

**MEMORANDUM CIRCULAR No. 2020 - 06**  
**Series of 2020.**

**TO: ALL GOVERNMENT OFFICES AND AGENCIES IN THE EXECUTIVE DEPARTMENT, INCLUDING LOCAL GOVERNMENT UNITS (LGUs), GOVERNMENT-OWNED-OR-CONTROLLED CORPORATIONS (GOCCs), AND OTHER GOVERNMENT INSTRUMENTALITIES, WHETHER LOCATED IN THE PHILIPPINES OR ABROAD**

**SUBJECT: GUIDELINES ON THE ISSUANCE AND/OR REINSTITUTION OF PERMITS AND LICENSES UNDER THE “NEW NORMAL”**

**DATE: 27 August 2020**

---

**I. BACKGROUND**

Since 17 March 2020, the country has been placed under various levels of quarantine as infections continue to rise. The quarantine orders forced people to stay home and to significantly limit businesses' ability to engage in economic activity. Currently, the coronavirus disease (COVID-19), first appearing in China in late 2019, has spread nearly unchecked across over 213 countries and territories, including the Philippines. Its high infection rate has caused governments, businesses, and practically all global economic activity to shut down or drastically slow down.

During this period, to avoid a drastic economic slowdown, specific regulatory challenges to businesses in continuing operations need to be addressed. These challenges may pertain to the inability to secure or renew the necessary permits and licenses, submit reporting requirements, or pay the necessary taxes, fees and other charges to regulatory government agencies.

The current regulatory procedures and documentary requirements of most government agencies are not designed to adapt to the “New Normal” of physical distancing and limited mobility, when dealing with pandemics like the COVID-19 contagion. In most cases, these regulatory procedures and documentary requirements are characterized by manual procedures, which are either too burdensome or requirements with no clear justification under an agency's mandate, and redundant requirements across government agencies, amongst others. There is, thus, an urgent need to simplify, streamline and harmonize these requirements and to maximize the use of existing technologies to enable continued and more effective government services of regulatory agencies to the public.

Republic Act No. 11032 (RA 11032), otherwise known as the *Ease of Doing Business and Efficient Government Service Delivery Act of 2018*, provides the government with the necessary tools to facilitate the processing and issuance of permits, licenses and clearances. It has also empowered the Anti-Red Tape Authority

(“Authority”) to act, where necessary, to ensure the timely and efficient delivery of government services. In addition, the Authority is also authorized to recommend policies, processes and systems to improve regulatory management to increase the productivity, efficiency and effectiveness of business permitting and licensing agencies, and provide technical assistance and advisory opinions in the review of existing procedures to ensure timely delivery of services to the public.

## **II. LEGAL BASES**

### **1. 1987 Constitution of the Republic of the Philippines**

- 1.1. Section 15, Article II** declares it as a policy of the State to protect and promote the right to health of the people and instill health consciousness among them.

### **2. Republic Act No. 11032 or the *Ease of Doing Business and Efficient Government Service Delivery Act of 2018***

- 2.1. Section 2** declares it the policy of the State to establish effective practices, aimed at efficient turnaround of the delivery of government services and the prevention of graft and corruption in government, which shall encompass a program for the adoption of simplified requirements and procedures that will reduce red tape and expedite business and non-business related transactions in government;
- 2.2. Section 7** provides for a *Zero-Contact Policy* which is consistent with the aim of having contactless transactions in the delivery of government services, saving both the government employee or official and the transacting public from the risk of exposure to COVID-19 or any other contagion and absolutely negates potential transmission;
- 2.3. Section 10** mandates that if a government office or agency fails to approve or disapprove an original application or request for issuance of license, clearance, permit, certification or authorization within the prescribed processing time, said application or request shall be deemed approved: *Provided*, That all required documents have been submitted and all required fees and charges have been paid. Similarly, applications or requests for renewal are automatically extended if a government office or agency fails to approve or disapprove such application or request within the prescribed processing time;
- 2.4. Sections 17** created the Authority, which primarily functions to implement and oversee a national policy on anti-red tape and ease of doing business in the Philippines;
- 2.5. Sections 13 and 14** provide for the establishment of systems or technologies, such as the Central Business Portal and the Philippine Business Data Bank, respectively, that shall be utilized in the processing and approval of applications, serving as a database, and interlinking the systems of various government agencies;

**2.6. Sections 15** provides for the specific prescribed processing times for the processing and approval of licenses, clearances, permits, certifications or authorizations for the installation and operation of telecommunication, broadcast towers, facilities, equipment and service, as follows:

- a) a total of seven (7) working days for those issued by the barangay;
- b) a total of seven (7) working days for those issued by LGUs; and
- c) seven (7) working days for those issued by NGAs.

When the approval of the appropriate local legislative body is necessary, a nonextendible period of twenty (20) working days is hereby prescribed. In the event the application is not approved or disapproved within the stated periods, the same is deemed approved.

