of the business entity that is used for the production of its goods and services. These assets may include land, building, machinery or equipment, and vehicle;
- k. Green Business Project refers to a project that either provides environment-friendly products or services, or through an environment-friendly process, or with the help of clean technologies which reduce any negative effects of business,
- Green Growth defined as a means to create jobs and economic growth while reducing costs and environmental impact over long run;



- m. Incentives refer to the fiscal and non-fiscal incentives as provided for in this Code:
- n. Investment Priority Area refers to the economic activity or sector declared as a preferred area for investment by the Board in accordance with the provisions of this Code:
- Large-scale Enterprise refers to an enterprise or business with total fixed assets of more than P100,000,001;
- p. Local Economic Development the process by which actors within the LGUs (barangays, municipalities, cities and provinces) work collectively with the result that there are improved conditions for economic growth, employment generation and quality of life for all;
- q. Medium scale Enterprise Development refers to an enterprise or business with total fixed assets of P15,000,001 P100,000,000);
- r. Micro Enterprise refers to the enterprise or business with total fixed assets of not more than P3,000,000;
- s. Modernization project refers to a project of an existing enterprise that would involve improvements in systems, processes, equipment, and facilities that must result in any of the following (as defined by the BOI);
 - At least 25% substantial reduction of production cost/cost of provision of the service;
 - Upgrading of product/service quality of classification of the facility(e.g., hospitals, hotels, resorts) to a higher class in accordance with accreditation standards applicable to the industry concerned;
 - Renovation of tourism facilities in compliance with the health emergency protocols or to enhance health and safety systems and procedures that may include but not limited to a 'negative pressure' floor; expansion or renovation of guest rooms, food and beverage outlets, function/meeting rooms, recreation areas and other common areas; investment in new or upgrade of laundry, kitchen, housekeeping, employee facilities and other back-of-house facilities; building of full, partial or movable partitions; installation of built-in thermal scanners, hygiene gates, or booths; upgrade or improvement of ventilation, air conditioning, air filtration systems, water systems, water treatment facilities (STP) generators, roofing and insulation to meet the latest DENR, green or energy-efficient standards; environmental and monitoring equipment and system; non-touch or no-contact door lock systems and non-touch panels in elevators and other areas.
- t. **New Project** refers to a project/,activity listed in the Investment Priority Areas (IPAs) that has not started commercial operation, undertaken by:
 - a newly organized/formed enterprise; or
 - an existing enterprise, that shall engage in an entirely distinct and different
 activity form its existing business operations; or the same activity provided it
 shall establish a new facility in an area not contiguous to the premises of
 existing project and with new investments.
- u. **Municipality** refers to the Municipality of San Miguel covering all the areas within its territorial jurisdiction now existing or hereinafter acquired, as provided by law and its charter;

(Page 5 of Mun. Ord. No. 2023-03, Series of 2023)



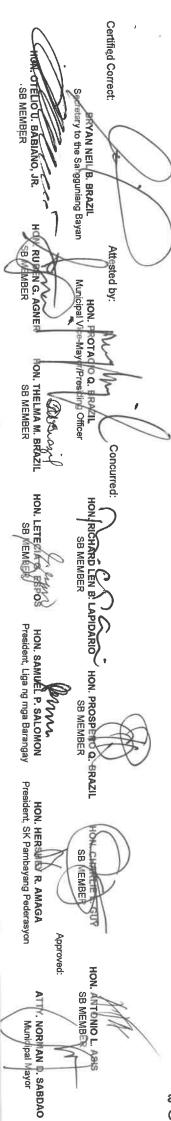
- v. Registered Enterprise refers to an enterprise or business registered in accordance with the provisions of this Code;
- w. **Small Enterprise** refers to an enterprise or business with total fixed assets of P3,000,001 and up to P15,000,000;
- x. Start of Commercial Operation date when a particular enterprise actually begins production of the registered product for commercial purposes, or commercial harvest in the case of agricultural, fishery and forestry activities, whichever comes first. In the case of service-oriented activities, it shall be the date when a particular registered enterprise begins catering to or servicing its clients on a commercial basis. In the case of export traders and service exporters, the term shall mean the date when the initial export shipment in commercial quantity has been made or initial performance of service as borne out by the appropriate supporting documents;
- y. **Sustainable Development** development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

CHAPTER II. SAN MIGUEL INVESTMENT BOARD

Section 7. Creation of the San Miguel Investment Board – There is hereby created a body to be known as the San Miguel Investment Board (SMIB) to implement the provisions of this Code.

Section 8. Powers and Functions of the Board – The primary function of the Board shall be to establish a favorable and stable .policy on local economic development, business enabling environment, local competitiveness, promotion and support of investments and other economic enterprises, all consistent with the purpose for which this Code is promulgated, with the general investment policy of the Provincial Government of San Miguel, and with the overall development goals of the Province of San Miguel. Pursuant to this, the Board shall be vested with the following powers and functions:

- a. To formulate the rules and regulations to implement the intent and provisions of this Code;
- b. To formulate and adopt a long-range Local Economic Development and Investment Promotion Plan that shall be in accordance with the municipal development thrusts and priorities;
- c. To supervise the operations and activities of the Local Economic Development and Investment Promotion Office (LEDIPO) for the effective implementation of the provisions of this Code;
- d. To formulate and adopt investment policies, incentives and support measures, and review and update the fiscal and non-fiscal incentives granted to registered enterprises under this code, to attract investors and retain existing businesses;
- e. To promote ease of doing business by encouraging the barangays in the Municipality of San Miguel to harmonize their Local Investments and Incentives Code with this Local Code, align their barangay policies and integrate the incentives application and registration requirements of enterprises under this code into their business processes and licensing system;
- f. To establish cooperative undertakings with Barangay Government Units, national government agencies, private sector, and civil society, as may be necessary, useful and incidental to the effective and efficient implementation of this Code;



g. To evaluate and approve registration application for incentives availment under the terms; conditions and objectives of this Code;

h. To conduct an ocular inspection, if necessary, of the premises or examination of the business activity of any enterprise, including the records and books of any enterprise, registered or applying for registration at any reasonable time of the day, during office hours, for verification or ascertaining the enterprise's compliance with the provisions of the Code; After due notice, cancel the registration or suspend the enjoyment of incentives or benefits of any registered enterprise for:

- Failure to maintain the qualifications required for registration under this code, or
- Violation of any provision of this code and its Implementing Rules and Regulations;
- To inform, provide notice and recommend action, if necessary, to any concerned Local Government Unit of any existing business located thereat that does not conform or comply with the development principles and provisions of this Code; and
- j. To facilitate the resolution of issues between and among parties with regard to investments and business, such as the interpretation and implementation of local laws and other authorities, with the common consent of the parties concerned, in the interest of resolving said issues without bringing them court.

Section 9. Composition of the Board. The Board shall be composed of the following:

Chairperson: Vice-Chairperson: Members: Municipal Mayor Municipal Vice-Governor

- a. Municipal Administrator
- b. Municipal Planning and Development Coordinator
- c. Municipal Treasurer
- d. Municipal Assessor
- e. Municipal Agriculturist
- f. Chairman, Committee on Trade and Industry, Sangguniang Bayan;
- g. Municipal Environment and Natural Resources Officer;
- h. MLGOO, Department of the Interior and Local Government;
- i. Department of Trade and Industry Representative
- j. Head, Provincial Disaster Risk Reduction and Management Office;
- k. Liga President, Liga ng Mga Barangay-San Miguel Chapter
- I. President, San Miguel Association of Non-Government Organizations
- m. Business Permit and Licensing Officer
- n. Public Employment Service Office (PESO)
- Local Economic Development and Investment Promotion Officer (LEDIPO)
- p. Head, Tourism Office

Designation of a Permanent Alternate Representative: In case a member is unable to attend a Board meeting, a permanent representative whose name and designation in the Office/Organization shall be reflected in a written authority from the Member Head of Office/Organization, shall be recognized as the Alternate that shall entitle one to the same voting right as the appointed Member.

(Page 7 of Mun. Ord. No. 2023-03, Series of 2023)

Certified Correct: HON. OTELIO U. BABIANO, JR. ary to the AN NEIL ¥angguniang Bayan B. BRAZIL HON. Attested by: HON. PROTAC Ø THELMA M. BRAZIL SB MEMBER March 100 Concurred HON. LETECIA HON. RICHARD LEN B. LAPIDARIO SB MEMBER President, Liga ng mga Barangay HON, SAMUÉL P. SALOMON HON. PROSPERO HON. HERSNEY'R. AMAGA
President, SK Pambayang Pederasyon CHARTE GUY Approved: HON. ANTONIO SB MEMB

Sectoral Representatives: The sectoral representatives from agriculture, information and communications technology/business process management (ICT/BPM), tourism, education, and health and wellness shall be appointed by the Chairman of the Board upon the recommendation of the Board through a majority vote and shall be invited as needed:

- a. Representative, Tourism Sector
- b. Representative, Agricultural Sector
- c. Representative, Health and Wellness Sector;
- d. Representative, Information and communications Technology Sector;
- e. Representative, Education Sector.

The membership of the Board, which may change every new term of the Local Chief Executive, may be increased or decreased by the Board for the effective implementation of this code. The members of the Board shall undergo an orientation and briefing to effectively carry out their tasks.

Secretariat: The Local Economic Development and Investment Promotion Office (LEDIPO) shall serve as the Secretariat of the Board.

Section 10. Board Meetings and Quorum – The Board shall meet at least twice a year or as often as may be necessary, on such a day and time as may be determined by the Chair. The presence of five(5) members of the Board shall constitute a quorum as determined by the Secretariat, provided that the Chairperson or the Executive ,Vice-Chairperson, the Municipal Planning and Development Coordinator, and any one of the sectoral representatives shall be in attendance, which shall be required to exercise its powers and perform its functions; unless the Board shall convene to evaluate and approve an application for registration of an enterprise for the availment of investment incentives under the San Miguel Investment Code, then a simple majority (one-half plus one) or nine (9) of its members shall constitute a quorum.

