

ARTA
ANTI-RED TAPE AUTHORITY
OFFICE OF THE PRESIDENT OF THE PHILIPPINES



BAGONG PILIPINAS

FAQS

on

R.A. No. 11032

**Frequently Asked Questions
on the Ease of Doing Business and
Efficient Government Service Delivery Act of 2018**

SMARTER INITIATIVES. **BETTER** PHILIPPINES.

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Frequently Asked Questions

**Ease of Doing Business and
Efficient Government Service
Delivery Act of 2018**

Disclaimer:

This document serves as a readily available answer to simple inquiries received by the Anti-Red Tape Authority (ARTA) on the salient provisions of the law. It is not an alternative to the Ease of Doing Business and Efficient Government Service Delivery Act of 2018 or its Implementing Rules and Regulations. This document provides general information but does not limit the powers of the ARTA.

This document is by no means a legal advice. For questions about RA No. 11032, you may contact ARTA's Legal Division through legaldivision@arta.gov.ph.

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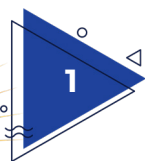
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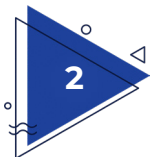
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R.A. No. 11032



Which law did the R.A. No. 11032 amend?

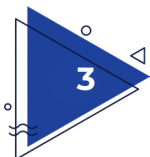
The **R.A. No. 11032** or the **Ease of Doing Business and Efficient Government Service Delivery Act of 2018**, which took effect on 17 June 2018, amended R.A. No. 9485 or the Anti-Red Tape Act of 2007.



Which agency/ies implement/s the provisions of R.A. No. 11032?

The **Anti-Red Tape Authority (ARTA)** implements the provisions of R.A. No. 11032. It is an agency attached to the **Office of the President**.

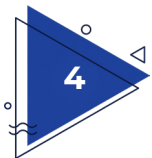
(Section 17, R.A. No. 11032).



Which government agencies are covered by R.A. No. 11032?

R.A. No. 11032 **applies to all government offices and agencies in the Executive Department**. These include **local government units (LGUs)**, **government-owned or controlled corporations** and other government instrumentalities, whether located in the Philippines or abroad, **that provide services covering business and non- business-related transactions**.

(Section 3, R.A. No. 11032; Section 1, Rule II of the IRR).



Are quasi-judicial agencies included in the coverage of R.A. No. 11032?

Yes. Prior to the enactment of R.A. No. 11032 or during the effectivity of **R.A. No. 9485** or the “**Anti-Red Tape Act of 2007**”, government agencies performing judicial, quasi-judicial, and legislative functions are excluded therefrom. However, with the enactment of R.A. No. 11032, all government offices and agencies in the Executive Department are now included in the coverage of R.A. No. 11032.

(Section 3, R.A. No. 11032; Section 1, Rule II of its IRR).

It must also be noted that the proceedings held by the quasi-judicial agencies may be in the nature of purely administrative proceedings/ application proceedings and/or quasi-judicial proceedings. Purely administrative proceedings or application proceedings involves an agency's grant or denial of applications, licenses, and permits which are executive and administrative in nature. It is where the applicant's requirements are being assessed with the object of determining whether the grant of authorization or permission to undertake a regulated activity is warranted. It is where the applicant is being scrutinized for its fitness to secure a license or a permit.

