

**EXCERPTS FROM THE MINUTES OF THE REGULAR SESSION
OF THE SANGGUNIANG BAYAN OF ORION, BATAAN HELD AT
THE SESSION HALL OF THE ORION MUNICIPAL LEGISLATIVE
BUILDING, ARELLANO, ORION ON 22 JULY 2008**

PRESENT:

Hon. Virgilio B. Isidro	-	Municipal Vice Mayor and Presiding Officer
Hon. Isagani B. de Leon	-	SB Member
Hon. Eugenia E. Mariano	-	SB Member
Hon. Reynaldo S. Waje	-	SB Member
Hon. Danilo D. Bunsoy	-	SB Member
Hon. June D. Hernandez	-	SB Member
Hon. Luz D. Austria	-	SB Member
Hon. Donaldo R. Chan	-	SB Member
Hon. Mercelita D. Cruz	-	Ex-Officio SB Member, President – Orion Liga ng Mga Barangay
Hon. Jerzon Paul V. Ramirez-	-	Ex-Officio SB Member, President – Orion PPSK

ABSENT:

Hon. Virgilio S. Catalan	-	SB Member (On Sick Leave)
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MUNICIPAL ORDINANCE NO. 08 - 020 - 057

**AN ORDINANCE ENACTING THE REVISED ORION INVESTMENT
& EMPLOYMENT INCENTIVE CODE**

Sponsors: Hon. Donaldo R. Chan, Hon. Reynaldo S. Waje, Hon. Danilo D. Bunsoy,
Hon. Eugenia E. Mariano, Hon. Isagani B. de Leon, Hon. Luz D. Austria,
Hon. Mercelita D. Cruz, Hon. June D. Hernandez

WHEREAS, the Municipality of Orion, Bataan recognizes the role of the private sector in uplifting the economy of the municipality because they are a source of employment opportunities for our people;

WHEREAS, based on a published report in the Philippine Daily Inquirer dated September 10, 2007, Central Luzon, where the Municipality of Orion, Bataan belongs, posted a 10.2% unemployment rate as of April 2007, the second region, topped only by Metro Manila, to post high unemployment rate;

WHEREAS, the Municipality of Orion will gain economically if the number of unemployed persons would be reduced since once they are gainfully employed, their purchasing power will increase;

WHEREAS, it is incumbent upon the Municipal Government of Orion to exert efforts to reduce the number of unemployed persons by opening opportunities for employment of the people of Orion who are knowledgeable, skilled and highly competent;

WHEREAS, for purposes of expediency, it is imperative to integrate measures that will promote local employment, as well as establish an environment in the Municipality of Orion conducive to investments by granting them incentives subject to certain conditions;

WHEREAS, the Municipality of Orion, Bataan has already enacted the three – year Orion Investment Incentive Code of 1999, but the said Code has already served its purpose until 2002;

WHEREAS, there is an imperative need to revise the provisions of the Code to make it attuned to the needs and demands of the times, the citizens, and the investors;

On the premises of the foregoing, be it

RESOLVED, as it is hereby resolved by the Sangguniang Bayan of Orion, Bataan in session duly assembled, to approve on third and final reading, the Municipal Ordinance enacting the Revised Orion Investment & Employment Incentive Code:

Be it ordained by the Sangguniang Bayan of Orion, Bataan, that:

CHAPTER I TITLE AND DECLARATION OF POLICY

SECTION 1. Title.

This Ordinance shall be known and cited as the **REVISED ORION INVESTMENT & EMPLOYMENT INCENTIVE CODE.**

SECTION 2. Declaration of Policy.

