



Republic of the Philippines  
Province of Batangas  
**MUNICIPALITY OF MALVAR**

**OFFICE OF THE SANGGUNIANG BAYAN**

**EXCERPTS FROM THE MINUTES OF THE REGULAR SESSION OF  
THE SANGGUNIANG BAYAN OF MALVAR, BATANGAS HELD  
AT THE LEGISLATIVE HALL ON FEBRUARY 25, 2015.**

PRESENT:

HON. RACHEL ANN H. SAMARITA	Acting Vice Mayor and Presiding Officer
HON. ROSANA C. CABELLO	SB Member
HON. WILLIE M. TAGLE	SB Member
HON. APOLLO L. ENDAYA	SB Member
HON. ARACELI U. MENDOZA	SB Member
HON. AILEEN P. SALUDO	SB Member
HON. ALBERTO C. LAT	SB Member
HON. MATT LOUIE M. ARANDA	SB Member
HON. PEDRO A. SAYAS	SB Member & LnB President

ACTING MUNICIPAL MAYOR:

HON. CRISTETA CUEVAS REYES Vice Mayor & Presiding Officer

ABSENT:

NONE

**ORDINANCE NO. 84 – 2015**

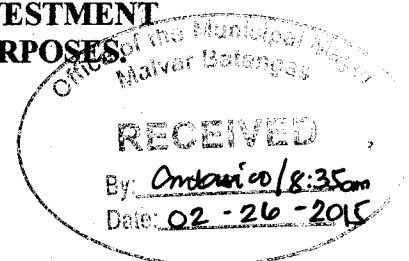
**AN ORDINANCE AMENDING THE MUNICIPAL INVESTMENT  
INCENTIVE CODE OF 2003 AND, FOR OTHER PURPOSES.**

**CHAPTER 1**

**TITLE DECLARATION OF POLICY**

**SECTION 1. TITLE** – This ordinance shall be known as the “MUNICIPAL INVESTMENT INCENTIVE CODE OF MALVAR, BATANGAS”.

**SECTION 2. DECLARATION OF POLICY** – It is the policy of the municipality in coordination with the Provincial Government to attract, promote and welcome productive investment from foreign and local investors, partnership, corporation, and governments in activities which significantly contribute to provincial industrialization and socio-economic development in general and in the Municipality of Malvar, Batangas in particular to the extent that foreign investment is allowed in such activity by the constitution and relevant laws. Foreign as well as local investments shall be encouraged in enterprises that significantly expand livelihood and employment opportunities for the constituents of Malvar enhance economic value



Received by:  
Sonia Hernandez  
04/14/2015

REMEL R. MARIKOR  
CJT 2/26/15

**CONTINUATION OF ORDINANCE NO. 84, SERIES OF 2015 OF THE SANGGUNIANG BAYAN OF MALVAR.**

of farm products; promote the interest and welfare of the consumers; expand the scope, quality and volume of exports and their access to foreign markets; and/or transfer relevant technologies in agriculture, industry, tourism, trade, commerce and support services.

**CHAPTER II**

**MUNICIPAL INVESTMENT INCENTIVE BOARD (MIIB)**

**SECTION 3. THE MUNICIPAL INVESTMENT INCENTIVE BOARD.**

There is hereby created Municipal Investment Incentive Board to implement the provision of the Code.

**SECTION 4. COMPOSITION OF BOARD**

**4.1 Composition of Municipal Investment Incentive Board**

Chairman –	Mayor
Vice Chairman –	Vice Mayor
Members –	Sanggunian Bayan Chairman, Committee on Trade & Industry
	- Department of Trade and Industry Representative
	- NGO Representative
	- One (1) Representative Local Chapter Batangas Chamber of Commerce
	- Licensing Inspector
	- Local Finance Committee
	- Department of Interior and Local Government (DILG)
	- Local Economic and Investment Promotion Officer (LEIPO)
	- Tourism Officer
Liason Recorder	- Municipal Engineer
	- SB Secretary

**4.2 Term of office shall be three (3) years.**

Provide, that the membership of the Board may be increased by the Sangguniang Bayan through the recommendation of the Board as it may deemed necessary for the effective implementation of the provisions of this code.

Provide further, that the Department of Trade and Industry, the Non-Government Organization (NGO) and the Batangas Chamber of Commerce representatives shall be appointed by the Municipal Mayor, upon the recommendation of the Sectors or entity they represent; provided finally, that the term of office of the aforementioned representatives shall be three years, unless otherwise earlier revoked.