### **3. Issuances by the Office of the President**

**3.1. Administrative Order No. 23, Series of 2020** dated 21 February 2020, directed all national government agencies covered by Section 3 of RA 11032 to hasten the reform of their processes in order to eliminate overregulation and to retain only such steps, procedures, and requirements necessary to fulfill their legal mandates and policy objectives;

**3.2. Proclamation No. 929, Series of 2020**, dated 16 March 2020 declared a State of Calamity throughout the Philippines for a period of six (6) months and imposed an Enhanced Community Quarantine throughout Luzon and other parts of the country due to the continuous rise of confirmed cases of COVID-19 in the Philippines;

**3.3. Executive Order No. 112, Series of 2020** dated 30 April 2020 placed several provinces and regions, in the Philippines under the Enhanced Community Quarantine (ECQ) and the rest of the regions therein under a General Community Quarantine (GCQ) until 15 May 2020;

**3.3.1. EO 112** likewise adopted **Resolution No. 30, Series of 2020**, of the Inter-Agency Task Force on Emerging Infectious Diseases (IATF-EID).

**3.4. Administrative Order No. 32, Series of 2020** dated 26 August 2020 was issued to expedite the review and approval process of infrastructure flagship projects on water security.

- 3.4.1. **Section 2** directed all agencies to give priority to complete reviews and approvals of infrastructure flagship projects on water security, strictly within the processing time and deadlines established by law.
- 3.4.2. **Section 3** mandates the relevant issuing agencies to submit a written report to the Presidential Adviser for Flagship Programs and Projects (PA-FPP) and the National Economic Development Authority (NEDA), copy furnishing the Authority, regarding the status of the applications for the required license, clearance, permit, certification or authorization, as well as issues encountered and the cause/s for delay or inaction, with advice on the corrective measures that may be undertaken as appropriate.
- 3.4.3. **Section 4** states that Heads of relevant agencies, shall, within the limits prescribed by law, accelerate the permitting process of all infrastructure flagship projects on water security and render assistance necessary to support the PA-FPP and NEDA.

#### **4. Resolutions of the Inter-Agency Task Force on Emerging Infectious Diseases**

- 4.1. **Resolution No. 30, Series of 2020**, or the *Omnibus Guidelines for the Implementation of Community Quarantine in the Philippines*, that is applied to areas placed under ECQ and GCQ. The IATF-EID has since issued various resolutions, pursuant to its authority under EO 112, placing various areas of the Philippines under different levels of quarantine;
- 4.2. **Resolution No. 30 (s. 2020)** dated 29 April 2020 and **30-A dated** 01 May 2020, or the *Omnibus Guidelines for the Implementation of Community Quarantine in the Philippines*, mandates that minimum public health standards shall be complied with, at all times, for the duration of the ECQ and GCQ;

#### **5. Issuances of the Authority**

- 5.1. **Advisory No. 01, Series of 2020**, dated 25 March 2020, recommended the adoption of fast-track measures and tools to aid government agencies in simplifying and streamlining their respective procedures to speed up government service delivery during the COVID-19 state of calamity;
- 5.2. **Advisory No. 02, Series of 2020**, dated 15 April 2020, strongly urged government agencies to create One-Stop-Shops to further increase efficiency and customer experience satisfaction, and decrease the risk of contracting

or infecting others with COVID-19 through a minimization of physical presence requirements;

### III. PURPOSE

This Memorandum Circular ("MC") is issued to all Government Agencies including Local Government Units (LGUs), as defined in Section IV herein, to provide simplified, streamlined, and automated standards, measures and procedures to be adopted by all covered agencies in delivering efficient and hazard-free government services under the "New Normal".

The objectives of this MC are to ensure that regulatory procedures and requirements do not unnecessarily constrain businesses in continuing to engage in productive economic activities; and to alleviate the impact brought by the COVID-19 pandemic and to increase the productivity, efficiency, and effectiveness of Government Agencies to support the effort of businesses to continue or to engage in business in the Philippines.

### IV. DEFINITION OF TERMS

1. **Automatic Approval or Extension** – refers to Section 10 of RA 11032, which deems approved the applications for licenses, clearances, permits, certification or authorization pending with a Government Agency when:

(a) such Government Agency fails to approve or disapprove an original application or request for issuance of license, clearance, permit, certification or authorization within the prescribed processing time;

(b) the applicant has submitted all required documents and paid all required fees and charges; and

(c) the pending application is supported by the acknowledgement receipt and official receipt evidencing payment of the applicable fees issued by the Government Agency to the applicant or requesting party.

The acknowledgement receipt and official receipt referred to in (c) above shall be enough proof or has the same force and effect of a duly issued license, clearance, permit, certification or authorization.

This shall also cover applications or requests for renewal, which are automatically extended in the event the Government Agency fails to approve or disapprove such application or request for issuance of license, clearance, permit, certification or authorization within the prescribed processing time.

2. **Government Agencies** - All government offices and agencies LGUs, government-owned or -controlled corporations and other government instrumentalities, whether located in the Philippines or abroad, that provide services covering business and nonbusiness related transactions as defined in Section 3 of R.A. No. 11032.
3. **National Government Agencies (NGAs)** - All government offices and agencies identified in the next preceding paragraph excluding LGUs.