Section 11. Creation and Function of the San Miguel Investment Board-Evaluation Committee (SMIB-EC). – There is hereby created a committee to be known as the San Miguel Investment Board-Evaluation Committee (SMIB-EC) that evaluates and endorses, whether for approval or denial, any application for registration for the availment of incentives under this Code, to the San Miguel Investment Board. The SMIB-EC, as a recommendatory body to the SMIB, reviews development plans and projects to ascertain compliance, evaluates the validity and legality of all documents submitted by the Applicant through the LEDIPO for assessment and other pertinent documents that maybe required in the application process, and may conduct an ocular inspection at project location if necessary.

Section 12. Composition of the San Miguel Investment Board-Evaluation Committee (SMIB-EC). The Committee shall be composed of the following:

Chairperson: Vice-Chair: Secretariat: Members: Municipal Mayor Municipal Vice Mayor

LEDIPO

- a. Municipal Assessor
- b. Municipal Planning and Development Office (PPDO)
- c. Department of Trade and Industry (DTI)
- d. MENRO
- e. MDRRMO
- f. Local Economic Development and Investment Promotion Officer of the municipality
- g. Sectoral representative shall be invited as needed as determined by the LEDIPO.

Certified Correct: TELIO U. BABIANO, JR. 'SB MEMBER to the Sangguniang Bayan Attended by HON. ROTAC 00 THE LMA M. BRAZIL ng Concurred: HON RICHARD LEN'B. L SB MEMBER HON. LETECIA'S. E LAPIDARIO President, Liga ng mga Barangay HON. SAMUEL P. SALOMON HON. PROSPER Commi President, HON. HERSHEY R. AMAGA SK Pambayang Pederasyon CHARLE HON. ANTONIO L. ASIS

CHAPTER III. THE SAN MIGUEL ECONOMIC DEVELOPMENT AND INVESTMENT PROMOTION OFFICE

Promotion Office (LEDIPO). The Local Economic Development and Investment Promotion Office, hereinafter referred to as LEDIPO in compliance with DILG MC 2020-167, and created as a regular unit of the Local Government Unit of San Miguel, is deemed necessary to enhance local competitiveness and ease of doing business to enable business in the Municipal Government of San Miguel that is in charge of the facilitation, preparation, coordination, and execution of local economic development and investment promotion policies, projects and activities, b) Local Enterprise Development, c) Establishment of support mechanism for the growth of Micro, Small and Medium Enterprises (MSMEs), d) Provide mechanisms for business retention and expansion, and e) Other business and economic activities to attract investments and generate employment, within the purview of the purpose, principles and framework of this Code. It shall serve as the Secretariat of the Board.

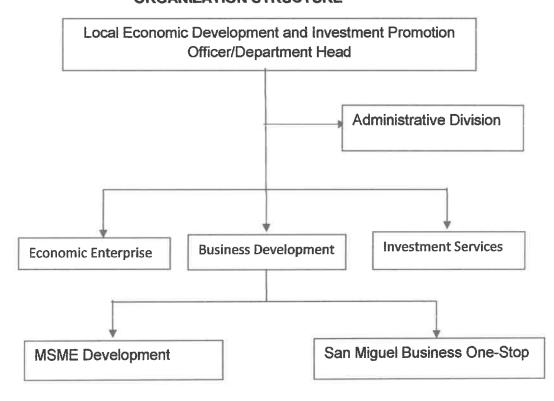
In addition, the LEDIPO shall have the following specific duties and functions:

- a) To serve as member of the advisory group on local economic development and investment promotion;
- b) To steer the creation of a business-enabling environment to attract, retain or expand sustainable investments and businesses, and to increase local competitiveness;
- c) To assist in the development, promotion and marketing of MSMEs and investment priority areas;
- d) In close coordination with the Office of the Municipal Planning and Development Coordinator, to identify economic enterprise projects that may be implemented through Public-Private Partnership (PPP);
- e) To establish and maintain partnership with the National Government regulatory agencies to advocate, streamline, harmonize and provide one-stop assistance; extend available incentives and support for business requirements; undertake monitoring activities; and, advocate the enforcement of investment-related policies, laws and regulations and facilitate the resolution of issues/concerns encountered by business entities when necessary;
- f) To coordinate with multi-sectoral stakeholders to implement programs and projects that will promote business-friendliness and local competitiveness;
- g) To conduct, participate and represent the municipality in trade, promotion and marketing events/missions, including meetings, conferences and other similar activities in both domestic and foreign venues that promote and market Municipality of San Miguel to attract investors and business people;
- h) To establish and maintain a local economic database containing relevant facts and figures on the local economy and service agencies and providers for updated information and advice;
- i) To prepare, disseminate and make accessible investment promotion collaterals;
- i) To facilitate business registration and provide handholding assistance;
- k) To support local councils whose undertakings are related to economic development;
- To build the capacity of the LEDIPO and network with counterpart LEDIPOs and investment promotion organizations to enhance and propel a holistic local economic development and investment promotion in the Municipality of San Miguel.

Section 14. Functional Structure of Local Economic Development and Investment Promotion Office. Pursuant to its general duties and functions, in compliance with DILG MC 2020-167, the Local Economic Development and Investment Promotion Office (LEDIPO, which presence has been established as one of the indicators in Seal of good Local Governance (SGLG: Business-Friendliness and Competitiveness Essential Area), shall provide the following specific functions and duties:

LOCAL ECONOMIC DEVELOPMENT AND INVESTMENT PROMOTION OFFICE (LEDIPO)

ORGANIZATION STRUCTURE



Local Economic Development and Investment Promotion Officer/Department Head - supervises and manages the operations of the LEDIPO; Facilitates the preparation, coordination, and execution of local economic development and investment promotion policies, programs, projects and activities of the Municipal Government of San Miguel.

Administrative Division - provides administrative and technical support in organizational planning, budgeting, personnel and financial affairs; initiate efficient and effective support in general office management including the setup of an office system to facilitate information exchange, storage and retrieval, performance monitoring, reporting, and other compliance requirements.

Economic Enterprise Division - formulates plans, develops and implements proposals for the establishment of new business economic enterprises; Closely coordinates with the PPDO, PPP Center and DILG on: a) Building partnerships and facilitation in the planning and implementation of PPP projects, and the recommendation of relevant policies and guidelines; b) conduct of research and setup of database; c) PPP project monitoring, tracking and documentation; d) Accessing relevant PPP learning advisory or capacity building resources; and e) Other functions related to PPP projects as may be determined by the Local Chief Executive.

Certified Correct: OTELIO U. BABIANO, JR. SB MEMBER BRYAN NEIL to the Sangguniang Bayan B BRAZIL HON. Attested by: HON. PROTACIO -Mayor 3 SB MEMBER BRAZ W. Rowa BRAZIL Concurred: HON. LETECIA SB MEMBER LAPIDARIO HON. SAMUEL P. SALOMON
President, Liga ng mga Barangay HON. PROSPEROTE SB MEMBER HON. HERSHÈVR. AMAGA President, SK Pambayang Pederasyon CHARLE MEMB GUY Approved: SB MEMBER ATTY. NORMAN D. SABDAO Municipal Mayor

Business Development Division - has two sections:

a) MSME Development Section supervises the trade and industry functions and coordinate with the San Miguel Micro-Small-Medium Enterprise (MSME) Development Council, national government agencies and the private sector in the following areas: research and product development, industry trends and initiatives, innovation and technology adoption, financial funding and sustainability; Develops mindset and marketing events;

b) San Miguel Business One-Stop Shop (San Miguel BOSS) provides streamlined business registration services in collaboration with the national government agencies and local government units and advocates for ease of doing business and enhanced local competitiveness, in partnership with the private sector; manages data and provides information assistance, advisory and learning materials.

Investment Services Division - formulates investment promotion strategies and policies; promotes the Municipal investments and incentives code and advocates for harmonized and streamlined procedures among local and national government agencies to attract entrepreneurs and investors; Assesses and facilitates all applications for registration in the availment of local incentives; Monitors new investments projects and compliance of registered business establishments to the terms and conditions as stipulated in the Code; Conducts research for economic, industry and project profiling; Prepares and disseminate investment promotion collaterals and briefing kits; Organizes, facilitates and participates n investment missions and exhibitions; Organizes client site visits and handholds investors; Makes referral to relevant agencies and government and private sector network as needed.

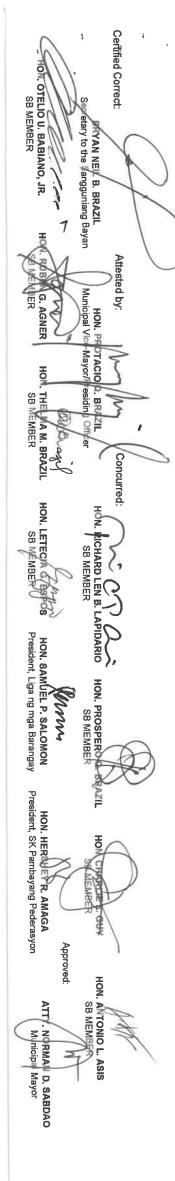
CHAPTER IV SAN MIGUEL INVESMENT PRIORITIES PLAN

Section 15. Criteria in Determining Investment Priority Areas. Economic activity that shall be included in the Investment Priorities Plan must be environmentally, socio-economically, technically and financially sound after thorough investigation and analysis by the Board. It shall build the capacity of the locality to improve the economy and the quality of life for all. The determination of preferred areas of investment to be listed in the San Miguel Investment Priorities Plan shall be based on the following:

- a) Sustained comparative and competitive advantages;
- b) High economic impact;
- c) Considerable contribution to the sustainable development goals;
- d) Accelerated generation of quality jobs/employment;
- e) Boost economic diversification'
- f) Resilient, climate-smart and pandemic-ready;
- g) Adaptive and innovative low carbon emission technologies;
- h) Enhanced value and supply chains;
- i) Strong linkages with local industries; and
- j) Compliant with environmental policies, rules and regulations.