**SECTION 5. MEETINGS AND QUORUM OF THE BOARD.**

The Board shall meet at least once every quarter or as often as maybe necessary, on such a day and time as it may fix. The presence of majority of its members shall constitute a quorum in any meetings for the Board to exercise its powers and performs its functions.

**CONTINUATION OF ORDINANCE NO. 84, SERIES OF 2015 OF THE SANGGUNIANG BAYAN OF MALVAR.**

**SECTION 6. POWERS AND FUNCTIONS OF THE BOARD.**

The primary function of the Board shall be to establish a favorable and stable policy on business climate which will encourage and support private sector investment and in the operation of business activities consistent with the development needs of the municipality. Pursuant to this, the Board shall be invested with the following powers:

- a. To promulgate the governing implementing rules and regulations in the implementation of the provisions of this code; subject to the approval of the Sangguniang Bayan.
- b. To screen, evaluate, applicants who wants to avail of this investment incentives and privileges and issue certificate of registration.
- c. To commission economic and technical research for the purpose of identifying priority investment areas and/or activities to be promoted as well as appropriate incentives and support measures which should be extended to the new investors, to attract investors into these areas and/or activities.
- d. The Chairman, or any majority of the Board can call for a meeting to formulate rules and guidelines to ensure compliance with the provisions of this code. The Board shall meet once in every quarter or as need arises.
- e. To adopt a short and medium term of investment promotion program, which shall specify the list of priority investment areas and activities and corresponding incentives and support measures to be used to attract targeted investors.
- f. All applications submitted to the Investment Incentive Board shall be acted upon within fifteen (15) days upon receipt hereof;
- g. To designate the Municipal Investment Promotions Center to act as Secretariat and to consequent supervise the same in its operations specifically in the implementation of the provisions of this code.
- h. The Board is empowered to conduct hearings on issues concerning violations committed against any provisions of this rules.
- i. To secure additional funding and other resources to supplement the budgetary support provided by the Municipal Government for the operations of the Secretariat in its implementation of this code.
- j. To enter into any agreement with other government agencies and/or private sector organizations for the purpose of simplifying systems, procedures and requirements on investment and business operation of the municipality.
- k. To approve applications for the grant of fiscal incentives to qualified applicants in accordance with the policies set by the Board.

**SECTION 7. POWER AND FUNCTION OF THE CHAIRMAN.**

The Chairman shall have the following powers and duties:

- a. To preside over the regular and special meetings of the Board.

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- b. To render an annual report to the SB on sessions on the status and development of the local and foreign investment, the projects on the promotions there of and all other reports pertaining to the works of MIIB.
- c. To recommend to the Board such policies and measures that may be deemed necessary to carry out the objectives of the code.
- d. To confirm the mandated members of MIIB from the Vice Chairman down to its members.
- e. Generally, to exercise such other powers and perform such other duties as may be authorized by the Board from time to time.

**SECTION 8. POWERS AND FUNCTIONS OF THE VICE CHAIRMAN.**

The Vice Chairman of the Board shall have the following powers and duties:

1. Preside over the regular and special meetings of the Board in the absence of the Chairman.
2. Perform other duties of the Chairman in the absence of the latter, and such other duties as may assigned to him by the Board.

**SECTION 9. CREATION OF THE MUNICIPAL INVESTMENT PROMOTION CENTER.**

Municipal Investment Promotion Center shall be manned by Local Economic and Investment Promotion Officer (LEIPO) and act as the Secretariat of the MIIB.

**CHAPTER III**

**DEFINITION OF TERMS**

**SECTION 10. DEFINITION OF TERMS** – When used under this code, the following terms and conditions phrases shall mean as follows:

- a. **“BOARD”** shall refer to Malvar Investment Incentive Board created under this code.
- b. **“MUNICIPALITY”** shall mean Malvar, Batangas covering all the areas within its territorial jurisdiction as provided for by law.
- c. **“CODE”** shall refer to Malvar Investment Incentive Code of 2003.
- d. **“EXISTING ESTABLISHMENT/ENTERPRISES”** shall refer to those establishments/enterprises whose places of operations or production are located within the territorial jurisdiction of the Municipality of Malvar.
- e. **“NEW INVESTORS/ENTERPRISES”** shall refer to those prospective who have not engaged in any kind or type of business in the municipality as is interested in establishing its places of operation or productive in the municipality.

