

EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



Senate  
Office of the Secretary

'19 NOV -7 AIO :12

SENATE

RECEIVED BY: \_\_\_\_\_

COMMITTEE REPORT No. 20

Submitted jointly by the Committees on Economic Affairs and Finance on NOV - 7 2019

RE: Senate Bill No. 1156

Recommending its approval in substitution of Senate Bill Nos. 418, 919 and 1024 taking into consideration House Bill No. 300.

Sponsor: Senator Imee Marcos

**MR. PRESIDENT:**

The Committee on Economic Affairs; and Finance, to which were referred **Senate Bill No. 418**, introduced by Senator Francis "Kiko" Pangilinan, entitled:

**AN ACT**  
**AMENDING REPUBLIC ACT NO. 7042, OTHERWISE KNOWN AS**  
**THE FOREIGN INVESTMENTS ACT OF 1991, AS AMENDED BY**  
**REPUBLIC ACT NO. 8179, AND FOR OTHER PURPOSES**

**Senate Bill No. 919**, introduced by Senators Win Gatchalian, entitled:

**AN ACT**  
**AMENDING REPUBLIC ACT NO. 7042, OTHERWISE KNOWN AS**  
**THE FOREIGN INVESTMENTS ACT OF 1991, AS AMENDED BY**  
**REPUBLIC ACT NO. 8179, AND FOR OTHER PURPOSES**

**Senate Bill No. 1024**, introduced by Senator Imee Marcos, entitled:

**AN ACT  
PROMOTING FOREIGN INVESTMENTS, AMENDING THEREBY  
REPUBLIC ACT NO. 7042 OTHERWISE KNOWN AS THE  
"FOREIGN INVESTMENTS ACT OF 1991," AS AMENDED, AND  
FOR OTHER PURPOSES**

taking into consideration **House Bill No. 300**, introduced by Representatives Yap (V.), Villafuerte, Salceda, Garin (S.), Gatchalian, Nograles (J.J.), Suansing (E.), Defensor,(L.), Go (M.), Babasa, Biazon, Sangcopan, Aglipay, Bagatsing, Cueva, Cabredo, Jalosjos, Siao, Albano (A.) and Rodriguez, entitled:

**AN ACT  
FURTHER PROMOTING THE ENTRY OF FOREIGN DIRECT  
INVESTMENTS IN THE COUNTRY BY AMENDING SECTIONS 4  
AND 8 OF REPUBLIC ACT NO. 7042, AS AMENDED, OTHERWISE  
KNOWN AS THE FOREIGN INVESTMENTS ACT OF 1991"**

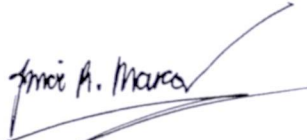
have considered the same and have the honor to report it back to the Senate with the recommendation that the attached Senate Bill No. 1156, prepared by the Committees, entitled:

**"AN ACT  
PROMOTING FOREIGN INVESTMENTS, AMENDING THEREBY  
REPUBLIC ACT NO. 7042 OTHERWISE KNOWN AS THE  
"FOREIGN INVESTMENTS ACT OF 1991," AS AMENDED, AND  
FOR OTHER PURPOSES"**

be approved in substitution of Senate Bill Nos. 418, 919 and 1024 taking into consideration House Bill No. 300, with Senators Pangilinan, Gatchalian and Marcos as author thereof.

Respectfully submitted:

Chairpersons



**SENATOR IMEE MARCOS**


Committee on Economic Affairs  
Vice-Chairperson, Sub-Committee "I" on Finance



**SENATOR SONNY ANGARA**

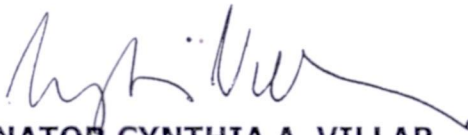
Committee on Finance  
Vice-Chairperson, Committee on Economic Affairs