To accelerate the sound development of Orion, Bataan in accordance with its vision/mission statements, it is hereby declared to be the policy of the Municipality of Orion to encourage new investments or expansion/diversification in:

- 2.a Agri-Business activities like cultivation of fish and other aquatic products, livestock and poultry raising, vacuum, dehydrated and spray-dried fruits processing, canned specially vegetables, fish processing, feedmill, etc.;
- 2.b Tourism Facilities like mid-range hotels, in-land and mountain resorts;
- 2.c Transshipment Facilities including but not limited to port infrastructure and common bonded warehouses;
- 2.d Miscellaneous Light/Medium manufacturing Activities such as bamboo crafts, handicrafts, garments, foot-ware, bulky house-wares, kitchen-wares, steel fabrication, boat building, etc.;
- 2.e Property Development such as the establishment of private industrial states;
- 2.f Establishment of Branches of Foreign Banks
- 2.g Telecommunications;
- 2.h Environmental Protection and Enhancement Projects;
- 2.i Establishment of Medical, Educational Training and Sports Facilities; and
- 2.j Such other preferred areas of investments as may be determined from time to time, which will provide employment opportunities, raise the standard of living of the people of Orion, and provide for the equitable distribution of wealth.

The Municipality of Orion welcomes and encourages domestic and foreign capital to establish enterprises that would utilize substantial amount of labor, raw materials and natural resources of the municipality.

It is further declared to be the policy of the municipality to promote the establishment and operation of non-government organizations to serve as active partners in achieving local autonomy.

**CHAPTER II
ORION INVESTMENT & EMPLOYMENT
INCENTIVE BOARD**

SECTION 3. Creation of Orion Investment & Employment Incentive Board.

There is hereby created the Orion Investment & Employment Incentive Board (OIEIB) to implement the provisions of this Code.

SECTION 4. Composition of the Board.

The Board shall be composed of the following:

- Chairman - Municipal Mayor
- Vice Chairman - Municipal Vice Mayor

- Members:
- Chairman, Committee on Tourism, Trade & Industry
 - Chairman, Committee on Labor & Employment
 - Chairman, Committee on Environment & Natural Resources
 - Chairman, Committee on Food & Agriculture
 - Chairman, Committee on Health & Sanitation
 - Chairman, Committee on Ways & Means
 - Chairman, Committee on Public Works & Infrastructure
 - Municipal Treasurer
 - Municipal Engineer
 - Municipal Planning & Development Coordinator
 - Municipal Assessor
 - DTI Representative
 - Two (2) Private Sector Representatives

Provided that the membership of the Board may be increased by the Sangguniang Bayan through the recommendation of the Board as it may deem necessary for the effective implementation of the provisions of this Code; *Provided Further*, that the representatives of the private sector shall be appointed by the Municipal Mayor, upon the recommendation of the sectors they represent; *Provided Finally*, that the term of office of the private sector representatives shall be two (2) years, unless otherwise earlier revoked.

The Project Manager of the Orion Investment & Employment Promotion Center (OIEPC) shall serve as an ex-officio, non-voting member of the Board.

SECTION 5. Meetings and Quorum of the Board.

The Board shall meet at least once every quarter or as often as may be necessary, on such a day as it may fix. The presence of at least a majority of its members shall constitute a quorum, and a majority of the quorum in a meeting validly held shall be required for the Board to exercise its powers and perform its functions.

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 Orion.

Pursuant to this, the Board shall be vested with the following powers:

- a. To promulgate the governing Implementing Rules and Regulations in the implementation of the provisions of the Code, subject to the approval of the Sangguniang Bayan;
- b. To commission an independent study group to conduct an 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 attract investors into these areas and/or activities;
- c. To adopt a short and medium-term investment and employment 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;
- d. To designate the Orion Investment & Employment Promotion Center (OIEPC) to serve as the technical secretariat for the implementation of the provisions of the Code;
- e. To propose and recommend the necessary appropriations to the Sangguniang Bayan of Orion or secure additional funding from other sources in order to support the operations of the Orion Investment & Employment Promotion Center in the implementation of the provisions of the Code;
- f. To enter into any agreement with other government agencies and/or private sector organizations for the purpose of simplifying systems, procedures and requirements in establishing new and expanded investments and business operations in Orion, and other activities necessary for the effective implementation of the Code.