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- f. **“PREPARED AREAS OF INVESTMENTS”** shall mean the economic activities that the Board shall have approved and declared as such after a thorough study and evaluation.
- g. **“REGISTERED ENTERPRISES”** shall mean those enterprises/business registered in accordance with the provisions of this code.
- h. **“TAXES”** shall refer to the monetary contribution levied by the law making body.
- i. **“CHARGES”** refer to pecuniary liability, as rents or fess against persons or property.
- j. **“FEES”** means a charge fix by law or ordinance for the regulation or inspection of a business activity. It also includes charges fixed by law or agency for the service of a public officer in the discharge of his official duties.
- k. **“INVESTMENT PROMOTIONS”** is the act of building improving and boosting the image of the areas for investment to make it attractive in the inventing community, to attain the objectives of increasing new investment, retain and encourage expansion of existing investment.
- l. **“LOCAL PERSONNEL WORKER”** shall refer to those workers or personnel who are bonafide residents of Malvar, Batangas.

**CHAPTER IV**

**PRIORITY INVESTMENT AREAS/ACTIVITIES AND APPROPRIATE INCENTIVES AND SUPPORT MEASURES.**

**SECTION 11. PRIORITY INVESTMENT AREAS**

A list of priority areas and activities to be promoted to targeted investors shall be drawn up by the Board, based on findings and recommendations of economic and technical research commissioned for the purpose and in consultation with the Municipal Investment Incentive Board (MIIB) and other government and private sector leader of the municipality. The Board shall adopt the list of implementation under the Municipal Promotion Investment Program upon the concurrence of the Sangguniang Bayan.

The basis of prioritization of the Investment “Priority Areas”; (IPA’s) shall be the following:

- a. Area for development and expansion
- b. Analysis of performance level of business activities in the areas;
- c. Availability of raw materials including land;
- d. High market potentials;
- e. Export potentials;
- f. Environment friendly;
- g. High value products;
- h. Labor intensive

**SECTION 12. COVERAGE.**

Business enterprises of the following type of nature of business shall be given priority under this code;

- a. Labor generating enterprises.
- b. Enterprises engaged in economic activities in the investment priority areas.
- c. Manufacturing enterprises using raw materials available locally.
- d. Electronic industries.
- e. Tourism oriented enterprises.
- f. Services oriented enterprises.
- g. Pioneering enterprises.
- h. Water and power resources development enterprises.
- i. Telecommunication development enterprises.
- j. Agri-business enterprises.

**SECTION 13. APPROPRIATE INCENTIVES AND SUPPORT MEASURES.**

The board shall identify and recommend for the approval of the Sangguniang Bayan, appropriate incentives and support measures which it shall be willing to extend to targeted investors, to promote priority investment areas and activities.

**SECTION 14. EFFECTIVELY OF APPROPRIATE.**

The board shall review the package of appropriate incentives and support measures every three (3) years, to identify the effectiveness of appropriate, thus the board may remove an area or activity from the list, at any point, when it deems that sufficient investments in the area or activity have been attained and where continued extension of incentives or support measures for the expansion of said area or activity may place the interest of the municipality and public in adverse position. The board may also remove an investment area or activity from the list where it is convinced that investments in such areas or activity in the municipality cannot attract within reasonable cost or may result in unfavorable business climate.

**CHAPTER V**

**REGISTRATION OF ENTERPRISES**

**SECTION 15. QUALIFICATION OF A NEW ENTERPRISE.**

New investors who intend to avail of the incentives provided in this code must meet the following qualifications:

- a. That the business enterprises must have complied with all the requirements, mandated laws and the constitution;
- b. That the prospective investor's place of operations or productions be located within the territorial jurisdiction of the Municipality of Malvar, Batangas.
- c. That the prospective investments must engage in activities in preferred areas of investments as may thereafter be declared by the board.

**CONTINUATION OF ORDINANCE NO. 84, SERIES OF 2015 OF THE SANGGUNIANG BAYAN OF MALVAR.**

- d. The new enterprise must have a capitalization of at least FIFTY FIVE MILLION (P55,000,000.00) PESOS but not more than ONE HUNDRED MILLION (P100,000,000.00) PESOS in case of small scale enterprise; at least ONE HUNDRED TEN MILLION (P110,000,000.00) PESOS but not more than FIVE HUNDRED MILLION (P500,000,000.00) PESOS and above in case of a large industry or its dollar equivalent in case of foreign investors; provided, that the amount of capitalization shall be based on the total project cost as stated in the investors study submitted to and approved by the board;
- e. That the new enterprise will provide out of the labor force on employment of not less than three hundred (300) persons in case of small scale enterprise; at least five hundred (500) persons in case of a medium scale enterprise; and at least one thousand (1,000) persons in case of large industry who are bonafide residents within the territorial jurisdiction of the Municipality of Malvar, Batangas.