Vice-Chairpersons



**SENATOR WIN GATCHALIAN**  
Committee on Economic Affairs  
Vice-Chairperson, Committee on Finance

**SENATOR PIA S. CAYETANO**  
Vice-Chairperson, Committee on Finance  
Member, Committee on Economic Affairs



**SENATOR CYNTHIA A. VILLAR**  
Vice-Chairperson, Committee on Finance



**SENATOR PANFILO M. LACSON**  
Vice-Chairperson, Committee on Finance

*May interpellate.*



**SENATOR JOEL VILLANUEVA**  
Vice-Chairperson, Committee on Finance

**SENATOR RICHARD J. GORDON**  
Vice-Chairperson, Committee on Finance

**SENATOR CHRISTOPHER "BONG" GO**  
Vice-Chairperson, Committee on Finance

**SENATOR RISA HONTIVEROS**  
Vice-Chairperson, Committee on Finance

MEMBERS

**SENATOR MANUEL "LITO" M. LAPID**  
Committee on Economic Affairs  
Committee on Finance

*may ammerd /  
niter pellate*  
  
**SENATOR RAMON BONG REVILLA JR.**  
Committee on Economic Affairs  
Committee on Finance

**SENATOR FRANCIS "TOL" N. TOLENTINO**  
Committee on Economic Affairs  
Committee on Finance

**SENATOR MARIA LOURDES NANCY S. BINAY**  
Committee on Finance

**SENATOR EMMANUEL "MANNY" D. PACQUIAO**  
Committee on Finance

**SENATOR AQUILINO "KOKO" PIMENTEL III**  
Committee on Finance

*Grace Poe* *May ammerd /  
mifinkya tale*  
**SENATOR GRACE POE**  
Committee on Finance


**SENATOR LEILA M. DE LIMA**  
Committee on Finance

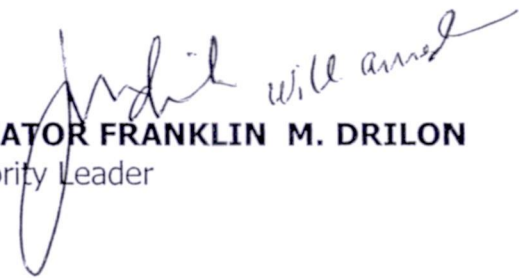
**SENATOR FRANCIS "KIKO" PANGILINAN**  
Committee on Economic Affairs  
Committee on Finance



Ex Officio Members

**SENATOR RALPH G. RECTO**  
President Pro Tempore

  
**SENATOR JUAN MIGUEL "MIGZ" F. ZUBIRI**  
Majority Leader


  
**SENATOR FRANKLIN M. DRILON**  
Minority Leader

**SENATOR VICENTE SOTTO III**  
Senate President

'19 NOV -7 AIO :12

**SENATE**

S.B. No. 1156

RECEIVED BY: 

Prepared and submitted jointly by the Committees on Economic Affairs; and Finance  
with Senators Pangilinan, Gatchalian and Marcos as authors thereof

**AN ACT**  
**PROMOTING FOREIGN INVESTMENTS, AMENDING THEREBY REPUBLIC ACT**  
**NO. 7042 OTHERWISE KNOWN AS THE "FOREIGN INVESTMENTS ACT OF**  
**1991," AS AMENDED, AND FOR OTHER PURPOSES**

*Be it enacted by the Senate and the House of Representatives of the Philippines  
in Congress assembled:*

1 SECTION 1. Section 2 of Republic Act (R. A.) No. 7042, as amended by R. A.  
2 No. 8179, otherwise known as the "Foreign Investments Act of 1991", is hereby  
3 amended, to read as follows:

4 "Sec. 2. *Declaration of Policy.* – **RECOGNIZING THAT**  
5 **INCREASED CAPITAL AND TECHNOLOGY BENEFITS THE**  
6 **PHILIPPINES AND THAT GLOBAL AND REGIONAL ECONOMIES**  
7 **AFFECT THE PHILIPPINE ECONOMY, [I]it is the policy of the State**  
8 to attract, promote and welcome productive investments from foreign  
9 individuals, partnerships, corporations, and governments, including their  
10 political subdivisions, in activities which significantly contribute to  
11 [~~national—industrialization—and—socioeconomic—development~~]  
12 **SUSTAINABLE, INCLUSIVE, RESILIENT, SMART, AND**  
13 **INNOVATIVE ECONOMIC GROWTH, PRODUCTIVITY, GLOBAL**  
14 **COMPETITIVENESS, EMPLOYMENT CREATION,**  
15 **TECHNOLOGICAL ADVANCEMENT, AND COUNTRYWIDE**  
16 **DEVELOPMENT** to the extent that foreign investment is allowed in such  
17 activity by the Constitution and relevant laws, **AND CONSISTENT**  
18 **WITH THE PROTECTION OF NATIONAL SECURITY.** Foreign  
19 investments shall be encouraged in enterprises that significantly expand

1 livelihood and employment opportunities for Filipinos; enhance  
2 economic value of [farm] **AGRICULTURAL** products; promote the  
3 welfare of Filipino consumers; expand the scope, quality and volume of  
4 exports and their access to foreign markets; and/or transfer relevant  
5 technologies in agriculture, industry and support services. Foreign  
6 investments shall be welcome as a supplement to Filipino capital and  
7 technology in those enterprises serving mainly the domestic market.