SECTION 7. Powers and Functions of the Chairman.

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

- a. To preside over the regular and special meetings of the Board;
- b. To render annual reports to the Municipal Government of Orion and such special reports as may be requested;
- c. To recommend to the Board such policies and measures he may deem necessary to carry out the objectives of the Code;
- d. To approve applications for the grant of fiscal incentives to qualified applicants in accordance with the policies set by the Board;
- 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:

- a. To preside over the regular and special meetings of the Board in the absence of the Chairman;
- b. To perform other duties of the Chairman in the absence of the latter, and such other duties as may be assigned to him by the Board;

CHAPTER III DEFINITIONS OF TERMS

SECTION 9. Definition of Terms.

For the purpose of these Rules and Regulations:

- a. **“Board”** shall refer to the Orion Investment & Employment Incentive Board created under the Code.
- b. **“Capitalization”** shall mean the total project cost.
- c. **“Center”** shall mean the Orion Investment & Employment Promotion Center, which is the institution that will serve as the technical secretariat of the Board and the implementing arm of the Code.
- d. **“Municipality”** shall mean the Municipality of Orion covering all area within its territorial jurisdiction as provided for by law and its charter.
- e. **“Code”** shall refer to the Revised Orion Investment & Employment Incentive Code.
- f. **“Existing establishments/enterprises”** refer to those establishments/enterprises whose places of operation or production are presently located within the territorial jurisdiction of Orion.
- g. **“Local Personnel/Worker”** refers to those workers or personnel who are residents of Orion for at least one (1) year wherein proof of residency is the presentation of a Barangay Clearance from the barangay where he/she resides.
- h. **“New Investors/Enterprises”** refer to those who intend to venture into new project/s in the municipality with interests in establishing their places of operation or production within the territorial jurisdiction of Orion.
- i. **“Preferred/Priority Areas of Investments”** refer to the economic activities cited under Section 2, Chapter 1 of the Revised Orion Investment & Employment Incentive Code and those areas which the Board may subsequently recommend and approved by the Sangguniang Bayan.
- j. **“Project Study”** refers to a Project Profile which presents, among others, highlights of the financial and the socio-economic impact of the project.
- k. **“Registered Enterprise”** refers to those enterprise /businesses registered in accordance with the provision of the Code.

**CHAPTER IV
PRIORITY INVESTMENT AREAS/ACTIVITIES
AND APPROPRIATE INCENTIVES
AND SUPPORT MEASURES**

SECTION 10. Preferred /Priority Investment Areas.

Incentives will be provided to new, expansion and diversification projects in the following investment areas:

- 10.a. Agri-business Sector such as but not limited to:
 - a.1. Cultivation of fish and other aquatic products;
 - a.2. Livestock and poultry raising;
 - a.3. Vacuum, dehydrated and spray-dried fruit processing;
 - a.4. Canning especially vegetables and fruits;
 - a.5. Fish and other aquatic products processing;
 - a.6. Meat Processing;
 - a.7. Feed mill

- 10.b. Tourism Facilities such as but not limited to:
 - b.1. Mid-range business hotels;
 - b.2. In-land and mountain resorts;
 - b.3. Theme Parks, restaurants and marina

- 10.c. Transshipment facilities such as but not limited to:
 - c.1. Port infrastructure;
 - c.2. Common bonded warehouses
 - c.3. Dock yards
 - c.4. Ship building and repair yard & facilities.

- 10.d. Miscellaneous light manufacturing activities such as but not limited to:
 - d.1. Garments;
 - d.2. Footwear;
 - d.3. Bulky house-wares;
 - d.4. Toys;
 - d.5. Steel fabrication;
 - d.6. Boat building
 - d.7. Batching plants;
 - d.8. Refilling plants.