(National Telecommunications Commission v. Brancomm Cable and Television Network Co., G.R. No. 204487. December 5, 2019)

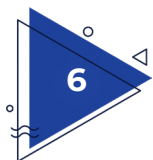
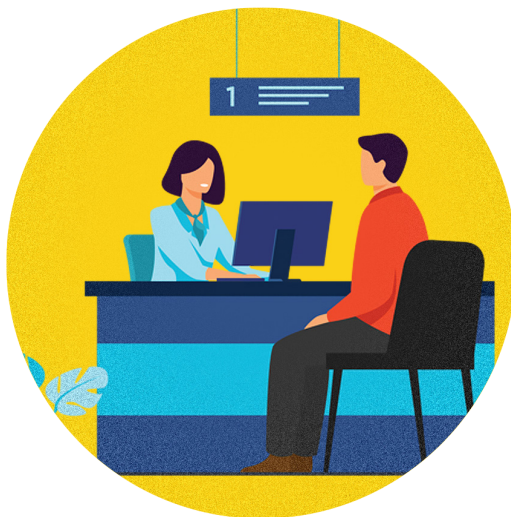


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What government services are covered by the provisions of R.A. No. 11032?

The government services covered by the provisions of R.A. No. 11032 are processes or transactions between applicants of requesting parties and government offices or agencies involving applications for any **privilege, right, reward, license, clearance, permit, or authorization**, or for any **modification, renewal or extension** of the said applications or requests which are acted upon in the ordinary course of business of the agency or office concerned. **Frontline services** enrolled in the existing citizen's charter, corresponding back-end/support services and regulatory functions related to permitting, licensing, and issuance of a privilege, right, reward, clearance, authorization or concession are likewise covered.

(Section 4 (f) of R.A. No. 11032; Section 4(gg), Rules 1 of its IRR).



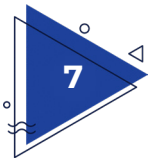
What is meant by business-related transactions and non-business related transaction of R.A. No. 11032?

Business-related transactions refer to a set of regulatory requirements that a business entity must comply with to engage, operate or continue to operate a business, such as, but not limited to, collection or preparation of a number of documents, submission to national and local government authorities, approval of application submitted, and receipt of a formal certificate/s, permits, licenses which include primary and secondary clearances and such similar authorization or documents which confer to operate or continue to operate as a legitimate business.

(Section 4 (c) of R.A. No. 11032)

Non-business-related transactions pertain to all other government transactions. These transactions may not lead to the operation of a legitimate business, but are services covered by R.A. No. 11032 or government service, nevertheless.

(Section 4 (h) vis-à-vis Section 4 (f) of R.A. No. 11032).



What are the classifications of government services under R.A. No. 11032?

The classification of government services under R.A. No. 11032 are **simple transactions**, **complex transactions**, and **highly-technical applications**.

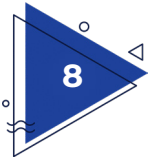
Simple transactions refer to applications or requests submitted by applicants or requesting parties of a government office or agency which only require ministerial actions on the part of the public officer or employee, or that which present only inconsequential issues for the resolution by an officer or employee of said government.

Complex transactions refer to applications or requests submitted by applicants or requesting parties of a government office which necessitate evaluation in the resolution of complicated issues by an officer or employee of said government office, such transactions to be determined by the office concerned.

Highly-technical application refers to an application which requires the use of technical knowledge, specialized skills and/or training in the processing and/or evaluation thereof.