Section 16. Investment Priority Areas. These overarching principles shall guide the development of the investment priority areas in the Municipality of San Miguel

- a) Conformity to the green growth strategies of development and consistent with the priorities of the Philippine Risk Reduction and management Act of 2010 or Republic Act 10121;
- b) San Miguelnon inspired design and architecture of buildings and facilities consistent with san Miguel Culture heritage;
- c) Integration of facilities compliant with the Disability Access Law, Gender and Development Code of the Municipality of San Miguel, Child Protection Laws, and similar laws; and
- d) Observance of corporate social responsibility principles.



Investment Priority Areas

- I. All Qualified Activities Relating to the Fight against the COVID-19 Pandemic
 - a. Essential Goods
 - * Production or manufacture of medicines
 - * Medical, surgical and laboratory equipment, devices, supplies
 - * Personal Protective Equipment (PPE)
 - * Consumable, such as, but not limited to, sanitizers and cleaning materials
 - b. Essential Services
 - * Crematorium
 - * Columbarium
 - * Modernization of hospital laboratories
 - * Test facilities
 - * Hospital, medical and healthcare facilities
 - * Quarantine facilities
 - * Cold chain storage facilities
 - c. Green Business
 - Provision of environment friendly products or services
 - Establishment of facilities using environment friendly processes or clean technologies in the manufacture / assembly of goods

II. Light Manufacturing Activities

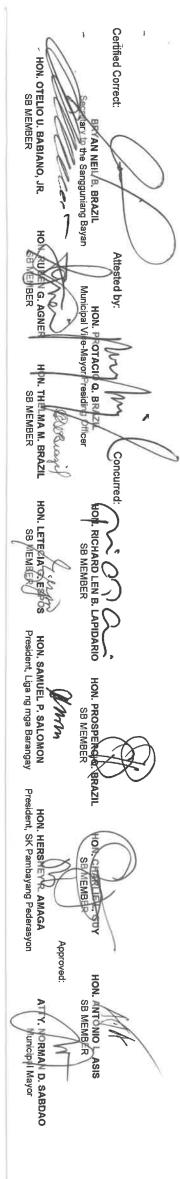
a. Manufacture of industrial and consumer goods

III. Agriculture, Fishery, Forestry and Agro-Processing

- Commercial production of agricultural, including livestock, poultry, fishery, and forestry products
- b. Processing of agricultural, including livestock, poultry, fishery and food products
- c. Support services and infrastructure
 - Nurseries, Sanctuaries.
 - Hatcheries
 - Postharvest facilities
 - Fish landing facilities
 - Class AAA/AA Abattoirs/Slaughterhouse
 - Cold storage facilities
 - Processing/Packaging facilities
 - Soil laboratory

IV. Strategic Services

- a. IT-BPM services
- b. Logistics services
- c. Port facilities
- d. Food testing laboratory
- e. Charging/Refuelling Stations for Alternative Energy Vehicles except LPG run vehicles



f. Waste Treatment/Management Facilities

- Treatment, disposal and management facilities for medical, toxic and hazardous wastes; Waste water and sewage
- Waste material recovery and recycling facilities
- Waste to energy facilities

q. Telecommunications

Establishment of connectivity facilities for fixed and mobile broadband services

V. Disaster Risk Reduction Management/Climate Change Adaptation Services

- a. Rehabilitation and Evacuation Centers
- b. Elderly care facilities
- c. Weather surveillance, forecast, monitoring and information facilities
- d. Command Centers/Emergency Operation Centers

VI. Housing, Logistics and PPP Projects

- a. Development of low-cost and socialized housing; resettlement housing
- b. Land and water transport facilities including mass transport system
- c. PPP projects including those initiated or implemented by Local Government Units (LGUs)
- d. Warehouse for utilization as relief warehouse in time of disaster

VII. Innovation Drivers

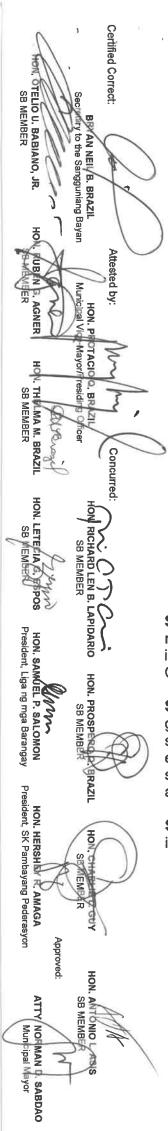
- a. Educational institutions/Human resource development/Training services and facilities
- b. Financial/Engineering/Architectural/Creative Industry, such as: design, visual arts and crafts including fashion, interior design jewelry; software, computer games; marketing and advertising; media and publishing
- c. Establishment of Centers of Excellence
- d. Innovation Centers and fabrication laboratories
- e. Business incubation hubs, co-working spaces
- f. Business establishments into e-commerce
- g. Natural health products

VIII. Energy and Energy Efficiency

- a. Renewable Energy (R.A. 9513)
- b. Power generation, transmission and other activities using environment-friendly technologies that comply with relevant environmental laws

IX. Water

- a. Bulk water supply and distribution system
- b. Bulk water treatment and supply
- c. Water desalination
- d. Water (potable, groundwater, surface water, wastewater) testing facilities



X. Sustainable Tourism

- a. Accommodation facilities
- b. Convention/Event/Meeting Centers
- c. Tourism Training Centers
- d. Eco-cultural-faith and Agri-tourism facilities, including:
 - -Nature, adventure and theme parks
 - -Mountain, island resorts
 - -Pilgrimage and meditation facilities
 - -Museums
- e. Diving, sports and recreation facilities
- f. Health and wellness facilities
- g. Retirement village
- h. Malls, restaurants, food outlets/Delivery service
- DOT-accredited tourist transport services

XI. Creation and Development of Economic Zones

- a. Economic Zone for agricultural production and processing; light industry
- b. IT Park; It Building
- c. Logistics Park near ports, such as: storage, shipment, distribution center and other related facilities
- d. Renewable Energy Eco-Industrial Park
- e. Tourism Enterprise Zone

Section 17. Determination of Additional Investment Areas. Additional economic activities may be included in the list of priority investment areas upon approval by the Board. The inclusion of investment priority areas shall be based on the criteria set in Section 15 of this Code.

Section 18. Review of Investment Incentives and Support Measures. To promote the growth of investments in the province, particularly in investment priority areas, the Board shall review the list of preferred areas and package of incentives and support measures every three (3) years, and recommend for approval to this August Body the appropriate specific fiscal and non-fiscal incentives that the government shall grant to qualified investors and enterprises.

Section 19. Pre-Qualification Requirements. All 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 shall have complied with all the requirements mandated under existing local and national laws, and under the Philippine Constitution, including business registration requirements, accreditation requirements, as the case may be;
- b. The prospective investors place of operation or production shall be located within the Province;
- The prospective investment shall engage in any of the areas or activities cited in the investment priority areas, or, as may hereafter be declared by the Board;
- d. The new enterprise shall either be a registered Micro, Small, Medium or Large Enterprise, whether single proprietorship, partnership, corporation, or a cooperative, whose total fixed assets are defined in this code, as stated in the Applicants project study submitted for approval by the Board;
- e. The new enterprise shall employ qualified bona fide residents of the Province equivalent to at least 60% of its total labour/manpower requirements; it shall submit a complete list of employees, or a Certification from the Public Employment Service Office in the LGU where the registered enterprise is located, that said requirement has been met;

SB WEMB

HON.

ANTONIO SB MEMB

Approved:

Municipal Mayor

- Expansion or modernization project shall have an additional project cost in the scale as provided for in this code, and such expansion or modernization as stated in the investors project study submitted to and approved by the Board;
- g. Foreign companies intending to apply for registration shall comply with the Foreign Investments Act, and project shall conform with existing law on the Foreign Investment Negative List; and
- h. Project shall not negatively impact the environment, whether in terms of pollution, use of resource or easement.

CHAPTER V REGISTRATION OF ENTERPRISE

Section 20. Types of Projects for Registration.

- a. New Projects
- **Expansion Project**
- **Modernization Project** C.
- **Green Business Project**

Section 21. Registration Requirements.

Filling Fee. An entity shall file its application for registration of a project with the Board through the Local Economic Development and Investment Promotion Office (LEDIPO). A non-refundable filling fee shall be paid to the Municipal Treasurer's Office, which shall issue an Official Receipts to be submitted together with the application documents. The filling fee shall be based on the amount of capitalization based on initial fixed assets of the business or enterprise, under the following scale:

Size of Enterprise	Filing Fee (P)	
Micro-scale Enterprise	None (0)	
Small-scale Enterprise	Five Thousand Pesos (P5,000.00)	
Medium-scale Enterprise	Ten Thousand Pesos (P10,000.00)	
Large Enterprise	Twenty Thousand Pesos (P20,000.00)	

The following documents shall likewise be submitted:

1. Documentary Requirements. The following documents shall be submitted to the Board through the Local Economic Development and Investment Promotion Office (LEDIPO) in three (3) copies:

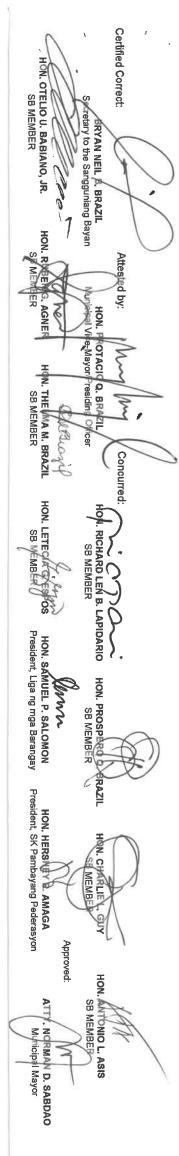
For Micro Enterprises:

a. Single Proprietorship

- Copy of completed application form for registration under the San Miguel Investment Code;
- Copy of Business Name Registration issued by the Department of Trade and Industry (DTI);
- Mayors permit and barangay clearance
- Other documentary requirements as may be indicated in the application quidelines

b. For Partnership/Corporation

Copy of completed application form for registration under the San Miguel Investment Code;