8 **THE STATE SHALL HOLD PUBLIC OFFICERS INVOLVED IN**  
9 **THE PROMOTION OF FOREIGN INVESTMENTS TO THE HIGHEST**  
10 **STANDARDS OF ACCOUNTABILITY AND INTEGRITY METING**  
11 **OUT THE LAW'S MAXIMUM PENALTIES AGAINST INACTION,**  
12 **ABUSE, AND CORRUPTION.**

13 As a general rule, there are no restrictions on extent of foreign  
14 ownership of export enterprises. In domestic market enterprises,  
15 foreigners can invest as much as one hundred percent (100%) equity  
16 except in areas included in the negative list. Foreign owned firms  
17 catering mainly to the domestic market shall be encouraged to  
18 undertake measures that will gradually increase Filipino participation in  
19 their businesses by taking in Filipino partners, electing Filipinos to the  
20 board of directors, implementing transfer of technology to Filipinos,  
21 generating more employment for the economy and enhancing skills of  
22 Filipino workers.”

23 Sec. 2. Section 3 of R. A. No. 7042, as amended, is hereby further amended, to  
24 read as follows:

25 “Sec. 3. *Definitions.* – As used in this Act:

26 xxx

27 b) the term “investment” shall mean equity participation in any  
28 enterprise organized and existing under the laws of the Philippines **AND**  
29 **DULY RECORDED IN THE STOCK TRANSFER BOOK, OR ITS**  
30 **EQUIVALENT, OF THE ENTERPRISE.”**

31 xxx



1 d) the phrase "doing business" shall include soliciting orders,  
2 service contracts, opening offices, whether called "liaison" offices or  
3 branches; appointing representatives or distributors domiciled in the  
4 Philippines or who in any calendar year stay in the country for a period  
5 or periods totaling one hundred eighty (180) days or more; participating  
6 in the management, supervision or control of any domestic business,  
7 firm, entity or corporation in the Philippines; **PRACTICING MULTI-  
8 LEVEL MARKETING**; and any other act or acts that imply a continuity  
9 of commercial dealings or arrangements, and contemplate to that extent  
10 the performance of acts or works, or the exercise of some of the  
11 functions normally incident to, and in progressive prosecution of,  
12 commercial gain or of the purpose and object of the business  
13 organization: Provided, however, That the phrase "doing business" shall  
14 not be deemed to include mere investment as a shareholder by a foreign  
15 entity in domestic corporations duly registered to do business, and/or  
16 the exercise of rights as such investor; nor having a nominee director or  
17 officer to represent its interests in such corporation; nor appointing a  
18 representative or distributor domiciled in the Philippines which transacts  
19 business in its own name and for its own account."

20 Sec. 3. Section 4 of R. A. No. 7042, as amended, is hereby further amended to  
21 read as follows:

22 "Sec. 4. *Scope.* – This Act shall not apply to banking and other  
23 financial institutions which are governed and regulated by the General  
24 Banking Act and other laws under the supervision of the [~~Central Bank~~]  
25 **BANGKO SENTRAL NG PILIPINAS.**"

26 Sec. 4. A new Section of R. A. No. 7042, as amended, is inserted as Section 5  
27 to read as follows:

28 **"SEC. 5. INVESTMENT PROMOTIONS COUNCIL. – THERE**  
29 **IS HEREBY CREATED AN "INVESTMENT PROMOTIONS**  
30 **COUNCIL", HEREINAFTER REFERRED TO AS THE "COUNCIL,"**  
31 **WHICH SHALL BE THE BODY THAT WILL INTEGRATE ALL**  
32 **PROMOTION AND FACILITATION EFFORTS TO ENCOURAGE**



1 FOREIGN INVESTMENTS IN THE COUNTRY. THE COUNCIL  
2 SHALL BE COMPOSED OF THE:

- 3 (1) SECRETARY OF THE DEPARTMENT OF TRADE AND  
4 INDUSTRY (DTI), TO PRESIDE AS CHAIRPERSON AND THE  
5 DTI TO ACT AS THE COUNCIL'S LEAD AGENCY;
- 6 (2) ONE (1) REPRESENTATIVE FROM THE DEPARTMENT OF  
7 TRADE AND INDUSTRY (DTI) – BOARD OF INVESTMENTS  
8 (BOI)
- 9 (3) ONE (1) REPRESENTATIVE FROM THE DEPARTMENT OF  
10 TRADE AND INDUSTRY (DTI) – PHILIPPINE ECONOMIC  
11 ZONE AUTHORITY (PEZA);
- 12 (4) DEPARTMENT OF FOREIGN AFFAIRS (DFA) –  
13 UNDERSECRETARY FOR ECONOMIC AFFAIRS;
- 14 (5) ONE (1) REPRESENTATIVE FROM THE NATIONAL  
15 ECONOMIC AND DEVELOPMENT AUTHORITY (NEDA);
- 16 (6) ONE (1) REPRESENTATIVE FROM THE DEPARTMENT OF  
17 FINANCE (DOF);
- 18 (7) ONE (1) REPRESENTATIVE FROM THE DEPARTMENT OF  
19 INFORMATION AND COMMUNICATIONS TECHNOLOGY  
20 (DICT);
- 21 (8) ONE (1) REPRESENTATIVE FROM THE COMMISSION ON  
22 HIGHER EDUCATION (CHED); AND
- 23 (9) ONE (1) REPRESENTATIVE FROM THE TECHNICAL  
24 EDUCATION AND SKILLS DEVELOPMENT AUTHORITY  
25 (TESDA).