- 10.e. Property Development such as but not limited to:
 - e.1. Private industrial estate;
 - e.2. Commercial/Office Buildings;
 - e.3. Residential Area Development;
 - e.4. Convention Center Establishment;
 - e.5. Memorial Parks, Crematory/Columbarium

- 10.f. Branches of Foreign Banks

- 10.g. Telecommunications
- 10.h. Environmental Protection and Enhancement Projects
- 10.i. The establishment of Medical, Education, Training & Sports Facilities.

SECTION 11. Determination of Additional Investment Area.

To be based on a result of a study conducted by an independent economic and technical research group commissioned for the purpose, and in consultation with the Advisory Committee and other government and private sector leaders of Orion, the Center may recommend to the Board additional investment areas for inclusion in the list of priority investment areas which upon due deliberation and approval shall then be adopted for implementation under the Orion Investment & Employment Program with the concurrence of the Sangguniang Bayan.

Basis for inclusion of investment areas are:

- a. It must generate high level of employment;
- b. It must feature a high degree of value-added;
- c. It must not have deleterious effect on the environment

SECTION 12. Appropriate Incentives and Support Measures.

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

SECTION 13. Effectivity of Appropriate Incentives and Support Measures.

The Center shall review the package of appropriate incentives and support measures and the investment areas or activity, every two (2) years, and recommend to the Board to 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 areas or activity may place the interest of the Municipality and the public in adverse position.

The Center may also recommend to the Board to remove an investment area or activity from the list where such area or activity in the municipality cannot attract investors within reasonable time and cost or may result in unfavorable business climate.

SECTION 14. Removal/Deletion of a Preferred/Priority Investment Area.

Upon the recommendation of the Center, the Board may remove an area or activity from the list of preferred/priority areas for investments. Bases for the removal of Preferred Investment Area are as follows:

- a. Sufficient investments in the areas or activity have been attained;
- b. The continued extension of incentives or support measures for the specific investment area is no longer to the interest of Orion; and
- c. The investment area or activity cannot attract investors within reasonable time and cost or may result in unfavorable business climate.

**CHAPTER V
REGISTRATION OF ENTERPRISES**

SECTION 15. Qualifications of a New Enterprise.

A New Enterprise which intends to avail of the incentives provided for in this Code must meet the following qualifications:

1. The new business enterprise must have complied with all the requirements mandated under existing local and national laws and the Constitution by and through presentation of certificates of registration issued by either the Securities and Exchange Commission (SEC), Department of Trade & Industry (DTI) or Cooperative Development Authority (CDA) and other national government accrediting agencies, as the case may be;
2. The prospective investor's place of operation or production must be located within the territorial jurisdiction of Orion;
3. The investment must be among the approved "preferred/priority areas of investments";
4. The investments must provide employment among bonafide residents of Orion under Section 12 (g) hereof;
5. The new enterprise must have a capitalization of :
 - a. At least One Million Pesos (PhP 1,000,000.00) but not more than Ten Million Pesos (PhP 10,000,000.00), in case of a small-scale enterprise;
 - b. Over Ten Million Pesos (PhP 10,000,000.00) but not more than Forty Million Pesos (PhP 40,000,000.00), in case of a medium-scale enterprise;

- c. And more than Forty Million Pesos (PhP 40,000,000.00), in case of large-scale industry;
6. The new enterprise must provide direct employment of:
- a. Not less than Ten (10) Persons, in case of a small-scale enterprise;
 - b. At least Twenty (20) Persons, in case of a medium-scale enterprise;
 - c. At least One Hundred (100) Persons in case of a large industry, unless under exceptional cases as may be determined by the Board.

Provided, that at least 70% of their human resources/manpower requirements must come from qualified applicants who are bonafide residents of the Municipality of Orion.

SECTION 16. Qualifications of an Existing Enterprise.