- Copy of the Articles of Partnership or Incorporation
- Certified true copy of its Certificate of Registration, specific to the, business applied for, issued by the Securities and Exchange Commission (SEC), for Corporation/Partnership;
- Resolution of the applicants Board of Directors, in case of a Corporation authorizing the filing of application;
- Other documentary requirements as may be indicated in the application guidelines.

c. For Cooperatives

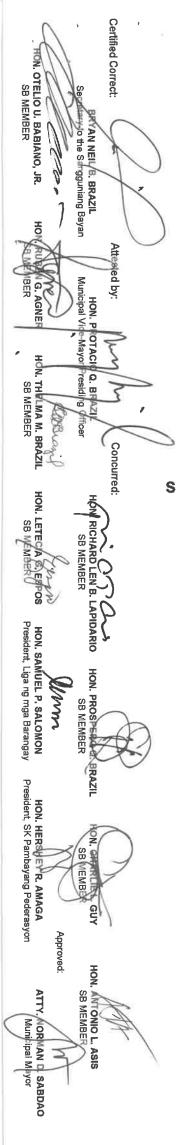
- Copy of completed application form for registration under the San Miguel Investment Code;
- Copy of the Articles of Cooperation and By-Laws approved by the Cooperative Development Authority (CDA);
- Certified true copy of the Certificate of Registration issued by the Cooperative Development Authority (CDA);
- Authority from the Board of Directors to file the application;
- Mayors Permit and Barangay Clearance
- Other documentary requirements as may be indicated in the application guidelines.

d. Single Proprietorship

- Copy of completed application form for registration under the San Miguel Investment Code;
- Copy of Business Name Registration issued by the Department of Trade and Industry (DTI);
- Mayors permit and barangay clearance;
- Copy of Audited Financial Statements (if existing);
- Environmental Compliance Certificate (ECC) or Certificate of Non-Coverage (CNC), whichever is applicable;
- Project profile or brief;
- Project study indicating the financial viability, socio-economic and environmental impact of the project;
- Comprehensive master plan for a project development of fifty hectares (50 hectares) or more, and corresponding project feasibility study;
- Other documentary requirements as may be indicated in the application guidelines.

e. For Partnership/Corporation

- Copy of completed application form for registration under the San Miguel Investment Code;
- Copy of the Articles of Partnership or Incorporation;
- Certified true copy of its Certificate of Registration, specific to the business applied for, issued by the Securities and Exchange Commission (SEC), for Corporation/Partnership;
- Resolution of the applicants Board of Directors, in case of a Corporation authorizing the filing of application;
- Copy of Audited Financial Statements (if existing);
- Environmental Compliance Certificate (ECC) or Certificate of Non-Coverage (CNC), whichever is applicable;
- Project feasibility study/report and supporting documents indicating environmental and social acceptability, among others, including compliance with existing environmental laws, ordinances and guidelines;
- Comprehensive master plan for a project development of fifty hectares (50 hectares) or more, and corresponding project feasibility study;
- Other documentary requirements as may be indicated in the application quidelines.



f. For Cooperatives

- Copy of completed application form for registration under the San Miguel Investment Code:
- Copy of the Articles of Cooperation and By-Laws approved by the Cooperative Development Authority (CDA);
- Certified true copy of the Certificate of Registration issued by the Cooperative Development Authority (CDA);
- Authority from the Board Of Directors to file the application;
- · Mayors Permit and Barangay clearance;
- Project study of the proposed investment indicating the financial viability and the socio-economic and environmental impact of the project;
- Comprehensive master plan for a project development of fifty hectares (50 hectares) or more, and corresponding project feasibility study;
- Other documentary requirements as may be indicated in the application guidelines.

Section 22. Registration Procedures and Approval of Application.

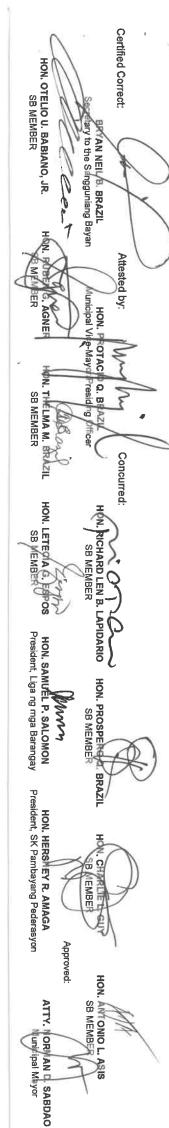
- Filling of Application. All applications shall be submitted to the Local Economic Development and Investment Promotion Office (LEDIPO);
- b. Check List/Assessment of Documents. Client presents documents for assessment on its completeness and consistency of information, and a project summary report, at least, in a PowerPoint presentation format;
- c. Date of Official Acceptance. Within three (3) working days from receipt of the application, the LEDIPO shall notify the applicant of all pertinent requirements not complied with. The applicant shall have thirty (30) days receipt of such notice to comply with the said requirements. Failure to comply within the said period shall be construed as an abandonment of the application, unless a written request shall be sent to the LEDIPO. Only complete applications shall be accepted by the LEDIPO and registered in the Registration Book. Date stamped on the application shall be considered as the date of official acceptance of the application, which shall be indorsed to the San Miguel Investment Board Evaluation Committee;

Evaluation of Application. The project shall be evaluated by the San Miguel Investment Board Evaluation Committee. The committee may conduct an ocular inspection at the premises of the project/business, if any necessary. The evaluation of the application and recommendation for action to the San Miguel Investment Board shall be done within seven (7) working days;

- d. Approval of Application. The San Miguel Investment Board shall act on the recommendation of the application within ten (10) working days. The applicant shall be called to attend and present the project for registration to the Board;
- e. Certificate of REGISTRATION. Upon approval, an enterprise shall be issued a Certificate of Registration with the signature of the Chairman of the Board, or such other officer as the Board may designate for the purpose, and as such, legally entitles it to fully avail all fiscal and non-fiscal incentives provided for in this Code during the next calendar year and within the period of initial commercial operation. The LEDIPO shall inform the Municipal Treasurer, the Municipal Assessor, and the LGU Chief Executive of such approval, for their guidance and appropriate action.

It shall state, among others, the following:

- Name of the Registered Enterprise;
- 2. Investment Priority Area (IPA) in which the registered enterprise shall engage in;
- 3. Incentives granted and period of its availment; and
- 4. Such other terms and conditions to be observed by virtue of its registration.



- f. **Disapproved Application**. If the application is denied, the LEDIPO shall inform the applicant in writing, stating or attaching therein the result of evaluation and reason for disapproval;
- g. **Motion for Appeal**. A disapproved application may be appealed for review of the Board by the applicant within fifteen (15) working days upon receipt of the written letter from the Applicant through the LEDIPO, otherwise the decision becomes final;
- h. Review of Disapproved Application. The San Miguel Investment Board Evaluation Committee (SMIB-EC) shall have ten (10) working days, which shall start on the next working day upon receipt by the LEDIPO of the motion for appeal, to review their decision of a dis approved application and submit its recommendation for action to the San Miguel Investment Board.

The San Miguel Investment Board shall act on the recommendation of the reviewed application within five (5) working days.

The LEDIPO shall inform the applicant in writing, stating or attaching therein the result of review evaluation whether it has been approved or disapproved. The decision of the Board after the review is final and executory.

CHAPTER VI RIGHTS AND PRIVILEGES

Section 23. Rights and Privileges. The Provincial Government of San Miguel through the San Miguel Investment Board (SMIB), guarantees all registered enterprises their full entitlement of the rights and privileges provided under this code and other laws, viz:

- a. Provide concise and comprehensive information to prospective investors regarding the economic priorities of the province, investment priority areas, and the general conditions applicable to incoming 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 in the province;
- c. Facilitate the needs of investors in starting a business, and including that on industrial peace and stability by coordinating with the Tripartite Industrial Peace Council (TIPC) and other authorities.

CHAPTER VII. FISCAL AND NON-FISCAL INCENTIVES

Section 24. Tax Incentives to Registered Enterprises. — In addition to the incentives provided under Republic Act 7160, otherwise known as the Local Government code of 1991, Republic Act 7916 known as the Special Economic Zone Act of 1995, Executive Order No. 226 known as Omnibus Investments Code of 1987, Republic Act 9593 known as the Tourism Act of 2009, and other pertinent national laws, a registered enterprise under this code shall enjoy the following tax incentives:

Tax credit equivalent to ten percent (10%) of the total cost of approved infrastructure project to be deducted from the future real property tax liability of the registered enterprise from the Municipal Government starting from the date of the expiration of the real property tax exemption of the registered enterprise to cover for an extended period similar to the term of the holiday as specified; provided, that said infrastructure project shall be open for public use; and

a. Exemption from the real property tax imposed under Provincial Ordinance No. 9-001, otherwise known as the Provincial Revenue Code of San Miguel, for registered enterprises for a fixed period under the following categories; provided, that the tax exemption shall pertain only to the thirty-five percent (35%) share of the province:

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NOH	HON. THELMA M. BRAZIL SB MEMBER		N. RIBEY G. AGNER SEMEMBER	OTELIO U. BABIANO, JR. HON. F SB MEMBER S	SB MEMBER	
HOM	r residing officer	HON. PROTACIO	Muni	Secretary to the Sangguniang Bayan	Sepretary	The second second
ed:	7/M /Concurred:	7	Attested by:	1	Certified Correct:	
S d	,	S		5		

HON. SAMUEL P. SALOMON
President, Liga ng mga Barangay

HON. HERS EY R. AMAGA
President, SK Pambayang Pederasyon

ATTY. NORMAN D. SABDAO Municipa Mayor

Approved:

HON.