26 THE CHAIRPERSON MAY FROM TIME TO TIME, AS  
27 SPECIAL FOREIGN INVESTMENTS MAY REQUIRE, REQUEST  
28 THE PARTICIPATION OF OTHER GOVERNMENT DEPARTMENTS  
29 AND AGENCIES OR INSTRUMENTALITIES, LGUs, NGOs, AND  
30 LOCAL BUSINESS CHAMBERS AND ENTERPRISES.

31 THE COUNCIL SHALL COORDINATE AND WHEN  
32 NECESSARY PARTNER AND ASSIST WITH THE BASES

1           **CONVERSION AND DEVELOPMENT AUTHORITY (BCDA),**  
2           **AUTHORITY OF THE FREEPORT AREA OF BATAAN (FAB), CLARK**  
3           **DEVELOPMENT CORPORATION (CDC), SUBIC BAY**  
4           **METROPOLITAN AUTHORITY (SBMA), AND CAGAYAN**  
5           **ECONOMIC ZONE AUTHORITY (CEZA), IN PROMOTING**  
6           **FOREIGN INVESTMENTS TO THE COUNTRY.”**

7           Sec. 5. A new Section of R. A. No. 7042, as amended, is inserted as Section 6  
8 to read as follows:

9           **“SEC. 6. POWERS AND FUNCTIONS OF THE COUNCIL. –**

- 10                   **(1) TO ESTABLISH BOTH A MEDIUM- AND LONG-TERM**  
11                   **INVESTMENT PRIORITIES PLAN (IPP),**  
12                   **COORDINATING ALL EXISTING INVESTMENT**  
13                   **DEVELOPMENT PLANS AND PROGRAMS UNDER THE**  
14                   **BOI, PEZA, AND VARIOUS INVESTMENT**  
15                   **PROMOTION AGENCIES (IPAS), LGUS, AND OTHER**  
16                   **AGENCIES, AS DELINEATED IN SECTION 7 OF THIS**  
17                   **ACT;**
- 18                   **(2) TO DESIGN A COMPREHENSIVE MARKETING**  
19                   **STRATEGY AND CAMPAIGN, PROMOTING THE**  
20                   **COUNTRY AS A DESIRABLE INVESTMENT AREA;**
- 21                   **(3) TO SUPPORT INBOUND AND OUTBOUND FOREIGN**  
22                   **DIRECT AND TRADE MISSIONS FOR NEW**  
23                   **INTERNATIONAL MARKETS TO EXPLORE THE**  
24                   **COUNTRY AS A POSSIBLE LOCATION TO DO**  
25                   **BUSINESS;**
- 26                   **(4) TO ENCOURAGE AND SUPPORT RESEARCH AND**  
27                   **DEVELOPMENT IN PRIORITY AREAS INDICATED BY**  
28                   **THE IPP;**
- 29                   **(5) TO MONITOR ACTUAL PERFORMANCE AGAINST**  
30                   **MEASURABLE AND TIMEBOUND TARGETS IN THE**  
31                   **IPP;**



- 1 (6) TO SUBMIT ANNUAL EVALUATION AND REPORTS TO  
2 THE PRESIDENT OF THE PHILIPPINES AND THE  
3 CONGRESS REGARDING THE ACTIVITIES OF THE  
4 COUNCIL;
- 5 (7) TO UPLOAD ESTABLISH AN EFFECTIVE ONLINE  
6 DATABASE INCLUDING A DIRECTORY OF READY  
7 LOCAL PARTNERS FROM PRIORITY SECTORS UNDER  
8 IPP;
- 9 (8) TO SET UP A ONE-STOP SHOP TO INFORM AND  
10 ASSIST FOREIGN INVESTORS, AS FURTHER  
11 EXPLAINED UNDER SECTION 14 OF THIS ACT; AND
- 12 (9) TO SUPPORT LOCAL GOVERNMENT EFFORTS TO  
13 PROMOTE LOCAL FOREIGN DIRECT INVESTMENTS,  
14 EXPEDITE COMPLIANCE WITH NATIONAL  
15 REQUIREMENTS AND ADDRESS OTHER  
16 SAFEGUARDS AND SERVICES REQUESTED BY  
17 FOREIGN INVESTORS IN THEIR DIFFERENT  
18 LOCALITIES INVOLVED WITH SAID FOREIGN  
19 INVESTMENTS."