4. **New Normal** – refers to the new standard or way of life adopted by everyone, to prevent or forestall the transmission of COVID-19. It is the set of norms and standards adopted by the people and the government in order to mitigate the transmission of COVID-19 or any other highly transmissible/communicable disease **even after the development of a vaccine**. It is characterized by strict observance of universal and mandatory safety measures in the workplace, in public places such as government offices, in public transportation, and in schools, among others. The “New Normal” dictates heightened zero-contact measures, placement of relevant on-site signages and online information materials, as well as the establishment or maximization of various forms of electronic/digital (e-governance) platforms/mechanisms<sup>1</sup>.
5. **Whole of Government Approach** - refers to the ability of Government Agencies to work together. It also refers to the change in emphasis from single purpose organizations towards a more integrated approach to public service delivery characterized by seamless government transactions, integrated policy design and implementation across several agencies, and inter-operability of government processes, among others. It also means that government systems and processes work together to provide ease of access and use by the citizens. This entails the review and harmonization of existing and applicable laws, regulations, issuances and policies to make legal interpretations consistent across agencies. Inter-agency reviews shall be adopted for horizontal integration or end-to-end processing in the delivery of government services.
6. **Zero Contact Policy** – refers to the policy adopted by RA 11032 prohibiting officers and employees of Government Agencies from having any contact with an applicant or requesting party, in any manner, concerning an application or request, except: (a) during preliminary assessment of the request and evaluation of sufficiency of submitted documents; and (b) when strictly necessary. Once the Department of Information and Communications Technology (DICT) has completed a web-based software-enabled business registration system acceptable to the public, all transactions shall be coursed through such system.

## V. COVERAGE

This MC shall apply to all Government Agencies falling within the jurisdiction of the Authority, pursuant to Section 3 of RA 11032, as defined in Part IV above.

Insofar as LGUs are concerned, these guidelines shall apply in conjunction with or shall supplement any issuance, memorandum order, and memorandum circular such as, but not limited to, the Joint Memorandum Circular under Section 1, Rule IX of the Implementing Rules and Regulations of RA 11032, as may be hereinafter issued

## VI. GENERAL GUIDELINES

In simplifying and streamlining their respective procedures and documentary requirements, in compliance with RA 11032 and AO 23, all Government Agencies shall be guided by the following measures:

---

<sup>1</sup> Section 3 of House Bill No. 6623 during the Eighteenth Congress of the House of Representatives of the Philippines.

## **1. Reduction of Requirements for Permits, Licenses, and Authorizations**

**1.1. Guiding Principles.** In reducing the processes, procedures and requirements for the issuance of relevant licenses, clearances, permits, certifications and authorizations, Government Agencies shall be guided by the following principles:

- 1.1.1 The Government Agency shall retain only such steps, procedures and requirements that are necessary to allow it to fulfill its legal mandate and the policy objectives of its enabling law;
- 1.1.2 The Government Agency shall remove redundant and unduly burdensome processes, procedures and requirements;
- 1.1.3 The Government Agency shall adopt such process or procedure and impose such requirements that are the least costly to the transacting public, giving due regard to its legal mandate and the policy objectives of its enabling law;
- 1.1.4 To the extent possible, Government Agencies are strongly encouraged to reduce their processes, time and requirements in alignment with Project NEHEMIA spearheaded by the Authority.

### **1.2. Streamlining and Simplification.**

Following the Guiding Principles provided above, Government Agencies shall review their Citizen's Charter, remove unnecessary processes, procedures and requirements and publish a revised list of requirements that can be easily accessed by the transacting public. Any new processes implemented or new government services introduced to address the impact of the ongoing COVID-19 pandemic shall likewise be published in the Government Agencies' Citizen's Charter and be made accessible to the transacting public.

To the extent possible, Government Agencies shall not require information from applicants or requesting parties that can be sourced from offices within the same agency. Government Agencies are enjoined to adopt alternative procedures for verification of information that can be secured from other government offices, agencies and departments, such as, but not limited to data sharing arrangements.

Government Agencies shall not require the notarization of documentary requirements if the same is not required by law to be notarized. This includes documents that Government Agencies require to be notarized simply to convert private documents into public documents.<sup>2</sup>

---

<sup>2</sup> In the past, notarization was required for the purpose of "converting it into a public document". Section 19 of the Revised Rules of Evidence effective 01 May 2020, provides that, "public records, kept in the Philippines, of private documents required by law to be entered therein are public documents." Section 19 (d) of Rule 132 of A.M. No.

### 1.3. Observance of Participatory Rulemaking

In the process of identifying minimum requirements and prior to the eventual re-imposition or issuance of licenses and permits, it is paramount that the Government Agencies engage stakeholders pursuant to Principle 5 of the ASEAN Good Regulatory Practices that, *“stakeholder consultation and engagement is a continuous process across all stages of the regulatory cycle.”*

Participatory rulemaking is also aligned with Subsector Outcome 4 of the Philippine Development Plan 2017-2020 that *“government policies, programs and projects are responsive to the needs of the people, government will actively seek to engage citizens in all aspects of governance.”*

Government Agencies should identify the key stakeholders that will be affected by the proposed regulations or re-imposition of licenses and permits. There is no one-size-fits-all approach to the conduct of consultations, but in lieu of the present limitations brought about by COVID-19, consultations may be done through any one or more of the following modalities:

1. Formulation and dissemination of questionnaires/online survey forms to be answered by the stakeholders that will help discern their issues and concerns;
2. Installation of interactive chatbots through the Government Agencies' websites;
3. Facilitation of online live consultations, in various social media platforms, to acquire real-time comments from stakeholders;
4. Design of an interactive web-based tool/platform/application, where stakeholders are allowed to provide feedback through their computer or mobile device.