**SECTION 16. QUALIFICATION OF AN EXISTING ENTERPRISES.**

An existing enterprise may avail of the incentive under this code provided it meets the following qualifications:

- a. That the business enterprise must have complied with all the requirements mandated under existing local and national law and the constitution;
- b. That the expansion/diversification must engage in activities mentioned in Section 2 hereof or in other preferred areas of investments as may hereafter be declared by the board;
- c. That the existing enterprise whose place of operation or productions is already located within the territorial jurisdiction of the Municipality of Malvar but which will undertake any of the following activities/projects:
  - I. Relocate its principal office from other places of the Philippines to the Municipality of Malvar, or;
  - II. Expand its existing production capacity or construct new buildings and other civil works for the installations of new merchandising and equipment of improvement thereof which will result in an increase in production capacity;
- d. That the expansion/diversification shall have a capitalization of at least TWENTY FIVE MILLION (P25,000,000.00) PESOS but not less than EIGHTY MILLION (P80,000,000.00) PESOS in case of small scale enterprises; at least ONE HUNDRED MILLION (P100,000,000.00) PESOS but not more than ONE HUNDRED TWENTY MILLION (P120,000,000.00) PESOS in case of medium scale enterprise; and more than ONE HUNDRED THIRTY FIVE MILLION (P135,000,000.00) PESOS in case of large industry. Provided, that the amount of capitalization shall be based on the total project cost of such expansion/diversification as stated in the investors project study submitted to and approved by the board;

**CONTINUATION OF ORDINANCE NO. 84, SERIES OF 2015 OF THE SANGGUNIANG BAYAN OF MALVAR.**

- e. That the expansion/diversification shall provide out of the labor force on employment of no less than fifteen (15) persons in case of small scale enterprise; at least twenty five (25) persons in case of medium scale enterprise; and at least fifty (50) persons in case of large industry, who are bonafide residence of the Municipality of Malvar.

**SECTION 17. APPLICATION REQUIREMENTS**

Applications shall be filed with the board, recorded in a registration book and date appearing therein and stamped on the application shall be considered the date of official receipt thereof.

A non-refundable filing fee of ONE THOUSAND (P1,000.00) PESOS shall be paid together with the following documents for registration.

- a. Three (3) copies of completed application form to be provided by the board in accordance with the provisions of this code;
- b. A copy of the complete project study of the propose investments showing that the project is economically, technically, and financially feasible and viable;
- c. A copy of its Article of Incorporation and By-laws as approved by the Security and Exchange commission and Board of Investments, as the case may be:
  - I. A certified true copy of its Certificate of Registration with the Securities and Exchange Commission, the Board of investments, and the Department of Trade and Industry, as the case maybe, and,
  - II. Resolution of the applicant Board of Directors in case of Corporation, authorizing the filing of application.

**SECTION 18. APPROVAL AND REGISTRATION PROCEDURES.**

- a. The applicant shall submit those requirements prescribed in Section 17.
- b. Within a week the MIIB shall evaluate and screen the requirement.
- c. Recommend proper action within two (2) working days to the SB.
- d. The SB shall approve the applicant for investment incentive as urgent measure.
- e. Within thirty (30) day without any communication from SB; it shall be deemed approve.

**SECTION 19. CERTIFICATE OF REGISTRATION.**

A registered enterprise under this code shall be issued a certificate of registration with the signature of its Chairman and/or such other officer of the Board.

As it may empower and designate for the purpose, the certificate of registration shall be in such form and style as the Board may determine.



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SANGGUNIANG BAYAN OF MALVAR.**

**CHAPTER VI**

**RIGHTS AND PRIVILEGES**

**SECTION 20. RIGHTS AND PRIVILEGES**

Guaranteed by the Municipal Government – All investors and registered enterprises are entitled to the rights and guarantees provided by law and the constitution. In addition to such rights and guarantees, and to enhance investors confidence in the incentive program, the Municipal Government thru the Municipal Investment Incentive Board (MIIB) shall:

- a. Provide a concise and comprehensive information to prospective investors on the economic priorities of the Municipal Government, including target investment areas and the general conditions applicable to incoming direct private investments;
- b. Communicate investment evaluation criteria and procedures to enhance transparency in the process of granting government incentives;
- c. Take the fullest possible account of the need of the investors for stability growth and profit in their operations in the formulation or modification of policies and ordinances that affects investments.
- d. Not interfere or modify arrangements with the investors after the details of the implementation of an investment project has been accepted and approved, and the ownership and management structure of the enterprise has been established unless the law provides otherwise;
- e. Avoid under distortion of competition between or among enterprises operating within its territorial jurisdiction, whether domestic or foreign, when granting any special exemptions or incentives aimed at encouraging investments in the identified target areas;
- f. In accordance with law and where no local personnel or worker is capable and available allow the employment of qualified foreign personnel where this is necessary for the efficient operation of the enterprise or for technology transfer; and
- g. Resolve all doubts concerning the benefits and incentives granted under the ordinances enacted for the purpose of encouraging investments, in favor of the investors.