20 Sec. 6. A new Section of R. A. No. 7042, as amended, is inserted as Section 7  
21 to read as follows:

22 "SEC. 7. *DEVELOPMENT OF THE INVESTMENT*  
23 *PRIORITIES PLAN (IPP)*. – A COMPREHENSIVE AND  
24 STRATEGIC INVESTMENT PRIORITIES PLAN (IPP) SHALL BE  
25 DEVELOPED BY THE COUNCIL FOR THE MEDIUM FIVE-YEAR  
26 AND THE LONG-TERM TEN-YEAR PLAN: *PROVIDED, THAT, IT IS*  
27 *BASED ON COMPETITIVE ADVANTAGES, NATURAL RESOURCES,*  
28 *SKILL AND EDUCATIONAL DEVELOPMENT, TRADITIONAL*  
29 *LINKAGES, AND INTERNATIONAL MARKET POTENTIAL:*  
30 *PROVIDED, FURTHER, THAT, AN ONLINE DATABASE*  
31 *CONTAINING THE IPP SHALL THEREAFTER BE UPLOADED,*

1 CONTAINING FURTHER DETAILS REGARDING THE COUNCIL'S  
2 PROCEDURE, CONTACTS, SCHEDULES, ETC.

3 SAID DATABASE SHOULD ALSO INCLUDE A DIRECTORY  
4 OF LOCAL ENTERPRISES CAPABLE AND WILLING TO PARTNER  
5 WITH POTENTIAL FOREIGN INVESTORS. THE COUNCIL SHALL  
6 CONSULT LOCAL CHAMBERS OF COMMERCE, SECTORAL,  
7 BUSINESS GROUPS, AND OTHER INDIVIDUAL PARTNERS  
8 WHENEVER FOREIGN APPLICANTS SEEK PARTNERS,  
9 SUBCONTRACTORS, SUPPLIERS, AND OTHER LOCAL BUSINESS  
10 COUNTERPARTS.

11 FURTHER, IN SUPPORT OF THE IPP, THE DEPARTMENT OF  
12 PUBLIC WORKS AND HIGHWAYS (DPWH), DEPARTMENT OF  
13 TRANSPORTATION (DOTR), DICT, AND OTHER RELATED  
14 AGENCIES SHALL PRIORITIZE CRITICAL INFRASTRUCTURE  
15 AND OTHER REQUIREMENTS OF THE FOREIGN INVESTORS.  
16 SIMILARLY, DEPED, CHED, TESDA, DOLE AND OTHER  
17 TRAINING AGENCIES INVOLVED IN EDUCATION AND SKILLS  
18 DEVELOPMENT SHALL LIKEWISE DIRECT CURRICULUM AND  
19 TRAINING EFFORTS TOWARD MANPOWER REQUIREMENTS OF  
20 THE IPP."

21 Sec. 7. Section 7 of R. A. No. 7042, as amended, is hereby further amended to  
22 read as follows:

23 "Section [7] **10. Foreign Investments in Domestic Market**  
24 *Enterprises.* - Non-Philippine nationals may own up to one hundred  
25 percent (100%) of domestic market enterprises unless foreign  
26 ownership therein is prohibited or limited by existing law or the Foreign  
27 Investment Negative List [~~under Section 8 hereof~~]."

28 Sec. 8. A new Section of R.A.7042, as amended, is inserted as Section 11 to  
29 read as follows:

30 "**SEC. 11. FOREIGN ONLINE BUSINESS. - BUSINESS**  
31 **ENTITIES, REGARDLESS OF REGISTRY AND INCORPORATION,**  
32 **CONDUCTING ECONOMIC ACTIVITIES AND CONSUMMATING**



1 **BUSINESS TRANSACTIONS IN THE PHILIPPINES, THROUGH**  
2 **ONLINE, DIGITAL, OR ELECTRONIC COMMERCE (E-**  
3 **COMMERCE), MAY BE CONSIDERED DOMESTIC MARKET**  
4 **ENTERPRISES TO BE REGULATED UNDER THIS ACT AND**  
5 **OTHER RELEVANT TAX, CORPORATE, AND OTHER LAWS.**  
6 **HOWEVER, SUCH FOREIGN INVESTMENT ENGAGED IN E-**  
7 **COMMERCE SHALL NOT FALL UNDER THE PROHIBITIONS ON**  
8 **MEDIA AND EDUCATION UNLESS THE GREATER PART OF**  
9 **THEIR BUSINESS TRANSACTED IS CONDUCTED IN THE**  
10 **PHILIPPINES."**