Existing enterprise which is expanding and/or diversifying, and intends to avail of the incentives under the Code must meet the following qualifications:

1. It must have complied with all the requirements mandated under existing local and national laws and the Constitution, by and through the presentation of certificates of registrations issued by either the SEC, DTI or CDA and other national government accrediting agencies, as the case may be;
2. The expansion or diversification must be among the approved “preferred/priority areas of investments”;
3. The existing enterprises, whose place of operation or production is already located within the territorial jurisdiction of the Municipality, will undertake any of the following activities/projects:
 - a. Relocate its principal office from other places in the Philippines to Orion, or;
 - b. Expand its existing production capacity or construct new buildings and other civil works for the installation of new machinery and equipment or improvements thereon, which will result in an increase in production capacity or for diversification project;

4. That the expansion/diversification shall have a capitalization of:
 - a. At least One Million Pesos (PhP 1,000,000.00) but not more than Ten Million Pesos (PhP 10,000,000.00), in case of a small-scale enterprises;
 - b. Over Ten Million Pesos (PhP 10,000,000.00) but not more than Forty Million Pesos (PhP 40,000,000.00), in case of a medium-scale enterprise;
 - c. And more than Forty Million Pesos (PhP 40,000,000.00), in case of a large-scale industry;

5. That the expansion/diversification shall provide out of the labor force on employment of:
 - a. Not less than Ten (10) Persons, in case of a small-scale enterprise;
 - b. At least Twenty (20) Persons, in case of a medium-scale enterprise;
 - c. At least One Hundred (100) Persons, in case of a large industry, unless under exceptional cases as may be determined by the Board.

Provided, that at least 70% of their human resources/manpower requirements must come from qualified applicants who are bonafide residents of the Municipality of Orion.

SECTION 17. Application Requirements.

Application must be filed with the Board, recorded in a registration book and the date appearing therein and stamped on the application shall be considered the date of official acceptance.

- a. Venue for Filing Applications

All applications shall be filed with the Orion Investment & Employment Incentive Board through the Orion Investment & Employment Promotion Center.

- b. Date of Official Acceptance

Applications shall be filed with the Orion Investment & Employment Incentive Board through the Orion Investment & Employment Promotion Center and recorded in a registration book; and date appearing therein and stamped on the application shall be considered the date of official acceptance.

c. Processing Time

Applications shall only be deemed officially accepted upon submission of complete requirements to the Center.

Application for incentives shall be acted upon by the Center within ten (10) working days from the official acceptance thereof and by the Chairman of the Board within an additional ten (10) working days. If and when the application is not acted upon within the stated period of a total twenty (20) days, the application is deemed approved.

d. Filing Fee

That the following non-refundable filing fee shall be paid as follows:

- PhP 1,000.00 - for enterprises with a capitalization of at least One Million Pesos (PhP1,000,000.00) up to Five Million Pesos (PhP 5,000,000.00);
- PhP 2,500.00 - for enterprises with a capitalization of more than Five Million Pesos (PhP 5,000,000.00) up to Ten Million Pesos (PhP 10,000,000.00);
- PhP 10,000.00 - for enterprises with a capitalization of more than Ten Million Pesos (PhP 10,000,000.00) up to Forty Million Pesos (PhP 40,000,000.00);
- PhP 25,000.00 - for enterprises with a capitalization of more than Forty Million Pesos (PhP 40,000,000.00) up to One Hundred Million Pesos (PhP 100,000,000.00)
- PhP 50,000.00 - for enterprises with a capitalization of more than One Hundred Million Pesos (PhP 100,000,000.00) up to One Billion Pesos (PhP 1,000,000,000.00); and
- PhP100,000.00- for enterprises with a capitalization of more than One Billion Pesos (PhP 1,000,000,000.00)

e. Required documents for registration:

For Single Proprietorship

1. Three (3) copies of completed application form, the form of which can be secured from the Center;

2. A copy of the project study of the proposed investment, indicating the financial and socio-economic impact of the project; and
3. A certified true copy of its Certificate of Business Name Registration from the Department of Trade & industry.