**CONTINUATION OF ORDINANCE NO. 84, SERIES OF 2015 OF THE  
SANGGUNIANG BAYAN OF MALVAR.**

**CHAPTER VII**

**INCENTIVES TO REGISTERED ENTERPRISES**

**SECTION 21. TAX INCENTIVES TO REGISTERED ENTERPRISES.**

In addition to the incentives provided by law and by the Local Government Code of 1991 a registered enterprise qualified under this code shall enjoy the following tax incentives.

- a. 20% discount from business sales taxes for two (2) years.
- b. Exemption from inspection and examinations of books of accounts and other pertinent records of business except when allowed by the Board for two (2) years.
- c. Other Privileges

Exemption from inspection and examinations of books of accounts and other pertinent records of business except when allowed by the board.

**CHAPTER VIII**

**APPROPRIATION**

**SECTION 22. MUNICIPAL INVESTMENT PROMOTION FUND.**

There shall be allocated Municipal Investment Promotion Fund, to defray the expenses necessary for or incidental to the implementation of the provisions of this code and the Municipal Investment and Incentive Board which shall be sourced from the Municipality of Malvar. Thereafter, the municipal government shall appropriate annually, based on budget presented by the board, the necessary funding requirements which is deemed necessary for the continued implementation of the provisions of this code, subject to the usual government accounting and auditing rules and regulations.

**CONTINUATION OF ORDINANCE NO. 84, SERIES OF 2015 OF THE  
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**CHAPTER IX**

**FINAL PROVISIONS**

**SECTION 23. INSPECTION**

The Municipal Investment Incentives Board (MIIB) shall conduct an annual inspection on the registered enterprises on their progress either by itself or by requesting a local government agency to conduct the same, said inspection; shall be limited to the total gross sales/receipt; compliance of the Minimum Wage Law; or to the provisions of this code and the privileges granted as stated in the Certificate of Registration.

**SECTION 24. PENAL CLAUSE.**

Any violation of the provision of this code, existing laws, ordinances, rules and regulations, shall be ground for the cancellation or revocation of the registration of the business and the withdrawal of all the incentives granted under this code.

**SECTION 25. SEPARABILITY CLAUSE**

The provisions of this code are hereby declared to be separate, and in the event that one or more of the other provisions are held illegal or unconstitutional, the validity of the other provisions shall not be affected.

**SECTION 26. REPEALING CLAUSE.**

All ordinances, executive orders and rules and regulations inconsistent or in conflict with the provisions of this code are hereby repealed, amended or modified accordingly.

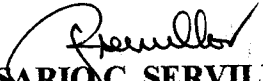
**SECTION 27. EFFECTIVITY.**

This ordinance shall take effect ninety (90) days after its approval.

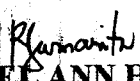
**CONTINUATION OF ORDINANCE NO. 84, SERIES OF 2015 OF THE  
SANGGUNIANG BAYAN OF MALVAR.**

I hereby certify to the correctness of the foregoing ordinance as motioned by Hon. Rosana C. Cabello, duly seconded by Hon. Apollo L. Endaya, unanimously approved by the Sangguniang Bayan in its session held on February 25, 2015.

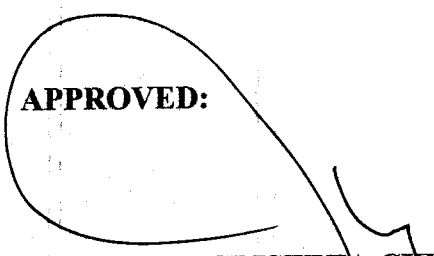
**CERTIFIED CORRECT:**

  
**ROSARIO C. SERVILLON**  
SB Secretary

**ATTESTED:**

  
**HON. RACHEL ANN H. SAMARITA**  
Acting Vice Mayor and Presiding Officer

**APPROVED:**

  
**HON. CRISTETA CUEVAS REYES**  
Acting Municipal Mayor

cc: Sangguniang Panlalawigan  
Batangas City