SB MEMPS

HON. PROSPE SB MEM

Size of Enterprise	Period of Holiday	
Micro – scale Enterprise	One (1) year	
Small and Medium – scale Enterprise	Three (3) years	
Large Enterprise	Five (5) years	

Section 25. Non-Fiscal Incentives. Registered enterprises and investors shall be granted he following non-fiscal incentives:

- a. Provision of a one-stop business registration and assistance center for simplified procedures, such as: access to data and information, handholding and after-care, and networking with related agencies;
- b. Consistent advocacy and support foe ease of doing business; and
- c. Other non-fiscal incentives as may be determined by the Board.

Section 26. Harmonized Provincial Incentives Scheme. This code shall be widely disseminated upon its adoption, and all component Local Government Units under the Municipal Government of San Miguel are enjoined to formulate and adopt a harmonized and streamlined Local Investments and Incentives Code. On fiscal incentives available to qualified entrepreneurs and investors, the LGUs are encouraged to adopt a complementary and goodwill fiscal incentives scheme on Real Property Tax (RPT) that shall waive their Municipal (40%) and Barangay (25%) RPT share so that, in effect, an approved registered enterprise shall be entitled to 100% RPT within the period of holiday as provided for in respective Codes.

CHAPTER VIII MISCELLANEOUS PROVISIONS

Section 27. Submission of Reports and other Documents for Monitoring and Evaluation. Every registered enterprise shall submit to the Board annually, from the beginning until the expiration of the period of holiday as provided for in this Code, reports or documents necessary for monitoring and evaluation on its compliance, with the Code or for industry profiling for investment promotion through the San Miguel Economic Development and Investment Promotion for investment promotion through the Local Economic Development and Investment Promotion Office (LEDIPO) of the Municipality of San Miguel.

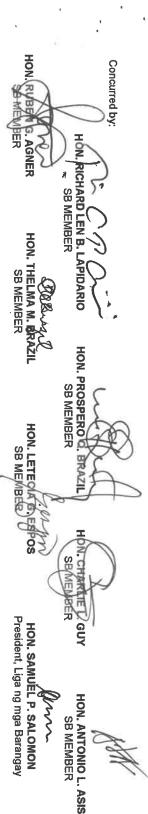
CHAPTER IX FINAL PROVISIONS

Section 28. Appropriations. Appropriation covering the current operating expenditures and capital outlays for the San Miguel Investment Board and the Local Economic Development and Investment Promotion Office (LEDIPO) shall be included in the Annual Provincial Budaet.

Section 29. Penal Provisions. Any violation of the provisions of this Code, existing laws, ordinances, rules and regulations; or material misrepresentation made by any registered enterprise shall be ground for cancellation or revocation of the Certificate of Registration of the project/business.

The cancellation or revocation of the Certificate of Registration shall mean the withdrawal of all the incentives granted under this Code, and the Board may, in appropriate cases, require that all fees and charges previously exempted shall become due and demandable.

(Page 19 of Mun. Ord. No. 2023-03, Series of 2023)



President, SK Pambayang Pederasyon

HON. HERSHEY R. AMAGA

HON. OTELIO U. BABIANO, JR. SB MEMBER The Board shall promulgate rules and procedures governing the conduct of investigation involving violations of this Code and existing laws, ordinances, rules and regulations.

Section 30. Appeal from the decision of the SMIB. The registered enterprise adversely affected by any decision of the Board relative to its cancellation/revocation of registration or the imposition of fines/penalties in accordance with this Code may file a motion for reconsideration within Fifteen days (15) from the receipt of the decision, otherwise the decision shall become final and executory.

Section 31. Implementing Rules and Regulations (IRR). The Governor, through the LEDIPO, with the SMIB, shall promulgate the necessary rules and regulations for the implementation of this Code within 90 working days from its effectivity.

Section 32. Separability Clause. If, for any reason or reasons, any part or provision of this Code shall be declared invalid or unconstitutional, other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

Section 33. Repealing Clause. All laws, executive orders, ordinances, rules or regulations, or parts thereof which are inconsistent with this Code are hereby repealed, amended or deemed modified accordingly.

Section 34. Effectivity. This ordinance shall take effect immediately upon its approval.

UNANIMOUSLY APPROVED.

MAY 30, 2023

I HEREBY CERTIFY to the correctness of the foregoing resolution/orginance.

BRYAN NEIL B. BRAZIL
Secretary to the Sangguniang Bayan

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Attested by:

HON. PROTACIO Q. BRAZIL

Municipal Vice-Mayor/Presiding Officer

Approved by:

ATTY NORMAN D. SABDAO Municipal Mayor

\ / .

(Page 20 of Mun. Ord. No. 2023-03, Series of 2023)



OFFICE OF THE SANGGUNIANG BAYAN

CERTIFICATE OF POSTING

THIS IS TO CERTIFY that Municipal Ordinance No. 2023-03, Series of 2023 as embodied under Resolution No. 187, Series of 2023 entitled: "AN ORDINANCE ENACTING THE ECONOMIC DEVELOPMENT AND INVESTMENT CODE IN THE NEW NORMAL OF THE MUNICIPALITY OF SAN MIGUEL, LEYTE"), has been posted in three (3) conspicuous places within the municipality and shall remain posted for three (3) consecutive weeks.

Done this 22nd day of June 2023 at San Miguel, Leyte.

BRYAN NEIL B BRAZIL
Secretary to the Sangguniang Bayan



Republic of the Philippines Province of Leyte

MUNICIPALITY OF SAN MIGUEL

-oOo-

OFFICE OF THE MUNICIPAL VICE MAYOR / SANGGUNIANG BAYAN

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE SANGGUNIANG BAYAN, SAN MIGUEL, LEYTE, HELD AT BARANGAY HALL, BARANGAY SANTOL, SAN MIGUEL, LEYTE ON JULY 31, 2017

PRESENT:

Certified Correct:

Hon. Atilano L. Oballo Mun. Vice-Mayor/Presiding Officer Hon. Charlie L. Guy **SB Member** Hon. Nonita T. Gesma SB Member Hon. Clarissa Zita B. Laboga SB Member Hon. Protacio Q. Brazil SB Member Hon. Matusalem S. Calamaya SB Member Hon. Antonio L. Asis SB Member Hon. Norman D. Asis SB Member Hon. Rosario M. Cabillan SB Member

Hon. Thelma M. Brazil - Ex-Officio Member/President, Liga ng mga Barangay

Resolution No. 86 Series of 2017

Sponsor: Hon. Clarissa Zita B. Laboga Chairman, Committee on Finance, Budget, Appropriations, Good Government ' & Accountability, Utilization and Tourism

WHEREAS, the Local Government Code of the Philippines empowers the local government unit to grant tax exemption, incentives or reliefs to encourage investment for economic growth and progress in the countryside;

WHEREAS, there is a need to grant tax exemptions and investment incentives to qualified enterprises in the Municipality of San Miguel to improve and develop the municipality's investments climate and attract both foreign and local investors in business and industry;

WHEREAS, the comprehensive investment incentives program will serve to promote and attract private investments, both foreign and domestic, which could accelerate economic and tourism growth in the municipality and in the province as a whole;

WHEREAS, it is hereby declared the policy of the Municipality of San Miguel to promote the inflow and direction of foreign and local investment capital within the municipality in order to promote and sustain economic and social development and generate employment opportunities, increase productivity and improve the quality of life of its constituents;

WHEREAS, the Municipality of San Miguel shall pursue this policy of providing fiscal and non-fiscal incentives in identified preferred investment location areas and priority economic activities, within a well-defined and comprehensive action plan and guidelines to qualified foreign and domestic enterprises — whether new or existing, which can significantly contribute to the business development of the Municipality.

WHEREFORE, on motion of Hon. Clarissa Zita B. Laboga duly seconded by Hon. Nonita T. Gesma and Hon. Protacio Q. Brazil;

RESOLVED, to enact the following ordinance:

Concurred:

HON. CHANGER GILY

SE Member

HON. NORMAN D. SABDAO

LSA II/Acting Secretar

HON, ANTONIO

SB Membe











MUNICIPAL ORDINANCE NO. 2017-03 Series of 2017

AN ORDINANCE ADOPTING AN INVESTMENT AND INCENTIVE CODE FOR THE MUNICIPALITY OF SAN MIGUEL, LEYTE

Be it ordained by the Sangguniang Bayan of the Municipality of San Miguel, Leyte during its Regular Session, that:

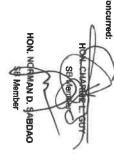
SECTION 1. This ordinance shall be known as the "LOCAL INVESTMENT AND INCENTIVE CODE (LIIC) OF THE MUNICIPALITY OF SAN MIGUEL, LEYTE."

SECTION 2. DEFINITION OF TERMS. Other than the terms that need to be defined in the LIIC, the LGU may refer to a standardized meaning from existing and relevant investments laws, rules and regulations such as EO 226, otherwise known as the "Omnibus Investments Code of 1987" as amended and the "National Internal Revenue Code" (NRIC), among others. The following terms that need to be defined in the LIIC are:

- New Projects refers to a project/activity listed in the IPAs that has not started commercial operation undertaken by 1) A newly 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 it shall establish a new facility in an area not contiguous to the premises of its existing project and with new investments.
- 2. **Expansion Projects** shall mean installation of additional facilities/equipment that will result in increase in production capacity of the same product line within the same existing plant/facilities of the enterprise.

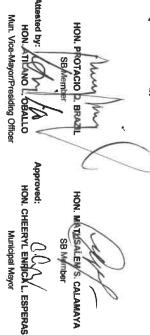
For **service-type activities**, the same principle applies.