For Partnership and Corporation

1. Three (3) copies of completed application form, the form of which can be secured from the Center;
2. A copy of the project study of the proposed investment indicating the financial and socio-economic impact of the project;
3. A copy of the company's Articles of Partnership/Incorporation and By-laws as approved by the Securities and Exchange Commission; and
4. Authority from the Partners or the Board of Directors, as the case may be, to file the application.

For Cooperatives

1. Three (3) copies of the completed application form, the form of which can be secured from the Center;
2. A copy of the project study of the proposed investment indicating the financial and socio-economic impact of the project;
3. A copy of the Certificate of Registration from Cooperative Development Authority;
4. Authority from the Board of Directors to file the application; and
- f. A certified copy of its Certificate of Registration with SEC, DTI, or CDA or other accrediting agencies, as the case may be.

SECTION 18. Registration and Approval Procedures.

a. Registration Procedure

1. Applications shall be submitted to the Center together with the required documents;

2. The applicant pays the following non-refundable filing fee:

PhP 1,000.00 - for enterprises with a capitalization of at least One Million Pesos (PhP 1,000,000.00) up to Five Million Pesos (PhP 5,000,000.00);

PhP 2,500.00 - for enterprises with a capitalization of more than Five Million Pesos (PhP 5,000,000.00) up to Ten Million Pesos (PhP 10,000,000.00);

PhP 10,000.00 - for enterprises with a capitalization of more than Ten Million Pesos (PhP 10,000,000.00) up to Forty Million Pesos (PhP 40,000,000.00);

PhP 25,000.00 - for enterprises with a capitalization of more than Forty Million Pesos (PhP 40,000,000.00) up to One Hundred Million Pesos (PhP 100,000,000.00)

PhP 50,000.00 - for enterprises with capitalization of more than One Hundred Million Pesos (PhP 100,000,000.00) up to One Billion Pesos (PhP 1,000,000,000.00); and

PhP 100,000.00 - for enterprises with a capitalization of more than One Billion Pesos (PhP 1,000,000,000.00);

3. Once all required documents are submitted, the project will be evaluated by the Center;

4. If found not qualified, the Center informs the applicant;

5. If found qualified, the Center forwards the application to the Chairman of the Board for approval;

6. Once approved by the Chairman, the Center informs the applicant in writing and delivers the Certificate of Registration;
7. The Center then informs all concerned agencies, entities of such approval for their information, guidance and appropriate action.

b. Evaluation Criteria

The following criteria will be used in the evaluation of application for registration under the Code:

1. Capitalization for new enterprises, or investments for expansion or diversification must be as follows:
 - a. At least One Million Pesos (PhP 1,000,000.00) but not more than Ten Million Pesos (PhP 10,000,000.00), in case of a small-scale enterprise;
 - b. Over Ten Million Pesos (PhP 10,000,000.00) but not more than Forty Million Pesos (PhP 40,000,000.00), in case of a medium-scale enterprise;
 - c. And more than Forty Million Pesos (PhP 40,000,000.00), in case of a large-scale industry;
2. Direct employment generated for new enterprises, investments for expansion or diversification must be as follows:
 - a. Not less than Ten (10) Persons, in case of a small-scale enterprise;
 - b. At least Twenty (20) Persons, in case of medium-scale enterprise;
 - c. At least One Hundred (100) persons, in case of a large industry unless exceptional cases as may be determined by the Board.

Provided, that at least 70% of their human resources/manpower requirements shall come from qualified applicants who are bonafide residents of the Municipality of Orion.

3. Plant Location and Business Address of the new or expanded or diversified enterprises must be within the territorial jurisdiction of Orion.

SECTION 19. Certificate of Registration.

A registered enterprise under the Code shall be issued a Certificate of Registration with the signature of the Chairman of the Board and/or such other officer as the Board may empower and designate for the purpose. The certificate shall be on such form and style as the Board may determine and shall state, among other matters, the following:

1. The name of the Registered Enterprise;
2. The preferred/priority area of investment in which the registered enterprise will engage in;
3. The other terms and conditions to be observed by the registered enterprise by virtue of its registration.