The conduct of consultations promotes participatory governance in the regulation-making process despite the limitations presented by the COVID-19 Pandemic. It ensures the quality of a regulation<sup>3</sup> and promotes the right of the people and their organizations to effective and reasonable participation at all levels of social, political, and economic decision-making<sup>4</sup>. Moreover, the conduct of virtual consultations ensures transparency and accountability of regulatory proposals by engaging key stakeholders in the formulation of policy options. Stakeholder consultations will ensure that government agencies coordinate with other regulating entities to avoid overlapping and redundant issuances/regulations.

---

19-08-15-SC (2019 Proposed Amendments to the Revised Rules on Evidence) effective 01 May 2020; See also *People of the Philippines v. Ponciano Espina, G. R. No. 219614, July 10, 2019.*

<sup>3</sup> Section 6 (b) Rule III, IRR of R.A. 11032.

<sup>4</sup> Section 1 (7), Chapter 1, Book II of EO 292 or the *Administrative Code of 1987.*



## 2. Electronic Submission and Acceptance

All Government Agencies are required to set up an online processing system for accepting applications for permits, licenses, clearances, aligned with the directive to adopt electronic versions of licenses, clearance, permits, certifications or authorizations under **Section 9(e) of RA 11032**, with the same level of authority as that of the signed hard copy, and which may be printed by the applicants or requesting parties in the convenience of their offices<sup>5</sup>. The use of such electronic versions is intended to eliminate red-tape and provide uninterrupted delivery of government services.

Government Agencies shall accept electronic copies of the documentary requirements, including photographs<sup>6</sup>, in place of hard copies, unless a hard copy of the requirement is required by law. This shall likewise apply to intra-agency documentary requirements of offices within an agency.

In the absence of a fully-functioning online portal for the processing of applications, Government Agencies shall accept applications via their official email or through a designated email address (preferably through the GovMail System for security and data sovereignty). This shall be supported with adequate online and onsite information campaigns.

## 3. Reduction of Signatories and Use of Electronic Signatures

Government Agencies are directed to avail of and recognize the use of the Philippine National Public Key Infrastructure (PNPKI)<sup>7</sup> of the Department of Information and Communication Technology (DICT), which utilizes digital signatures<sup>8</sup> in signing official documents. They may also avail of other means of digitally signing official documents, licenses, and permits being offered by private entities provided it is in keeping with the issuances of the DICT on the use of electronic or digital signatures.

For documentary requirements that require physical signatures, electronic signatures as defined under Section 5(e) of Republic Act No. 8792<sup>9</sup> may be used. Electronic signatures or pre-signed licenses, clearances, permits, certifications or authorizations with adequate security and control mechanism may be used<sup>10</sup> as much as feasible.

The number of signatories in any document shall be limited to a maximum of three (3) signatures, which shall represent officers directly supervising the office or

---

<sup>5</sup> Section 6, Rule VII, *Implementing Rules and Regulations of RA 11032*.

<sup>6</sup> Section 4 of Rule 130 of A.M. No. 19-08-15-SC (2019 Proposed Amendments to the Revised Rules on Evidence) effective 01 May 2020.

<sup>7</sup> See **Executive Order No. 810, Series of 2009** and **DICT Department Circular No. 2017-001** dated 18 January 2017.

<sup>8</sup> See Section 3 (d) of **Joint Administrative Order No. 02, Series of 2001** dated 28 September 2001

<sup>9</sup> "Electronic Signature" refers to any distinctive mark, characteristic and/or sound in electronic form, representing the identity of a person and attached to or logically associated with the electronic data message or electronic document or any methodology or procedures employed or adopted by a person and executed or adopted by such person with the intention of authenticating or approving an electronic data message or electronic document. See also **Supreme Court A.M. No. 01-7-01-SC** or the *Rules on Electronic Evidence* dated 17 July 2001; **DTI-DOST Joint Administrative Order No. 02, Series of 2001** dated 28 September 2001.

<sup>10</sup> Section 9 (d) of RA 11032.

agency concerned and are responsible<sup>11</sup> for the issuance of the document. In case the authorized signatory is on official business or official leave, an alternate shall be designated as signatory.<sup>12</sup>

The head of the agency or office shall issue an appropriate inter-office memorandum enumerating the list of authorized or regular signatories for each privilege, right, license, clearance, permit or authorization, concession or such other document issued by the agency or office. Such inter-office memorandum shall also stipulate the agency rules on proper delegation of the authority to sign in the absence of the regular signatory, guided by the following standards:

- a) If there is only one official next in rank, he/she shall automatically be the signatory;
- b) If there are two or more officials next in rank, the appropriate inter-office memorandum shall prescribe the order of priority among the officials next in rank within the same organizational unit; or
- c) If there is no official next in rank present and available, the head of the department, office or agency shall designate an officer-in-charge from among those next lower in rank in the same organizational unit<sup>13</sup>.