- 3. **Modernization Projects** In general, modernization must result in any of the following:
 - a) At least 25% substantial reduction of production cost/cost of provision of the service; or b) Upgrading of product/service quality or classification of the facility (e.g., hospitals, hotels, resorts) to a higher class.
- 4. **Existing Projects** Project of an existing enterprise that has started commercial operation at the time of application with the Board that does not qualify as new expansion or modernization project.
- 5. **Biodiversity (BD) 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 BD resource conservation to include those businesses that directly or indirectly support BD (i.e. use of indigenous species, protection of flora and fauna and the like).











6. The National Economic Development Authority (NEDA) defines MSMEs in terms of capitalization as follows: (cite MSME Act)

Micro – below Php 3 Million Small – Php 3 Million – 15 Million Medium – Php 15 Million – not more than 100 Million Large – Over Php 100 Million

SECTION 3. LOCAL INVESTMENTS AND INCENTIVES BOARD (LIIB)

- Creation The LIIB is created to implement the provisions of the LIIC.
- 2. Composition of the LIIB as follows:

Chairman Vice-Chairman Members:

- Local Chief Executive
- President of the Local Business Sector
- -The Local Planning and Development Coordinator
- The Municipal Agriculture Officer
- The Sanggunian Chairperson of the Committee on Trade, Commerce and Industry
- Private Sector Representatives of significant Business / industry in the locality to be appointed by the Local Chief Executive, for a term of three
 (3) years, duly accredited by the Sanggunian
- The Sanggunian Bayan Chairperson on Finance and Appropriation;
- Municipal Budget Officer
- Municipal Licensing Officer
- Municipal Treasurer

The LGU may invite representatives from National Government Agencies (NGAs) and other relevant stakeholders into the LIIB or as resource persons/advisers.

- 3. Meetings and Quorum of the Board The Board shall meet once a month or as necessary, on such day and time as it may fix. The presence of at least a majority of all the members shall constitute a quorum. All decisions and policies acted upon by at least the majority of the members present during the meeting, there being a quorum, shall be considered valid.
- 4. Powers and Functions of the Board The primary function of the Board is to establish a favourable and a stable policy on business climate which will encourage and support private sector investment and in the operation of business activities. Pursuant to this, the Board is generally vested with the following powers:
 - a. Promulgate the Implementing Rules and Regulations (IRR) of the LIIC;
 - b. Recommend to the Sanggunian any amendment on the Code;
 - c. Adopt an Investments Promotion Program;
 - d. Periodically review Investment Priority Areas (IPAs) eligible for incentives;
 - e. Act on applications for registration of projects and availment of local incentives;



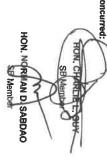
HON. CLARISS, ZITA B. LABOGA
SP Member

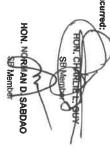
At
HON. THELMA M. BRAZIL
President, Liga ng mga Barangay

HON. PROTACIO D. BRAZIL

SB Wember
SB Wember
Approved:
HON. ATILANO L. OBALLO
HON. Mun. Vice-Mayor/Presiding Officer

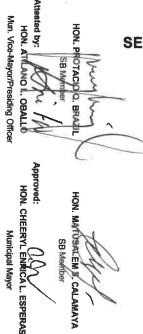








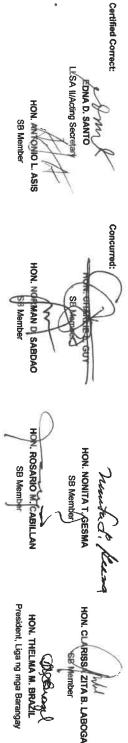




- Supervise the operations of the IPC;
- g. Establish cooperative undertakings with other LGUs, the private sector, NGOs or other institutions as may be necessary;
- h. Enlist the assistance of local government offices, national agencies and private sector organizations, as may be necessary, useful and incidental to the effective and efficient implementation of the LIIC; (possibly transfer to IPC)
- Establish trade and investment satellite offices in such other places as may be necessary to effectively carry out its mandates; and
- Perform such other tasks necessary and incidental to the exercise and performance of their functions.
- 5. Powers and Functions of the Chairperson The Chairman of the Board shall have the following powers and duties:
 - a. To preside over the regular and special meetings of the Committee;
 - b. To sign the Certificate of Registration in accordance with the rules and regulations of this Code;
 - c. Generally, to exercise such other powers and perform such other duties as may be necessary to carry out the objectives of this Code.
- 6. Powers and Functions of the Vice Chairperson The Vice- Chairman of the Board shall have the following powers and duties:
 - a. To preside over the regular and special meetings of the Committee in the absence of the chairperson; and
 - To perform such other duties and functions as may be necessary for and in behalf of the latter.
- 7. Visitorial Power of the Board The Board or any duly authorized member thereof, shall be empowered and authorized to conduct an ocular inspection of the premises or examination of the business activity of any enterprise, including the records and books of any enterprise, registered or applying for registration at any reasonable time of the day, during office hours, for verification or ascertaining the enterprise's compliance with the provisions of the Code, or when the Board deems it necessary or incidental to the effective exercise and performance of their respective functions and powers.

SECTION 4. INVESTMENTS PROMOTION CENTER (IPC)

- 1. Creation The Investments Promotion Center (IPC) is created to carry out the objectives of the LIIC. The IPC is a generic name of the lead office on investments promotion. The IPC may either be a stand-alone office or subsumed under a relevant existing office.
- 2. Working Force of the IPC The Board appoints the head of the IPC who may be the Local Economic and Investments Promotion Officer (LEIPO) in accordance with DILG Memorandum Circular (MC) 2010-113 on the Designation of Local Economic and Investments Promotion Officers (LEIPOs)/investments Promotion Officer (IPO)/PPDO.
- Functions of the IPC The IPC as One-Stop-Shop shall serve as the Technical Secretariat of the Board and shall take an active role in implementing the Code. In addition, it shall have the duties and functions:



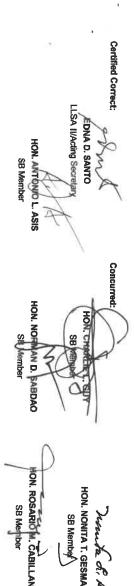
- a. Prepare and implement the annual investments promotion plan as approved by the Board:
- b. Receive, process and evaluate applications for registration and applications for the availment of the local incentives and submit its recommendation to the Board within a specified period from the receipt of application;
- c. Assist in: (1) Securing Licenses and Permits; (2) Identifying business or joint venture partners, raw materials suppliers and possible business sites; (3) sourcing out skilled manpower and service providers; (4) Facilitate in resolving issues and concerns encountered by investors, among others;
- d. Render after care services to registered enterprises/locators;
- e. Monitor and evaluate project implementation of registered enterprises;
- f. Establish and update data bank on general business information:
- g. Strengthen networking relationships:
- Prepare and disseminate investment promotion collaterals (i.e. brochures, industry and project profile as well as the cost of doing business in the LGU;
- i. Conduct briefings to investors;
- Represent the LGU in trade and investments meetings, conferences, for a, j. conventions, and other similar gatherings in both domestic and foreign venues whenever so directed by the Board;
- k. Collate, analyse and compile pertinent data and studies concerning areas that have been or may be declared as "Investment Priority Areas":
- Recommend to the Board any modification/amendments to existing legislation and procedures on local investments:
- m. Perform such other functions as may be necessary to implement the intent of the Code.

SECTION 5 INVESTMENT PRIORITY AREAS (IPAs)

Determining Investment Priority Areas (IPAs)

- The LGU through the IPC shall formulate its IPAs, consistent with the IPP. the CDP and CLUP, Zoning Regulations and such other criteria that will ensure sustainable and equitable economic and social development. The LGus, however are not precluded from including in their IPAs other activities that suit their needs as long as it is within the "metes and bounds" of laws, rules and regulations, and or ordinances.
- b. The following may be considered in determining the IPAs of the LGU:
- The potential of such areas of investments for creating productive employment considering the necessity for the dispersal of industries in less developed areas on a planned and balanced basis to the extent that it is economically feasible and practicable;
- The availability of local/indigenous raw materials and manpower needed for said project:
 - The LGus may include in its IPAs green projects, i.e. signboards and the likes. An enterprise utilizing public property for its signboard may be free of any fees, tax or charges. Provided that, it promote environmental consciousness, or other slogans or caricature supportive of growth and development. Provided further that, the enterprise name and logo shall be of a size and dimension that will not over shadow the aesthetic beauty of the project nor the message of the signboard duly approved by the appropriate office in the LGU;

Attested by:



- Agriculture and eco-tourism is on the top list of priorities for development. Over and above the activities listed therein, the LGU may encourage organic agriculture, including the production of organic fertilizers of plant and animal origin, production of microbial fertilizer with nitrogen fixing organism and the like which are considered BD-friendly businesses such as in green economy.
- The 'green economy' describes the recent business trend towards the production of environmentally-friendly goods and services that are more sustainable in the long-term and can thus moderate climate change and biodiversity loss (i.e. Renewable energy production; Green transportation; Carbon capture; Green building practices);
- The criteria for identifying and specifying Biodiversity-friendly businesses are classified according to the three (3) E's of sustainable development, that is, ecology, economy, and equity.
 - c. A periodic review of the IPAs should be undertaken. The following factors may be considered for the amendment of the IPAs.

For purposes of inclusion of additional areas in the list of IPAs:

- Number of local residents to be employed by the enterprise;
- High degree of value added features;
- Creation of linkages with local industries such as joint ventures with local investors;
- Projects of historical or cultural value such as restoration of historical buildings, cultural revivals, etc. in accordance with the program for historical or cultural revival of the locality.

For purposes of exclusion from the current list of IPAs:

- Sufficient investments in the area has been attained;
- Continued extension of incentives is no longer to the interest and benefit of the locality;
- > The investment area or activity cannot attract investors within a reasonable time and cost may result in unfavourable business climate; and
- > Lack of progress in the implementation of an environmental management plan.