CHAPTER VI RIGHTS AND PRIVILEGES OF REGISTERED ENTERPRISES

SECTION 20. Rights and Privileges Guaranteed by the Municipality.

All enterprises registered under the Code are entitled to the rights and guarantees provided by law and the Constitution, and as such, the Municipality of Orion, thru the Board, shall:

- a. Provide 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 through various publications to enhance transparency in the process of granting local government incentives;
- c. Take the fullest possible account of the need of the investors for stability, growth and profit on their operations, in the formulation or modification of policies and ordinances that affect 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 undue distortion or 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 the law and where no local personnel or worker is qualified or 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 investment, in favor of the investor.

**CHAPTER VII
THE ORION INVESTMENT &
EMPLOYMENT PROMOTION CENTER**

SECTION 21. Powers and Functions of the Center.

The Center shall serve as the technical secretariat of the Board and shall implement its policies and guidelines especially as follows:

- a. Accept, process and evaluate all applications for registration for the availment of the local incentives and submit its recommendation for action by the Chairman within ten (10) working days from the receipt of the application;
- b. Provide the necessary support services to investors, as guaranteed under the Code;
- c. Establish and maintain networking relations with other offices and agencies whenever appropriate and necessary;
- d. Collate, analyze and compile pertinent data and information and studies concerning areas that have been or may be declared as “preferred/priority areas of investments” of the Board;
- e. Recommend to the Board any modifications/amendments to existing legislation and procedures on local investments;
- f. Prepare the Agenda for Meetings of the Board and submit for its consideration and approval the policies and measures which are deemed necessary to carry out the provisions of the Code;
- g. Submit Annual reports to the Board thru the Chairman, on the activities of the Center relative to the implementation of the Code, within sixty (60) days after the close of the calendar year.

**CHAPTER VIII
INCENTIVES PROVIDED TO
REGISTERED ENTERPRISES**

SECTION 22. Tax Incentives to Registered Enterprises.

In addition to the incentives provided by law and the national government, an enterprise registered under this Code shall be exempt from the payment of:

1. Mayor's permit fees, business sales taxes, other fees and charges on the first year of commercial operation; *Provided*, that during the second year, one half of the taxes, fees and charges due shall be paid; *Provided further*, that only on the third year shall the taxes, fees and charges be paid in full.
2. Exemption from the basic real property taxes, accruing to the general fund, imposed under the Revised Revenue Code of Orion for a period of one (1) year from the date of approval of registration by the Board.

**CHAPTER IX
APPROPRIATIONS**

SECTION 23. Appropriations.

An initial funding to defray the expenses necessary for or incidental to the implementation of the provisions of this Code and the Orion Investment & Employment Incentive Board shall be sourced from available municipal funds. Thereafter, the Municipality shall appropriate annually, based on a budget presented by the Board, the necessary funding requirements which is deemed necessary for the continued implementation of the provisions of the Code, subject to the usual government accounting and auditing rules and regulations.

**CHAPTER X
MISCELLANEOUS PROVISIONS**

SECTION 24. Visitorial Power of the Board or Center.

The Board, the Center or any duly authorized member thereof, is hereby empowered and authorized to conduct an ocular inspection of the premises or examination of the business activity of any enterprise, including the records and books of any enterprise, registered or applying for registration at any reasonable time of the day, during office hours, for verification or ascertaining the enterprise's strict compliance with the provisions of the Code or of these Rules, or when the Board or Center deems it necessary or incidental to the effective exercise and performance of their respective functions and powers.

SECTION 25. Submission of Reports and other Documents.