11 Sec. 9. Section 8 of R.A. No. 7042, as amended, is hereby further amended to  
12 read as follows:

13 "Sec. [8] **12.** *List of Investment Areas Reserved to Philippine*  
14 *Nationals (Foreign Investment Negative List). – xxx*

15 "a) xxx

16 "b) xxx

17 "1) xxx

18 "2) xxx

19 "Small and medium-sized domestic market enterprises with paid-  
20 in equity capital less than the equivalent of Two hundred thousand US  
21 dollars (US\$200,000.00), are reserved to Philippine nationals: *Provided,*  
22 That if: (1) they involve advanced technology as determined by the  
23 Department of Science and Technology, or (2) they employ at least  
24 [~~fifty (50)~~] **FIFTEEN (15)** direct employees then a minimum paid-in  
25 capital of One hundred thousand US dollars (US\$100,000.00) shall be  
26 allowed to non-Philippine nationals.

27 xxx

28 xxx

29 "Amendments to **FOREIGN INVESTMENT NEGATIVE LIST**  
30 [~~List B after promulgation and publication of the first Regular Foreign~~  
31 ~~Investment Negative List at the end of the transitory period shall not~~  
32 ~~be made more often than once every two (2) years]~~ **SHALL BE**

1 SUBMITTED ANNUALLY BY THE NEDA, A COPY OF WHICH  
2 SHALL BE SUBMITTED TO CONGRESS AT THE END OF MARCH  
3 PROVIDING THEREWITH AN ANALYSIS OF FOREIGN  
4 INVESTMENT PERFORMANCE ECONOMIC ACTIVITIES AND  
5 THE REASONS FOR THE RECOMMENDED AMENDMENTS, IF  
6 ANY. "

7 Sec. 10. Section 12 of R.A. No. 7042, as amended, is hereby further amended  
8 to read as follows:

9 "Section [12] **16.** *[Consistent Government Action]* **WHOLE-OF-**  
10 **GOVERNMENT APPROACH OF THE IPP.** - No agency,  
11 instrumentality or political subdivision of the Government shall take any  
12 action on conflict with or which will nullify the provisions of this Act, or  
13 any certificate or authority granted hereunder."

14 Sec. 11. A new Section of R.A. No. 7042, as amended, is inserted as Section 18  
15 to read as follows:

16 "SEC. 18. THE DEPARTMENT OF NATIONAL DEFENSE  
17 (DND), NATIONAL SECURITY COUNCIL (NSC), DEPARTMENT  
18 OF FOREIGN AFFAIRS (DFA), DEPARTMENT OF INTERIOR AND  
19 LOCAL GOVERNMENT (DILG), AND SUCH OTHER GOVERNMENT  
20 DEPARTMENTS OR AGENCIES WITH SECURITY CONCERNS,  
21 SHALL REVIEW FOREIGN INVESTMENTS AND TRANSACTIONS  
22 THAT MAY THREATEN NATIONAL SECURITY OR JEOPARDIZE  
23 INTERNATIONAL RELATIONS. THE REVIEW MAY INCLUDE THE  
24 IMPACT ANALYSIS OF A FOREIGN INVESTMENT UPON  
25 DIPLOMATIC AND TRADE NEGOTIATIONS, THE SAFETY AND  
26 PROTECTION OF FILIPINO NATIONALS OVERSEAS, EFFECTS  
27 ON ONGOING NEGOTIATIONS OF ANY TREATIES, TRADE OR  
28 MITIGATION AGREEMENTS, AND OTHER SIMILAR ISSUES. ANY  
29 RECOMMENDATION TO SUSPEND, PROHIBIT, OR OTHERWISE  
30 LIMIT A REVIEWED FOREIGN SHALL BE TRANSMITTED TO THE  
31 OFFICE OF THE PRESIDENT FOR APPROPRIATE ACTION."