SECTION 6. REGISTRATION

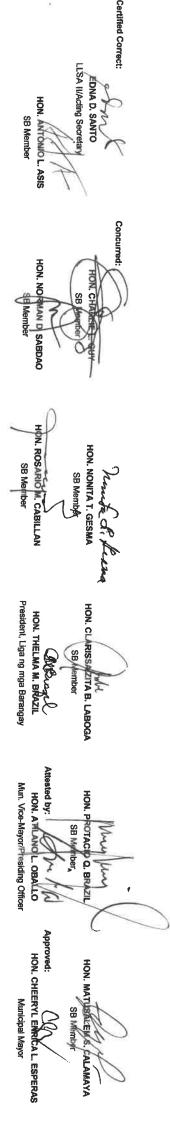
- 1. **Pre-Qualification Requirements** For purposes of application for registration and availment of incentives under the LIIC, the following qualifications must be complied with:
 - a. The enterprise must have complied with all the requirements mandated under existing laws, rules and regulations for doing business in the Philippines;
 - b. The activity engaged in must be listed in the IPAs of the LGU;
 - c. The place of operation or production be located within the territorial jurisdiction of the LGU;
 - Specified percentage of its workforce must be bonafide residents of the LGU giving equal opportunities for men, women, the poor, indigenous people and physically handicapped;
 - e. Project must have safeguards against pollution or resource use if necessary.

HON. CLARISSA ZITA B. LABOGA

SB/Member

President, Liga ng mga Barangay

HON. THELMA M. BRAZIL



2. Types of Projects for Registration

- a. New Projects
- b. Expansion Projects
- c. Modernization Projects
- d. Diversification Projects

3. Documentary Requirements

a. Single Proprietorship

- Copy of Business Name Registration issued by the Department of Trade and Industry (DTI)
- Copy of audited Financial Statements (if existing)
- > Copy of Completed Application Form for registration under the LIIC; and
- > Such other documents that may be required by the LGU to be submitted.

b. For Partnership / Corporation

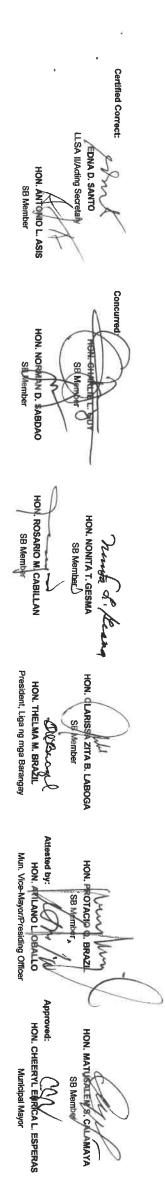
- Copy of the Articles of Partnership or Incorporation;
- ➤ Certified True Copy of its Certificate of Registration issued by the Securities and Exchange Commission (SEC), for Corporation/Partnership;
- Resolution of the Applicant's Board of Directors, in case of a Corporation authorizing the filing of application;
- Copy of Audited Financial Statements (if existing);
- ➤ Certificate (ECC) or Non-Compliance (NCC), if applicable;
- > Copy of completed application form for registration under the LIIC; and
- Such other documents that may be required by the LGU to be submitted.

c. For BOI Registered Enterprises

- Certified true copy of the BOI Certificate of Registration;
- > Copy of the documents submitted to BOI pertaining to their registration.

4. Registration Procedures

- a. Filing of Applications All applications shall be filed with the Investments Promotion Center (IPC) of the LGU.
- b. Check Listing/Assessment of Documents Client presents documents for check listing on its completeness and consistency of information.
- c. Date of Official Acceptance Only complete application shall be officially accepted and registered in the Registration Book. Date stamped on the application shall be considered as the date of official acceptance of the application.
- d. Notice of filing of application in provincial, city, municipal or barangay hall shall suffice publication requirement.
- e. Order of Payment shall be issued for complete application for payment of the necessary fees.

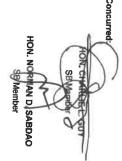


- f. Evaluation/Approval of Application Once an application is officially accepted, the project will be evaluated by the IPC, which may conduct an ocular inspection at the premises of the business, if necessary. The evaluation of the application shall be presented for the action of the Board. If the application is approved, the IPC shall notify the applicant and inform the Treasurer/s and the Assessor/s of such approval, guidance and appropriate action. If the application is denied, the IPC shall inform the applicant in writing. In both cases, a Board Resolution shall be entered in the minutes of the meeting of the Board.
- g. Processing Time The processing time from date of official acceptance until the Board may act on the recommendation of the IPC should be indicated in the Code. A proviso to the effect that the inaction of the Board within the specified period to act on the application is to be construed that the application is deemed approved.
- h. Filing Fee A non-refundable filing fee shall be paid together with the required documents for registration. Micro enterprises may be exempted from the application fees while small enterprises may be given a 75% reduction of registration fees.
- Certificate of Registration Upon approval, an enterprise shall be issued a Certificate of Registration with the signature of the Chairman of the Board or such other officer as the Board may designate for the purpose as the need arises. It shall state among others, the following:
 - (1) Name of the Registered Enterprise;
 - (2) The Investment Priority area (IPA) in which the registered enterprise will engage in;
 - (3) The incentives granted and period of its availment; and
 - (4) Such other terms and conditions to be observed by virtue of its registration.
 - (5) **No double availment** of incentives/benefits under different laws and/or programs.
 - (6) **Prior Consent of NCIP**. The enterprise must secure from the Office of the National Commission on Indigenous Peoples a Free and Prior Informed Consent (FPIC) should the proposed site of investment be located within the ancestral domain claim of the indigenous people.
 - (7) Support to Micro, Small & Medium Sized Enterprises (MSMEs)

The Board of Investments (BOI) promotes the unfolding of MSMEs on account of their contribution to employment generation, countryside development and the cultivation of the Filipino entrepreneurial spirit. The following assistance given to BOI registered MSMEs may be considered by the LGU:

- a. Preparation of simplified project application;
- b. Identification of MSMEs support companies;
- c. Exemption from payment of application and registration fees;
- d. 75% reduction in the application and registration fees for small enterprises;





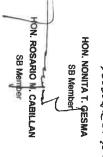
- e. Exemption from the 25% equity requirement;
- f. Reduction of application fee for incentives;
- g. Posting of notice of filing of application in provincial, city municipal or barangay hall in lieu of the publication in newspaper of general circulation;
- h. Simplified documentary, reportorial requirements and applications for Incentives.
- (8) Article 61 of Republic Act (RA) 9520, otherwise known as "The Philippine Cooperative Code of 2008 (check if 2010 or 2008) and RA 7916, otherwise known as "The Special Economic Zone Act of 1995" provides for the tax breaks of cooperatives and locators of eco-zones, respectively.

SECTION 7. INCENTIVES

- Fiscal Incentives The following fiscal incentives may be given to enterprises
 consistent with the Local Revenue Code and Book II of the Local Government
 Code which may include the following:
 - Exemption from local business taxes pursuant to Section 133 (g) of the LGC;
 - b. Tax Exemption Privileges through ordinances duly approved pursuant to Section 192 of the LGC:
 - c. Exemption from the payment of postal charges of fees pursuant to Article 282 of the LGC; (check with BLGF-postal code)
 - d. Exemption from special levy on real property pursuant to Section 235.

General Policies on Local Fiscal Incentives

- a. The incentive shall be granted only to new, expanding and or modernization projects locating in the LGU.
- b. Exemption under Section 133 (g) of the Local Government Code (LGC) shall be for a period of six (6) years, for pioneer and four (4) years for non-pioneer from the date of registration; Exemptions under the LIIC shall be in addition to the incentives provided under Executive Order No. 226 or the "Omnibus Investments Code of 1987". Provided that, they register with the LIIC. Otherwise, their incentives shall be limited to Sec. 133 (g) of the LGC.
- c. The grant of tax incentives pursuant to Article 282 (Postal Charges) of the LGC's IRR and Section 192 (authority to Grant Tax Exemption Privileges) of the LGC should not be more than (1) year from the actual date the start of business operations. (check if amended)
- d. The period of exemption from special levy should not be more than one (1) year. The incentive shall pertain only to the share of the LGU granting the fiscal incentive.
- e. The exemption should not extend to fees and charges imposed for services rendered by the LGU, such as garbage fees, sanitary inspection fees, electrical inspection fees and similar others. 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.



ORPELOGICAL HON. THELMA M. BRAZIL President, Liga ng mga Barangay

HON. CL

ARISS ZITA B. LABOGA

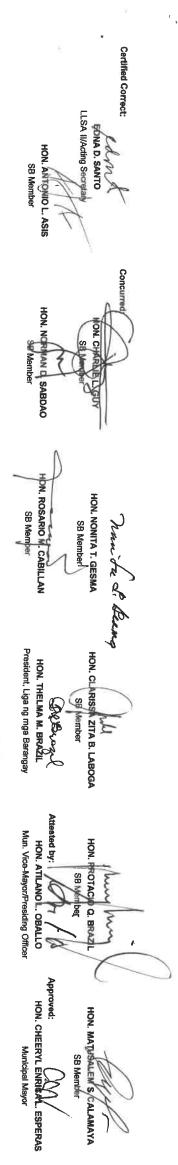
HON. FROTACIO Q. BRAZIL

SB wember

SB wember

Approved
HON. ATLANO L. OFALLO

Mun. Vice-Mayor/Presiding Officer



- f. The grant shall apply to all businesses similarly situated subject to the pertinent provisions of this Code.
- g. The exemption granted shall take effect only during the next calendar year for a specified number of years unless specified herein.
- h. On shared revenues, the exemption shall pertain only to the share of the local government unit granting such exemptions or relief unless the LGU concerned shall extend the same privilege to such enterprise qualified under this Code.

Real Property Fiscal Incentive

The period of fiscal incentive should not be more than one (1) year. The incentive shall pertain only to the share of the LGU granting the fiscal incentive.