The inter-office memorandum shall include the adoption of rules and controls on the use of digital signatures, which includes the duties and responsibilities of the users of the digital certificates, the accountabilities of its users, and the penalties associated for its improper use as well as negligence of the subscriber of the digital certificate. At the minimum, this shall ensure authentication of documents, non-repudiation of the signatures, and integrity of documents.

The aforesaid inter-office memorandum shall be furnished to the Authority.

The Government Agencies shall encourage the transacting public to avail and use the aforesaid electronic signatures, such as the PNPKI of DICT, in the documentary requirements to be submitted to Government Agencies that require signatures. Electronic signatures or pre-signed licenses, clearances, permits, certifications or authorizations with adequate security and control mechanism shall be used<sup>14</sup> or submitted as much as feasible.

#### **4. Digital Payments for Licenses, Permits and Other Fees.**

All Government Agencies are required to set up a payment gateway to accept digital payments (credit cards, debit cards, prepaid/e-money, and/or bank transfer) for the acceptance of all permits, licensing, and other fees. As an immediate short-term solution, electronic payments may be accomplished initially by providing direct

---

<sup>11</sup> *Ibid.*

<sup>12</sup> *Ibid.*

<sup>13</sup> Section 5, Rule VII, IRR of RA 11032.

<sup>14</sup> Section 9 (d) of RA 11032.

payment to the agency's designated account for such payments after confirming the agency's capability for matching payments and invoices.

Pursuant to the Commission on Audit Circular No. 2013-007, the government agency shall acknowledge the electronic receipt issued by the digital payment gateway as proof of payment by the client. Upon the reconciliation by the Cashier or Authorized Official of the validity of the electronic payment, a separate electronic official receipt (eOR) or a scanned version of the written official receipt shall be issued by the government agency and be transmitted electronically to the payee.

Subsequently, in line with the zero-contact policy of RA 11032, all agencies provide alternative digital payments options through service agreements with BSP-regulated private and/or public Payment System Providers (PSP) or Electronic Payment and Collection System Providers (EPCSs), such as but not limited to EGov Pay, Land Bank Link.Biz, GCash, PayMaya, Coins.Ph, DragonPay, Omni-Pay, BancNet, for digital payment acceptance and eOR provision, and restrict over-the-counter payments to highly exceptional cases. These service providers will allow agencies to better reconcile payment information through the provision of reference information specific for each transaction, with at least the provision of payment instructions that includes a payee name, payment type (such as license or permit paid for), and a transaction identification number.

For quick access to digital payments, all Government Agencies shall place in the home page of their website, a hyperlink and/or a Quick Response (QR) Code to their digital payment platforms. The use of QR Codes by PSPs is provided for by BSP Circular No. 1055 series of 2019 entitled "Adoption of National Quick Response (QR) Code Standard."

## **5. Conduct of Interactions**

Government Agencies are hereby reminded that the Zero-Contact Policy<sup>15</sup> should not be used as a tool in denying government service to the transacting public who are requesting for an update on the status of their applications. This results in further burdening the transacting public, not to mention their risk of exposure to COVID-19. Such concern may well be addressed by the Government Agencies by posting the status of applications in their respective websites, or designating an email address that shall respond to such inquiry. Assigning a hotline to address these concerns is also an option. Nonetheless, it must be emphasized that no follow-up is necessary if the Government Agencies approves or issues the licenses and permits applied for within the prescribed processing time stated in their Citizen's Charter.

In line with the Zero-Contact Policy, requirements for meetings or interviews with the applicant shall be removed, unless the process is considered strictly necessary for a complex or highly technical application. The conduct of the meeting or interview be a mandatory and non-negotiable requirement, Government Agencies shall strictly observe contactless interactions through the use of telephone or video calling technologies and other available secure technological platforms.

Government Agencies are directed to conduct inspections, based on a proper risk assessment, with inspections prioritized only for entities/applications that pose a

---

<sup>15</sup> Section 7 of R.A. 11032.

high risk to the public. For low risk applications, a self-declaration may be required from the applicant, in lieu of an inspection. If the conduct of physical inspection be a mandatory and non-negotiable requirement, Government Agencies shall strictly observe contactless inspections and adhere to minimum public health standards as defined under the *Omnibus Guidelines on the Implementation of Community Quarantine in the Philippines*<sup>16</sup> (universal and mandatory safety measures) to suppress transmission of COVID-19. Government Agencies may adopt appropriate alternative modes of inspection, depending on the nature of the application, such as remote inspection using video calling technologies and other available secure technological platforms.

Whenever possible, the government shall adopt one-time joint inspection or harmonized inspection schedules of National Agencies and LGUs to reduce regulatory burden whilst upholding public interest. Such Government Agencies shall consolidate their procedures for the aforesaid one-time inspection.

Where one-time joint inspection is not possible, Government Agencies mandated to inspect the same premises may deputize any of the other Government Agencies to conduct the inspections for them. Government Agencies deputizing other Government Agencies to conduct inspections on their behalf shall ensure that the designated inspectors are duly trained and given clear instructions on how to conduct such inspections.

## **6. Observance and Compliance with R.A. No. 11032 and its IRR**

**6.1. Prescribed Processing Time.** All Government Agencies shall **OBSERVE** and **COMPLY** with the prescribed processing times provided under RA 11032. Any failure to deliver a government service, especially in the issuance of permits, licenses, certification and authorizations, within the prescribed processing times constitutes a violation of RA 11032.