1           Sec. 12. A new Section of R.A. No. 7042, as amended, is inserted as Section 19  
2 to read as follows:

3           **"SEC 19. *ONE-STOP SHOP.* – UPON THE EFFECTIVITY OF**  
4 **THIS ACT, A "*ONE-STOP SHOP*" SHALL IMMEDIATELY BE**  
5 **ESTABLISHED BY THE COUNCIL, TO FACILITATE AND EXPEDITE**  
6 **FOREIGN INVESTMENTS INTO THE PHILIPPINES. IN ADDITION**  
7 **TO AN ONLINE DATABASE AND PRE-REGISTRATION FACILITY,**  
8 **SAID ONE-STOP SHOP SHALL RESPOND TO SPECIFIC**  
9 **INVESTORS' QUERRIES, ASSIGNING SUCH INVESTORS AN**  
10 **INVESTMENT SPECIALIST TO HANDLE THEIR CONCERNS,**  
11 **ADDRESS SPECIAL CONCERNS, AND LINK THEM, AS**  
12 **NECESSARY, TO CONCERNED GOVERNMENT DEPARTMENTS**  
13 **AND AGENCIES.**

14           **REPUBLIC ACT NO. 11032 OTHERWISE KNOWN AS THE**  
15 **"EASE OF DOING BUSINESS AND EFFICIENT GOVERNMENT**  
16 **SERVICE DELIVERY ACT OF 2018" AND R.A. NO. 9485**  
17 **OTHERWISE KNOWN AS THE "ANTI-RED TAPE ACT OF 2007,"**  
18 **AMONG OTHERS, SHALL BE ENFORCED FULLY TO ASSIST AND**  
19 **EXPEDITE FOREIGN INVESTORS' APPLICATIONS. "**

20           Sec. 13. A new Section 20 of R.A. No. 7042, as amended, is inserted as Section  
21 20 to read as follows:

22           **SEC. 20. *ANTI-GRAFT PRACTICES IN FOREIGN***  
23 ***INVESTMENT PROMOTIONS.* – PUBLIC OFFICIALS AND**  
24 **EMPLOYEES INVOLVED IN FOREIGN INVESTMENT**  
25 **PROMOTIONS SHALL UPHOLD THE HIGHEST STANDARDS OF**  
26 **PUBLIC SERVICE, ACCOUNTABILITY, AND INTEGRITY. THE**  
27 **MAXIMUM PENALTIES SHALL BE IMPOSED UPON ERRING**  
28 **OFFICIALS AND EMPLOYEES INVOLVED IN FOREIGN**  
29 **INVESTMENT PROMOTIONS, AS FOLLOWS:**

30           **(1) ANY PUBLIC OFFICIAL OR EMPLOYEE WHO**  
31 **VIOLATES THE FOLLOWING ACTS SHALL BE**  
32 **PUNISHED BY A FINE OF NOT LESS THAN ONE**

1 MILLION PESOS (P 1,000,000.00) BUT NOT MORE  
2 THAN FIVE MILLION PESOS (P 5,000,000.00) OR  
3 IMPRISONMENT OF SIX (6) YEARS AND ONE (1) DAY  
4 TO TWELVE (12) YEARS, OR BOTH, AT THE  
5 DISCRETION OF THE COURT, AND PERPETUAL  
6 ABSOLUTE DISQUALIFICATION:

- 7 (A) REFUSAL TO ACCEPT APPLICATION OR  
8 REQUEST WITH COMPLETE REQUIREMENTS  
9 BEING SUBMITTED BY A FOREIGN INVESTOR  
10 OR REQUESTING PARTY WITHOUT DUE CAUSE;  
11 (B) IMPOSITION OF ADDITIONAL REQUIREMENTS  
12 OR COSTS OTHER THAN THOSE PROVIDED BY  
13 LAW;  
14 (C) FAILURE TO GIVE THE FOREIGN INVESTOR OR  
15 REQUESTING PARTY A WRITTEN NOTICE ON  
16 THE DISAPPROVAL OF AN APPLICATION OR  
17 REQUEST;  
18 (D) FAILURE TO RENDER GOVERNMENT SERVICES  
19 WITHIN THE PRESCRIBED PROCESSING TIME  
20 ON ANY APPLICATION OR REQUEST WITHOUT  
21 DUE CAUSE;  
22 (E) FAILURE TO ATTEND TO FOREIGN INVESTORS  
23 OR REQUESTING PARTIES WHO ARE WITHIN  
24 THE PREMISES OF THE OFFICE OR AGENCY  
25 CONCERNED PRIOR TO THE END OF OFFICIAL  
26 WORKING HOURS AND DURING LUNCH  
27 BREAK; AND  
28 (F) FAILURE OR REFUSAL TO ISSUE  
29 ACKNOWLEDGMENTS AND/OR RECEIPTS.

