

**MEMORANDUM CIRCULAR NO. 2020- 04**  
**Series of 2020**

**TO:** ALL HEADS OF GOVERNMENT OFFICES AND AGENCIES INCLUDING LOCAL GOVERNMENT UNITS (LGUS), GOVERNMENT-OWNED OR –CONTROLLED CORPORATIONS (GOCCS), AND OTHER GOVERNMENT INSTRUMENTALITIES

**SUBJECT:** GUIDELINES FOR COMPLIANCE TO ADMINISTRATIVE ORDER NO. 23, s. 2020 ENTITLED “ELIMINATING OVERREGULATION TO PROMOTE EFFICIENCY OF GOVERNMENT PROCESSES”

**DATE:** 08 JUNE 2020

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**1. BACKGROUND AND LEGAL BASIS**

- 1.1. Pursuant to Administrative Order (AO) No. 23 entitled “Eliminating Overregulation to Promote Efficiency of Government Processes” effective on 21 February 2020, all national government agencies covered by Section 3 of Republic Act (RA) No. 9485, as amended, are directed to hasten the reform of their processes in order to eliminate overregulation.”
- 1.2. On Section 2 of AO 23, the Anti-Red Tape Authority (ARTA), pursuant to its mandates under RA No. 9485, as amended, in coordination with the Anti-Red Tape Unit established per respective agency, shall monitor and ensure compliance with the aforesaid directive to eliminate overregulation.
- 1.3. Republic Act No. 11032 or the “Ease of Doing Business and Efficient Government Service Delivery Act of 2018”, amending Republic Act No. 9485 or the “Anti-Red Tape Act of 2007”, was enacted on 28 May 2018 and effectively created the Anti-Red Tape Authority (ARTA). The Implementing Rules and Regulations (IRR) of RA No. 11032 was subsequently promulgated on 4 August 2019.
- 1.4. Section 5 of RA No. 11032, Reengineering of Systems and Procedures, stated that “all offices and agencies which provide government services are hereby mandated to regularly undertake cost compliance analysis, time and motion studies, undergo evaluation and improvement of their transaction systems and procedures and reengineer the same if deemed necessary to reduce bureaucratic red tape and processing time.”

“The Anti-Red Tape Authority, created in this Act, shall coordinate with all government offices covered under Section 3 of this Act in the review of existing laws, executive issuances and local ordinances, and recommend the repeal of the same if deemed outdated, redundant, and adds undue regulatory burden to the transacting public.”

**2. PURPOSE**

This Memorandum Circular shall provide all national government agencies and local government units the pertinent information and instructions in the submission of its Compliance Report as mandated by AO 23, s. 2020.

**3. COVERAGE**

This Memorandum Circular shall apply to all national government agencies and local government units covered by Section 3 of RA No. 9485, as amended by RA No. 11032. The said provision of the law reads: “This Act shall apply to all government offices and agencies including local government units (LGUs),

government –owned or –controlled corporations and other government instrumentalities, whether located in the Philippines or abroad, that provide services covering business and non-business related transactions as defined in this Act.” In relation thereto, Section 4 of RA No. 11032 defines business-related transactions as “a set of regulatory requirements that a business entity must comply with to engage, operate or continue to operate a business, such as, but not limited to, collection or preparation of a number of documents, submission to national and local government authorities, approval of application submitted, and receipt of a formal certificate or certificates, permits, licenses which include primary and secondary, clearances and such similar authorization or documents which confer eligibility to operate or continue to operate as a legitimate business” while nonbusiness transactions “are all other government transactions not falling under Section 4 (c) of the Act.”

#### 4. GENERAL GUIDELINES

4.1. The Compliance Report should indicate the service information stipulated in the agencies’ respective Citizen’s Charters and its adherence with the requirements of RA No. 9485, as amended. As defined in the ARTA MC 2019-002, “the Citizen’s Charter is the official document that will communicate, in simple terms, the service standards or pledge of an agency on the government services being provided to the citizens. Other than communicating the service standards of the office, it shall also serve as the basis for establishing liability of all erring government employees involved in unnecessary red-tape and corruption.”

4.2. The Compliance Report is separate and a non-substitute to the submission of the A1 Form required for the granting of the Performance Based Bonus pursuant to Administrative Order No. 25, s. 2011.

4.3. All national agencies covered herein shall accomplish and provide ARTA, copy furnished the Office of the President, the **Compliance Report** which includes the following:

4.3.1. All services which the agency offers to the public;

4.3.2. The governing law/s<sup>1</sup> and its corresponding provision that empowers the government agency to regulate or provide the service;

4.3.3. The list of regulation/issuances<sup>2</sup> that provide guidelines, rationale, among others, of the identified service. Electronic copies of the regulation/issuances must also be provided.

4.3.4. Details on service information (as indicated in the updated Citizen’s Charter submitted to the Authority):

- i. Name of the service
- ii. List of requirements and corresponding legal basis
- iii. Client Steps/Procedure and corresponding legal basis
- iv. Total processing time to complete the service
- v. Total fees to be paid by the citizen or client

4.3.5 The updated Citizen’s Charter, which includes all services of the agency, shall be submitted together with the Compliance Report.

#### 5. SUBMISSION OF REPORT

5.1 The Compliance Report, duly signed and approved by the head of agency or his duly authorized representative, shall be submitted to the Authority, copy furnished the Office of the President, using the template provided in Annex A.