Every registered enterprise shall, for each preferred/priority area of investments, submit to the Board the following reports and/or documents within the time herein prescribed:

- a. Amendments of Articles of Incorporation or By-Laws, Articles of Partnership, or Articles of Incorporation, within thirty (30) calendar years from the date of submission of the said amendments with Securities and Exchange Commission or Cooperative Development Authority;
- b. Change of Directors within 30 calendar days from the change;
- c. Report on alien officers or employees within 30 calendar days from the date of registration or from the appointment of their aliens/replacements; provided that such aliens are registered as such with the Bureau of Immigration and Deportation (BID) and with the Department of Labor and Employment (DOLE);
- d. Report on employment of bonafide Orion residents within 30 calendar days from the date of registration or from the appointment of their replacements;
- e. Quarterly report on the enterprise's business operations, including its production or gross sales or receipts, within 30 calendar days from the end of each quarter;
- f. Audited Annual Financial Statements, within 30 calendar days after its submission to the Bureau of Internal revenue(BIR);
- g. Report on total local incentives availed of the under the Code.

**CHAPTER XI
FINAL PROVISIONS**

SECTION 26. Sanctions for Late Submission of Reportorial Requirements.

For late submission of the reportorial requirements every registered enterprise shall, for each preferred/priority area of investment, be fined in accordance with the following:

- a. 1st violation - PhP 50.00 per day for every violation;
- b. 2nd violation - PhP 1000.00 per day for every violation;
- c. 3rd violation & subsequent violation- PhP 200.00 per day for every violation

SECTION 27. Penal Clause.

Any violation of the provisions of the Code, existing laws, or 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 the Code.

The Certification of Registration of a Business Enterprise, as provided in the Code and these Rules, may be cancelled or revoked due to the following:

- a. Violation of the provisions of the Code and these Rules;
- b. Violation of existing local and national laws, ordinances, rules and regulations;
- c. Failure to commence actual project development within one (1) year from approval of registration.

Cancellation or revocation of the certificate of registration shall mean the withdrawal of all the incentives granted under the Code and all fees and charges previously exempted shall become due and demandable.

Upon the recommendation of the Center, the Chairman of the Board may cancel or revoke the Certificate of Registration of the concerned business enterprise through a formal written notice to that effect and shall become effective on the thirtieth (30th) day from the receipt thereof.

SECTION 28. No Contest Provision.

Any person, individual or entity, who is apprehended or cited for violation and who does not wish to contest the violation and is willing to pay voluntarily the fine imposed upon him/her prior to the filing of formal charges with the proper court, shall be allowed to pay said fine with the Municipal Treasurer to avoid being criminally prosecuted within thirty six (36) hours from apprehension, otherwise the case shall be prosecuted.

SECTION 29. Approval.

The applicant adversely affected by any decision may, within fifteen (15) days from the receipt of such decision, appeal the same to the Board whose decision shall be final and executory.

SECTION 30. Separability Clause.

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

SECTION 31. Repealing Clause.

Except as otherwise provided in the Code, 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 32. Effectivity.

This Ordinance shall take effect on January 1, 2009 and upon compliance with the posting/publication requirement of the Local Government Code of 1991.

RESOLVED FURTHER, that copy of the approved Ordinance be forwarded to the Sangguniang Panlalawigan, thru the Hon. Serafin Q. Roman, Provincial Vice Governor and Presiding Officer, for its review and favorable approval;

RESOLVED FINALLY, that copy of the approved Ordinance be furnished the Hon. Mayor Antonio L. Raymundo Jr., all concerned Sangguniang Bayan Members and municipal heads of office, all 23 Barangay Captains, and the Department of Trade & Industry (DTI) and a copy be posted in conspicuous places in the Municipality for the information of the public.

ENACTED UNANIMOUSLY. 22 JULY 2008.

I hereby certify that the Sangguniang Bayan duly adopted the foregoing Resolution on the date specified therein.

CARLOTA T. VALERIO
Secretary to the Sangguniang Bayan

ATTESTED BY:

VIRGILIO B. ISIDRO
Municipal Vice Mayor and
Presiding Officer

APPROVED:

ANTONIO L. RAYMUNDO JR.
Municipal Mayor

Date: _____