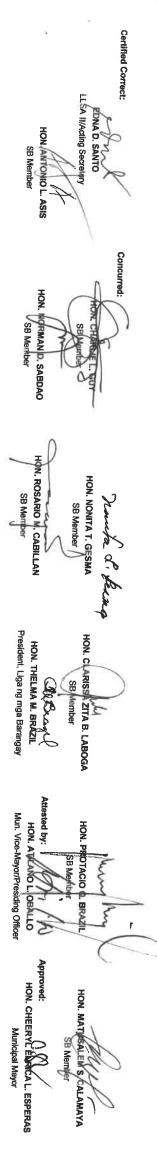
Incentives to Regional or Area Headquarters (RHQ) or Regional Operating Headquarters under Article 66, Chapter IV of RA 8756 (Amended Book III of EO 226)

"Art. 66. Exemption From all Kinds of Local Taxes, Fees or Charges. – The regional or area headquarters and regional operating headquarters of multinational companies shall be exempt from all kinds of local taxes, fees, or charges imposed by a local government unit *except* real property tax on land improvements and equipment"4.

Green Incentives

Exemption from Payments for Environmental Services (PES) — Incentives for enterprises engaged in payments for environmental or ecosystem services with poor, marginalized communities or local governments for environmental protection and climate change adaptation. PES contributions may be in the form of direct technical and financial assistance on sustainable livelihood activities that will reduce the poor's vulnerability to climate change, financing protection or rehabilitation of degraded ecosystems, and other environmental activities formally agreed on with concerned communities and local government units.

- a. An enterprise availing of the green investment incentive shall file an application with the IPC regarding its intent to undertake a green/social activity, the location and the date. Said activity shall either be a regular activity or that can be completed within the timeframe approved by the LIIB.
- b. The IPC shall be in charge of issuing a certification that the registered enterprise is in its environmental services program, or has undertaken regular green and socially responsible activities and is qualified for the incentive.
- c. After due verification of contributions to payments for environmental or ecosystem services program, urban greening and restoration, reforestation and planting of trees, and similar investments, the IPC shall issue a certification indicating the costs of such activities. Such certification shall be presented to the local treasurer concerned during the payment of the business tax to avail of the incentive.



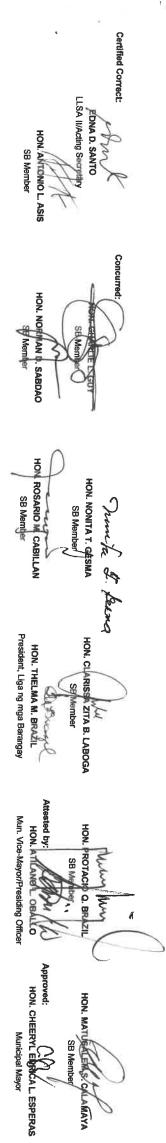
- d. This incentive is non-transferrable. In case of a change of ownership of the enterprise, the incentives shall not be transferred to the new owner, but shall continue to be enjoyed by the original owner and applied to his new business enterprise, if any, provided that, the period of incentive shall expire within a given period from the date of application regardless of whether the owner availed of it or not. The new owner of the enterprise has the option to apply for green incentives, provided further that, the enterprise continues its green initiatives and complies with all the requirements to avail of the incentives.
- e. The LGU shall have the right to reappraise the cost of the regreening or landscaping in case it finds the reported cost excessive.
- f. This incentive may be availed of only once every three years.
- 2. **Non-Fiscal Incentives** The following assistance shall be accorded to investors.
 - a. Provide a one-stop documentation for simplified documentation/registration procedures, which shall be facilitated with the assistance from the IPC:
 - Support industrial peace through reconciliation and mediation efforts of the IPC;
 - c. Assist investors in securing electric power and water supply connection;
 - d. Coordinate the negotiation of special rates for utilities for industries with a certain minimum load;
 - e. Assist investors in their site selection and negotiation for right of way;
 - f. Network with concerned national agencies such as Technical Education Skills and Development Authority (TESDA) and other similar institutions for trainings of workers to enhance skills of manpower of the enterprise;
 - g. Facilitate outbound and inbound missions of investors; and
 - h. Such other after care services that may be accorded to investors.

CORPORATE SOCIAL RESPONSIBILITY (CSR) OF REGISTERED ENTERPRISES

BOI registered enterprises with projects under pioneer status must undertake Corporate Social Responsibility (CSR), whereas, those on non-pioneer status are encouraged to undertake CSR, to the extent possible, in accordance with the development plan of the community where the registered project is located. To sustain environmental protection, adaptations to climate changes and reduce poverty in the local areas the following may be undertaken as CSR of registered enterprises such as but not limited to:

Greening/Re-greening of Area

 Rehabilitation and Restoration of buildings or other structures in accordance with the municipal urban renewal or restoration plan of the LGU.



b. Re-greening or landscaping may be in the form of urban greening or landscaping such as major road sides; areas with historical or tourism value; areas in biographic zones; 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.

Social Projects

- a. Housing for Employees
- b. Educational Projects
- c. Cultural Revivals
- d. Programs for Women, Children, Elderly, Disabled, Out of School Youths and Indigenous Peoples
- e. Community infrastructure projects aligned with the development plan of the LGU and
- f. Such other projects or activities based on the development needs of the community where the project is located or identified under NAPC.

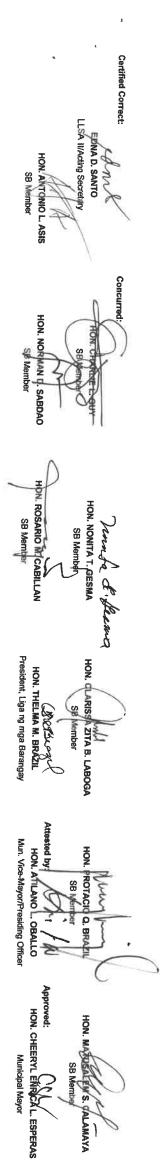
PROVISIONS FOR ENVIRONMENTAL PROTECTION

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.

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.

Specific prohibitions.

- (a) No industrial or manufacturing facility shall be operated without proper air pollution devices, wastewater treatment facilities, and solid waste management facilities;
- (b) No industrial or manufacturing plant shall be operated at all 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 compliance monitoring, which shall be conducted by the LGU 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 Certificate of Registration and/or Business Permit by the concerned local government units.



Regulation – The LIIB shall ensure that the green and socially responsible projects undertaken by enterprises on public property shall be in harmony with the overall environmental management program of the LGU and/or local government concerned as determined by the appropriate LGU office.

SECTION 8. Budget Appropriations. – Provision for appropriation covering the expenditures to operationalize the Local Investments and Incentives Board (LIIB) and the Investments Promotion Center (IPC) shall be provided through regular or supplemental budget.

Revenues from the Operation of the Code. The LGU may provide that income derived from the operation of this Code shall go to the special coffers captioned "Investments Promotion Fund". Said fund shall be used solely for the operation and maintenance and other operating expenses of the IPC of the LGU;

Immediate Release of Fund. For purposes of expediting the operations of the IPC, its allocation for the Investments Promotion Fund shall be immediately released.

SECTION 9. FINAL PROVISIONS

Penal Clause. Any violation of the provision of the Code shall be a ground for the cancellation or revocation of the Certificate of Registration of the project/business. The cancellation or revocation of the Certificate of Registration shall mean the withdrawal of all the incentives granted under the Code; and all fees and charges previously exempted shall become due and demandable.

Grounds for the Cancellation of the Certificate of Registration are as follows:

- Violation of the provisions of the Code and such other violation of laws, rules and regulations or ordinances;
- 2) Violation of the terms and conditions specified in the Certificate of Registration
- 3) Material misrepresentation

Appeal from the Decision of the LIIB. The applicant or business enterprise adversely affected by any decision of the Board relative to its cancellation/revocation of registration or the impositions of fines/penalties in accordance with this Code may file a motion for reconsideration within 15 days from receipt of the decision, otherwise the decision shall become final and executory.

Refund and Penalties – In case of the cancellation of the Certificate of Registration, the LIIB shall require the refund of incentives availed of and impose corresponding fines and penalties.

SECTION 10. Modification in the Systems and Procedures in the Offices of Local Government Units within a Province. – Municipalities and component cities within the territorial jurisdiction of a Province shall as much as possible modify their systems and procedures in the issuance of applicable permits and license so as to be consistent with the provisions of the Local Investments and Incentives Code. The City or Municipalities must coordinate with the Province for the proper guidance on matters of incentives (i.e. real property tax).

SECTION 11. Separability Clause. – If, for any reason, any portion or provision, section or part of this Code is declared not valid by a Court of competent jurisdiction or suspended or revoked by the Sanggunian, such judgement shall not affect or impair the remaining portions, provisions, sections, or parts thereof which shall remain or continue to be in full force and effect.

SECTION 12. Repealing Clause. All ordinances, rules and regulations, or part thereof, in conflict with, or inconsistent with any provisions of the Code, shall be considered repealed, amended or modified accordingly.

SECTION 13. Effectivity. This ordinance, otherwise known as "The Local Investments and Incentives Code of the Municipality of San Miguel, Leyte shall take effect 30 days after its approval.

DATE APPROVED

July 31, 2017

I HEREBY CERTIFY to the correctness of the foregoing resolution/ordinance.

EDNA D. SANTO LLSA II/Acting Secretary

Concurred by:

HON CHARLIE L. GUY

SB Member

HON. CLARISS ZITA B. LABOGA

SB Member

HON. MATUSALEM'S. CALAMAYA

SB Member

HON. NORMAN D. SABDAO

SB Member

HON. NONITA T. GESMA

SB Member

HON. PROTACIO Q. BRAZIL

SB Member

HON. ANTONIO L. ASIS

SB Member

HON. ROSARIO M. CABILLAN

SB Member

HON. THELMA M. BRAZIL

Ex-Officio Member, President, Liga ng mga Barangay

Attested by:

HON. ATILANO L. OBALLO

Municipal Vice-Mayor/Presiding Officer

Approved:

Chuy Laus L. Lyw HON. CHEERYL ENRICA L. ESPERAS

Municipal Mayor

10 14-2019 monas