The Authority is mindful of the challenges that many Government Agencies are facing since many of them have adopted various work arrangements that reduced their available manpower such as a work from home arrangements, flexible working hours, or the adoption of a skeleton (skeletal) workforce. However, it must be emphasized that this shall not be an excuse for Government Agencies to forego of the prescribed processing times, which remains to be in effect.

Adherence to said periods will ensure that the government is able to deliver the much-needed services to the public during these trying times, subject to a one-time extension as allowed under the law.<sup>17</sup> The government's prompt response will, among others, help to jumpstart the country's economy by eliminating bureaucratic red tape in processing applications of those who wish to start a business and for those renewing their licenses and/or permits.

---

<sup>16</sup> IATF Resolution No. 30, Series of 2020.

<sup>17</sup> Section 9 (b) (1) of R.A. 11032.

The Authority further reminds all Government Agencies to ensure compliance with the prescribed processing times specifically set by law such as, but not limited to, **Section 15 of R.A. No. 11032** for the interconnectivity infrastructure development. Moreover, they are reminded of the directives under **AO 32, Series of 2020**, dated 26 August 2020, issued by the Office of the President to prioritize and expedite the review and approval process of infrastructure flagship projects on water security by completing such application for license, permit, certification or authorization strictly within the prescribed processing time and deadlines established by law.

- 6.2. Zero Back Log Program.** Pursuant to **Section 1, Rule VI of the IRR of R.A. 11032**, all Heads of Government Agencies are hereby directed to submit their Compliance to the implementation of a Zero Back Log Program in their respective offices, which should have been in effect within twelve (12) months from the effectivity of the IRR, or on **04 August 2020**.

## **VII. SPECIAL RULES ON VALIDITY OF GOVERNMENT PERMITS, LICENSES, CLEARANCES, CERTIFICATIONS OR AUTHORIZATIONS**

In ensuring ease of compliance with RA 11032 and AO 23, all Government Agencies shall be guided by the following special rules on validity of permits, licenses, clearances, certification or authorization:

### **1. Automatic Approval or Renewal**

All Government Agencies are reminded of the automatic approval provision under **Section 10 of R.A. No. 11032**<sup>18</sup>. In line with the spirit behind this provision, it is paramount that All Government Agencies shift the paradigm of their regulatory mindsets towards a culture of trust.

Currently the burden of proving that one may be granted the privilege to conduct a particular activity rests upon the applicant. As such, requirements are to be submitted and fees are to be paid by said applicant. In view of the Automatic Approval

---

<sup>18</sup> **Sec. 10. Automatic Approval or Automatic Extension of License, Clearance, Permit, Certification or Authorization.** — If a government office or agency fails to approve or disapprove an original application or request for issuance of license, clearance, permit, certification or authorization within the prescribed processing time, said application or request shall be deemed approved: Provided, That all required documents have been submitted and all required fees and charges have been paid. The acknowledgement receipt together with the official receipt for payment of all required fees issued to the applicant or requesting party shall be enough proof or has the same force and effect of a license, clearance, permit, certification or authorization under this automatic approval mechanism.

If a government office or agency fails to act on an application or request for renewal of a license, clearance, permit, certification or authorization subject for renewal within the prescribed processing time, said license, clearance, permit, certification or authorization shall automatically be extended: Provided, That the Authority, in coordination with the Civil Service Commission (CSC), Department of Trade and Industry (DTI), Securities and Exchange Commission (SEC), Department of the Interior and Local Government (DILG) and other agencies which shall formulate the IRR of this Act, shall provide a listing of simple, complex, highly technical applications, and activities which pose danger to public health, public safety, public morals or to public policy.

provision, once submission of all the requirements and payment of all the fees stated under the Citizen's Charter are made, the burden is now shifted to the Government Agencies, who must act on the application by approving or disapproving it within the prescribed processing time stated under their respective Citizen's Charters. In case the Government Agency fails to do so, the presumption that the application is complete and is in order shall prevail, unless there is a notice of disapproval or a notice requesting for extension from the concerned Government Agencies duly received by the applicant within the prescribed processing time.

Thus, all pending applications that remain unacted upon, (*i.e.*, neither approved nor disapproved, by the responsible Government Agency) beyond the prescribed processing time, and that meet the conditions for Automatic Approval under Section 10 of RA 11032, namely, the submission of complete requirements and payment of appropriate fees, shall be deemed automatically approved.

Similarly, applications for the renewal of a license, clearance, permit, certification or authorization subject for renewal within the prescribed processing time, said license, clearance, permit, certification or authorization shall automatically be extended.

The maximum prescribed processing times may only be extended once for the same number of days, upon written notification by the Government Agency, to the applicant or requesting party, containing the following: (1) the need to extend the time to process the pending application, (2) the reasons for the same and (3) the final date of release of the government service/s requested.<sup>19</sup>

Such notification must be received by the applicant or requesting party within the prescribed processing time for such application, preferably via electronic means. Once the notification is received by the applicant or requesting party within the prescribed processing time, the Automatic Approval provision of RA 11032 will not take effect. In this case, the failure of the Government Agency to issue an approval or disapproval of the application within the prescribed processing time, will not have the effect of automatically approving the pending application.