5.2. In the interest of service and pursuant to Presidential Proclamation No. 922, series of 2020 declaring a State of Public Health Emergency throughout the Philippines due to Coronavirus Disease 2019 (COVID-19),

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<sup>1</sup>Laws are pieces of legislation passed by Congress (both the House of Representatives and the Senate of the Philippines) and approved by the President (by positive act or inaction).

<sup>2</sup>Issuances may be rules or guidelines issued by the agency to implement a law or to lay regulations for the public, in accordance with law. These may be in the form of circulars, orders.

Memorandum from the Office of the Executive Secretary on the subject Community Quarantine over the Entire Luzon and Further Guidelines on the Management of COVID-19 Situation, and the Civil Service Commission Announcement No.13, s. 2020 on the Alternative Work Arrangements in light of the Enhanced Community Quarantine, the ARTA has requested the Office of the President for the extension of the deadline of submission of the Compliance Report.

5.3. Pursuant to the Memorandum from the Executive Secretary dated 02 June 2020, the periods of submission under AO 23, s. 2020 have been extended. The Compliance Report shall be submitted to the Authority, copy furnished the Office of the President, within 60 calendar days from 26 May 2020 or until **25 July 2020**.

5.4. Reports must be saved in secure-text readable file formats (i.e. PDF, DOCX) and shall only be submitted electronically with corresponding official transmittal letter signed by the head of the agency/local chief executive/authorized representative through the email address: [compliance@arta.gov.ph](mailto:compliance@arta.gov.ph).

5.5. An acknowledgement e-mail will be sent by ARTA upon receipt of the submission.

## **6. FEEDBACK**

6.1 All inquiries and concerns should be coursed through ARTA through any of the following means:

E-mail Address – [info@arta.gov.ph](mailto:info@arta.gov.ph)  
Website – [www.arta.gov.ph](http://www.arta.gov.ph)  
Facebook – Anti-Red Tape Authority  
Twitter – @ARTAgovph  
Instagram – @ARTAgovph

## **7. SANCTIONS**

7.1 Per Section 5 of AO No. 23, s. 2020, “failure to comply with the provisions stated herewith shall result to the filing of appropriate administrative cases pursuant to existing Civil Service Commission Rules on Administrative Cases in the Civil Service, and other relevant laws, rules, and regulations.”

## **8. AMENDMENT TO GUIDELINES**

8.1 The guidelines outlined in this Circular are subject to change as may be deemed necessary by the Anti-Red Tape Authority consistent with AO No. 23, s. 2020.


## **9. EFFECTIVITY**

9.1 This Circular shall take effect immediately and will be implemented simultaneously with the effectivity of the Administrative Order No. 23.

### **RECOMMENDED BY:**



**ATTY. ERNESTO V. PEREZ, CPA**  
Deputy Director General



**ATTY. EDUARDO V. BRINGAS**  
Deputy Director General

APPROVED BY:

  
ATTY. JEREMIAH B. BELGICA, REB, EnP  
Director General



## ADMINISTRATIVE ORDER NO. 23 COMPLIANCE REPORT TEMPLATE

(1) NAME OF DEPARTMENT/AGENCY/LGU: \_\_\_\_\_

(2) SUBMITTED UPDATED CITIZEN'S CHARTER TO ARTA ON JULY 25, 2020:     Yes         No

(3) LIST OF ALL FRONTLINE SERVICES AND CORRESPONDING LEGAL BASIS

| GOVERNMENT SERVICE | LEGAL BASIS   |  | OFFICE/AGENCY REGULATIONS |                     |   |
|--------------------|---|--|---------------------------|---------------------|---|
|                    | Governing Law(s)<br>(Number and Short Title) <sup>3</sup> | Specific Provision in the<br>Governing Law(s) as<br>Basis <sup>4</sup> | Issuance/Policy<br>Title  | Date of Effectivity | Other Issuances/Policies it Effectively<br>Repeals/Amends |
|                    |   |  |                           |                     |   |
|                    |   |  |                           |                     |   |
|                    |   |  |                           |                     |   |
|                    |   |  |                           |                     |   |
|                    |   |  |                           |                     |   |

<sup>3</sup> Number and short title of the governing law which mandates and gives power to the agency or LGU to regulate and/or offer the service

<sup>4</sup> Cite section number and quote provision identified in the governing law

**(4) SERVICE INFORMATION PER GOVERNMENT SERVICE<sup>5</sup>**

| GOVERNMENT SERVICE: _____ |             |   |             |                       |                       |
|---------------------------|-------------|---|-------------|-----------------------|-----------------------|
| SERVICE INFORMATION       |             |   |             |                       |                       |
| LIST OF REQUIREMENTS      |             | LIST OF STEPS AND PROCEDURES                                  |             | Total Processing Time | Total Fees to be Paid |
| Requirement               | Legal Basis | Client Steps/Procedures as indicated in the Citizen's Charter | Legal Basis |                       |                       |
|                           |             |   |             |                       |                       |
|                           |             |   |             |                       |                       |
|                           |             |   |             |                       |                       |
| <b>TOTAL</b>              |             |   |             |                       |                       |

<sup>5</sup> Please note that one table is to be filled-up per Government Service.

To fill up:

- a) List down all requirements applicable to the government service
- b) Per requirement, cite legal basis/rationale why requirement is essential
- c) Steps/Procedures should be listed in the Client's perspective
- d) If applicable, legal basis of each step/procedure may be indicated in column 4
- e) Input the total processing time for the service in working days and/or hours
- f) Input the sum of all fees paid for the service