30 (2) ANY PUBLIC OFFICIAL OR EMPLOYEE WHO  
31 VIOLATES THE FOLLOWING ACTS SHALL BE  
32 PUNISHED BY A FINE OF NOT LESS THAN TEN



1 MILLION PESOS (P 10,000,000.00) BUT NOT MORE  
2 THAN TWENTY MILLION PESOS (P 20,000,000.00)  
3 OR IMPRISONMENT OF TWENTY (20) YEARS AND  
4 ONE (1) DAY TO THIRTY (30) YEARS, OR BOTH, AT  
5 THE DISCRETION OF THE COURT, AND PERPETUAL  
6 ABSOLUTE DISQUALIFICATION:

7 (A) ANY PUBLIC OFFICIAL OR EMPLOYEE WHO  
8 MISAPPROPRIATES FEES AND CHARGES PAID  
9 BY FOREIGN INVESTORS;

10 (B) PERSUADING, INDUCING, OR INFLUENCING  
11 ANOTHER PUBLIC OFFICER OR EMPLOYEE TO  
12 PERFORM AN ACT CONSTITUTING A  
13 VIOLATION OF THIS ACT OR RULES AND  
14 REGULATIONS DULY PROMULGATED BY THE  
15 COUNCIL;

16 (C) DIRECTLY OR INDIRECTLY REQUESTING OR  
17 RECEIVING ANY GIFT, PRESENT, SHARE,  
18 PERCENTAGE, OR BENEFIT, FOR  
19 HIMSELF/HERSELF OR FOR ANY OTHER  
20 PERSON, IN CONNECTION WITH ANY  
21 CONTRACT OR TRANSACTION BETWEEN THE  
22 COUNCIL AND OTHER DEPARTMENT OR  
23 AGENCY, WHEREIN THE PUBLIC OFFICER OR  
24 EMPLOYEE, IN HIS OFFICIAL CAPACITY, HAS  
25 TO INTERVENE UNDER THE LAW;

26 (D) DIRECTLY OR INDIRECTLY REQUESTING OR  
27 RECEIVING ANY GIFT, PRESENT, OR OTHER  
28 PECUNIARY BENEFIT FOR HIMSELF/HERSELF  
29 OR FOR ANOTHER, FROM ANY FOREIGN  
30 INVESTOR FOR WHOM THE PUBLIC OFFICER  
31 OR EMPLOYEE, IN ANY MANNER OR CAPACITY,

1 WILL SECURE OR OBTAIN ANY PERMIT OR  
2 LICENSE;

3 (E) ACCEPTING OR HAVING ANY MEMBER OF HIS  
4 OR HER FAMILY ACCEPT EMPLOYMENT IN ANY  
5 FOREIGN INVESTOR WHICH HAS PENDING  
6 OFFICIAL BUSINESS WITH HIM OR HER  
7 DURING THE PENDENCY THEREOF OR WITHIN  
8 ONE (1) YEAR AFTER ITS TERMINATION;

9 (F) CAUSING ANY UNDUE INJURY TO ANY PARTY  
10 OR GIVING ANY FOREIGN INVESTOR ANY  
11 UNWARRANTED BENEFIT, ADVANTAGE, OR  
12 PREFERENCE IN THE DISCHARGE OF HIS OR  
13 HER OFFICIAL FUNCTIONS THROUGH  
14 MANIFEST PARTIALITY, EVIDENT BAD FAITH,  
15 OR GROSS INEXCUSABLE NEGLIGENCE;

16 (G) DIRECTLY OR INDIRECTLY HAVING  
17 PECUNIARY INTEREST IN ANY BUSINESS,  
18 CONTRACT, OR TRANSACTION IN  
19 CONNECTION WITH WHICH HE OR SHE  
20 INTERVENES, IN HIS OR HER OFFICIAL  
21 CAPACITY, IN CONTRAVENTION OF THE LAW;

22 (H) KNOWINGLY APPROVING OR GRANTING ANY  
23 LICENSE, PERMIT, OR BENEFIT IN FAVOR OF  
24 ANY FOREIGN INVESTOR NOT QUALIFIED OR  
25 ENTITLED TO SUCH; AND

26 (I) DIVULGING CONFIDENTIAL INFORMATION  
27 ACQUIRED THROUGH HIS OR HER OFFICE.”

28 Sec. 14. The remaining sections of R.A. 7042, as amended, are hereby  
29 renumbered accordingly.

30 Sec. 15. *Appropriation.* – The amount necessary to carry out the provisions of  
31 this Act shall be included in the budget of the concerned departments and agencies in  
32 the General Appropriations Act (GAA).

1           Sec. 16. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or  
2 other issuances or parts thereof inconsistent with the provisions of this Act are hereby  
3 repealed or modified accordingly.

4           Sec. 17. *Separability Clause.* – If any portion or provision of this Act is declared  
5 unconstitutional, the remainder of this Act or any provision not affected thereby shall  
6 remain in force and effect.

7           Sec. 18. *Effectivity.* – This Act shall take effect after fifteen (15) days following  
8 the completion of its publication either in the Official Gazette or in a newspaper of  
9 general circulation in the Philippines.

10           Approved,