No exemption was granted by the law from the coverage of the Automatic Approval provision. Thus, all Government Agencies are bound to ensure that applications are acted upon within the prescribed processing time and to adjust their systems and procedures accordingly.

## **2. Extended Validity for Licenses, Clearances, Permits, Certifications or Authorizations**

- 2.1. **Extended Validity.** All Government Agencies are directed to consider extending the validity of their licenses and permits to at least five (5) years, unless otherwise specified by law, or by particular time-bound reportorial requirements necessary for the implementation of such license, permit or authorization.

---

<sup>19</sup> Section 9(b)(1) of Republic Act No. 11032.

- 2.2. **Emergency Extension.** To ensure business continuity, the emergency extensions granted under ARTA Advisory No. 1, Series of 2020, or other related issuance by the particular agency shall remain effective, pending the issuance of renewed permits, licenses and authorizations by the Government Agencies. They are hereby directed to expedite processes for the issuance of new or renewed permits, licenses, certifications and other similar authorizations, immediately upon the effectivity of this MC.

### 3. Expedited Renewal Procedures

The similar principle and paradigm shift discussed under **Item No. VII. 1. (Automatic Approval or Extension)**, shall be adopted by all Government Agencies in the renewal of permits and licenses. They are expected to have diligently performed their post-audit examination on persons or entities previously issued a permit, license or authorization.

Government Agencies are directed to update their Citizen's Charter, incorporating therein their expedited procedures for renewal of licenses and permits, applied and/or paid through electronic means.

- 3.1. **Renewal of Permits, Licenses, Clearances, Certifications, or Authorizations.** All applications for renewals of permits, licenses, clearances, certifications, or authorizations shall be automatically renewed, upon due payment of appropriate fees and after the lapse of the appropriate prescribed processing time without any action from the concerned Government Agency. However, this shall not apply to renewals where the applicant has been duly informed (prior to or upon application for renewal) of the following: (1) non-compliance with any of the requirements stated in the Citizen's Charter; and/or (2) a finding of violation/s of applicable laws, rules and regulations committed by the applicant. Nevertheless, the applicant shall be given time to make such corrections as will be discussed below.

- 3.2. **Notice of Denial.** When a Notice of Denial is issued due to (1) incomplete requirements, or (2) violation/s of any law, rule, and/or regulation, the applicant may be allowed to re-apply provided the applicant has rectified the same through the payment of appropriate taxes/fines/penalties or charges, among others, corresponding to said violation.

This is without prejudice, however, to any penalty imposed by the appropriate courts for violation/s by the applicant of any existing laws, rules and/or regulation or local ordinance as the case may be, which shall take precedence over the aforesaid proof issued by the concerned Government Agency.

## VIII. WHOLE OF GOVERNMENT APPROACH

Government Agencies are enjoined to adopt a whole-of-agency approach, including for back-end/support offices and processes. This involves coordination, avoidance of “working-in-silos”, and streamlining of requirements towards a more integrated approach to service delivery, including government-to-government transactions involving civil service stakeholders within or outside the agency.

Further, government agencies at all levels are encouraged to adopt a **Whole of Nation Approach** which is National Government enabled, Local Government led and People Centric.

In view of the foregoing, the Authority strongly recommends the adoption of the following measures, which best characterizes the principle of the Whole of Government Approach:

### 1. Interconnectivity

At the outset, Government Agencies are hereby reminded to observe the prescribed processing time specifically provided under **Section 15 of R.A. No. 11032** for the Interconnectivity Infrastructure Development. They are further reminded to adhere to JMC No. 1 Series of 2020<sup>20</sup> issued by the Authority together with the other concerned NGAs for the *Streamlined Guidelines for the Issuance of Permits, Licenses, and Certificates for the Construction of Shared Passive Telecommunications Tower Infrastructure (PTTIs)*.

To facilitate the seamless transfer of necessary data or information from one Government Agency to another through available secure technological platforms, it is paramount to interlink systems across Government Agencies. Notably, this should come AFTER the streamlining of all related procedures and documentary requirements to ensure delivery of efficient government services.

Pending the foregoing development of interconnectivity infrastructure by the DICT, interconnectivity among concerned agencies over a particular procedure shall first be established through other viable means available. The use of electronic platforms such as Viber, MS Teams, and **other secured** online platforms may be used by the concerned government offices and agencies to expedite coordination, processing and delivery of government service.

Government Agencies are to consider the provisions of the National Privacy Commission (NPC) Circular No. 2016-01 on the Security of Personal Data in Government Agencies. It is recommended that the Government Agencies ensure, through contractual or other means, that standards, protocols, and processes shall achieve the requirements of interoperability of the system components. Also, Government Agencies shall consider conducting a privacy impact assessment (PIA) in selecting the proper online technological platforms for interconnectivity across Government Agencies.

---

<sup>20</sup> JMC No. 1 Series of 2020 dated 23 July 2020 issued by ARTA, DICT, DILG, DHSUD, DPWH, DOTr-CAAP, DOH, and FDA on the *Streamlined Guidelines for the Issuance of Permits, Licenses, and Certificates for the Construction of Shared Passive Telecommunications Tower Infrastructure (PTTIs)*.



## 2. Data Sharing

Data sharing<sup>21</sup> is a vital element of the Whole of Government Approach as it seeks to ensure the unhampered exchange of information between Government Agencies that require the same information and documentary requirements. This supports the streamlining of the permitting and licensing process, as it ensures that public information is kept up-to-date and are readily available for efficient government service delivery. The alternative would be the applicant being required to visit/transact with each of the agencies separately; to fill application forms requiring the same information; to be charged and assessed multiple times; to secure multiple copies of the same documentary requirement to be submitted to the various Government Agencies; to be subject to various separate inspections; amongst other unnecessary duplication.

As such, the Authority strongly recommends that data sharing must be adopted by all Government Agencies in keeping with the foregoing mandate of RA 11032 and abiding by the Whole of Government Approach. Government Agencies shall eliminate the submission of documents that have already been provided as part of the application process by other Government Agencies.

The Authority must emphasize that the integrity and reliability of data are of prime consideration, and thus, adequate control shall be in place to protect the reliability of information subject of data sharing.

Unless specifically provided for by law, no fees shall be charged if the party requesting for data in relation to their official regulatory functions is a Government Agency.

Moreover, Government Agencies must share information between and among themselves, in accordance with **Republic Act No. 10173 or the Data Privacy Act**. Consistent with the provisions of the Implementing Rules and Regulations of RA 10173, and **NPC Circular 16-02** dated 10 October 2016, Government Agencies may share or transfer personal data under its control or custody to a third party through a data sharing agreement (DSA) in order to facilitate the performance of a public function or the provision of a public service<sup>22</sup>. Such sharing or transfer of data shall not be limited or restricted if the same is already authorized or required by law.<sup>23</sup> As such, if data sharing is already authorized or required by law/s, Government Agencies shall refer to such governing law/s for guidance and apply the Implementing Rules and Regulations of RA 10173 and NPC Circular 16-02 suppletorily.

Government Agencies are reminded that the purposes for data sharing among Government Agencies must be in line with their constitutional or statutory mandates, and for data sharing to be limited only for the purpose/s consistent with such mandate. Processing of personal information that is not in line with their primary functions or outlined in the data sharing agreement may be considered as a violation of RA 10173. It shall be the duty of Government Agencies to ensure that adequate safety or security mechanisms are in place which shall ensure the protection of these information.

---

<sup>21</sup> "Data sharing" is defined as "the disclosure or transfer to a third party of personal data under the control or custody of a personal information controller: Provided, that a personal information processor may be allowed to make such disclosure or transfer if it is upon the instructions of the personal information controller concerned." per Section 3, NPC Circular 16-02 dated 10 October 2016, in relation to Section 1 (f) of Rule 1 of the IRR of RA 10173 or the "Data Privacy Act of 2012".

<sup>22</sup> Section 20 (d) Rule IV of IRR of RA 10173.

<sup>23</sup> Section 1 National Privacy Commission Circular 16-02 dated 10 October 2016.

Finally, the aforesaid DSA must comply with the conditions set forth under Section 6 of NPC Circular 16-02 and shall only be allowed if there are adequate safeguards for data privacy and security, as set by the National Privacy Commission.

### **3. Single Window Approach**

LGUs are mandated to establish business one-stop shops<sup>24</sup>, which is a single common site or a single online website or portal designated for the Business Permit and Licensing System to receive and process applications, receive payments, and ultimately, issue the approved licenses, clearances, permits or authorizations. Some of the features of a business one-stop shop are the single or unified application form reflecting a streamlined back-office process for the concerned units, the physical co-location or strategic linking (online or otherwise) of offices involved in the processing and approval of the application, a single window where the applicant submits his/her application, and the conduct of joint inspections, amongst others. A similar framework may be adopted by the NGAs, as evidenced by the National Business One-Stop Shop (NBOSS).

At the core of a one-stop shop is a single window in the form of a single online portal where the customer interacts with the government: from application/submission of requirements, to payment, and finally to the issuance of permits/clearances/licenses. Notably, the application form/s and attached documents are accepted, routed, and approved through the Government Agencies, which are either physically co-located or whose systems are interlinked, without the customer having to do the routing.

The Authority strongly recommends the adoption of the single window approach by Government Agencies as it limits the interaction between the applicant and the government to what is strictly necessary, at the same time embodying streamlining of processes and requirements across Government Agencies.

## **IX. SEPARABILITY CLAUSE**

Any part or provision of this MC be held unconstitutional or invalid, the other parts or provisions not affected thereby shall continue to be in full force and effect.

## **X. REPEALING CLAUSE**

All issuances, circulars, orders, or memoranda, part or parts of which are inconsistent with any provisions of this MC are hereby repealed and modified accordingly.

## **XI. EFFECTIVITY**

This MC shall be effective immediately upon its publication in the Official Gazette and filing with the University of the Philippines - Office of the National Administrative Register (UP-ONAR).

---

<sup>24</sup> Section 11, RA 11032.

Signed on the \_\_\_\_\_ day of August 2020, in Makati City.

*Eduardo V. Bringas*

Sep 01 2020 00:44 PST



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

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

Approved by:

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