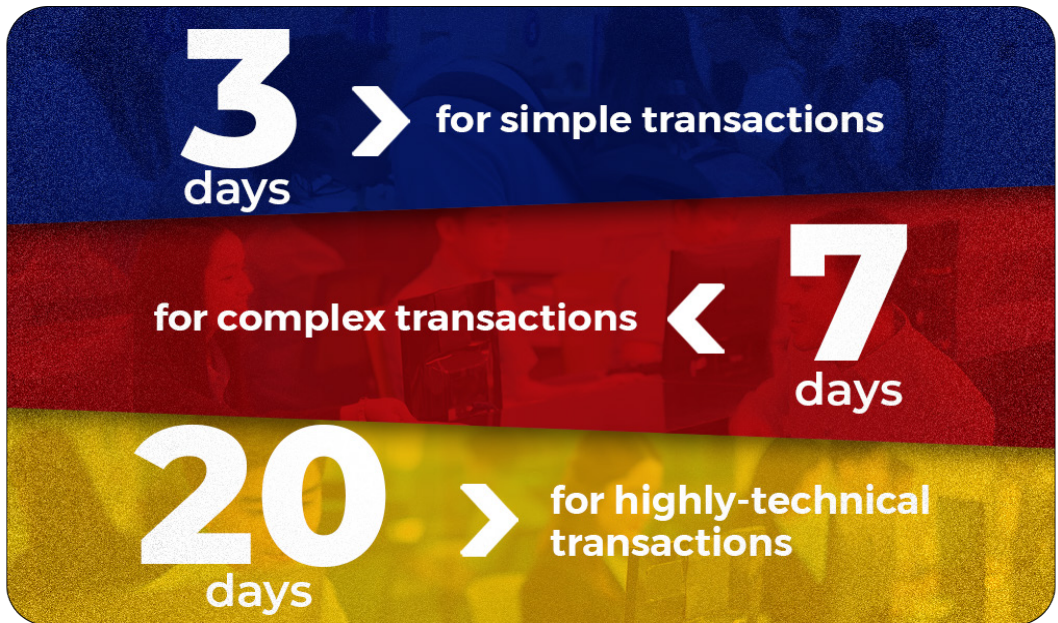
(Section 4 (m), R.A. No. 11032) | (Section 4 (d), R.A. No. 11032).





What are the prescribed processing times provided under R.A. No. 11032?

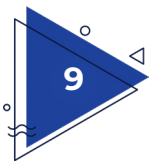
The prescribed processing times provided under R.A. No. 11032 are the so-called **3-7-20**:



The prescribed processing time for applications or requests involving activities which pose danger to the public health, public safety, public morals, and public policy is **twenty (20) days** or as determined by the government agency or instrumentality concerned, whichever is shorter.

For application or request for license, clearance, permit, certification or authorization that require the approval of the local Sanggunian concerned, the processing time is **forty-five (45) working days** which may be extended for another **twenty (20) working days**.

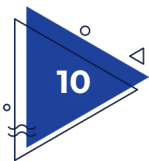
(Section 9 (b) (1), R.A. No. 11032).



Can the prescribed processing time be extended?

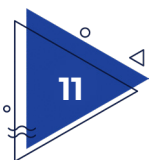
The prescribed processing time may be extended for the same number of days which shall be indicated in the Citizen's Charter; provided, that the applicant or requesting party is notified of the extension prior to the lapse of the processing time. The written notification shall be signed by the applicant or requesting party to serve as proof of notice.

(Section 9 (b) (1), R.A. No. 11032).



Is there an exception to the 3-7-20 rule?

Yes, if the law that created the agency or a special law which expressly provides for a different processing time, then that will prevail.

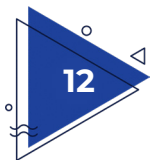


When does the processing time commence to run?

The prescribed processing time commences to run from the date the request and/or complete application or request was received.

(Section 9 (b) (1), R.A. No. 11032).

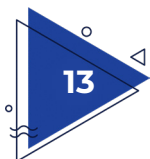




What is the remedy available to the applicant if the concerned agency refused to accept the application or accept payment which is a requirement for the prescribed processing time to commence?

If the applicant is submitting the complete requirements for the government service it seeks to avail, and the government office / agency concerned refuses to accept the same and to allow the applicant to post its payment, and the refusal is without due cause, the applicant may file a complaint for violation of **Section 21 (a) of R.A. No. 11032 for refusal to accept application or request with complete requirements being submitted** by an applicant or requesting party without due cause. The complaint may be filed before the ARTA, which will then investigate the complaint.

(Section 16, Section 17, Section 21, and Section 24, R.A. No. 11032).



What should be the appropriate action of the government agency or office relative to the applications or requests received?

The government agency concerned should either approve or deny the application or request. No application or request shall be returned to the applicant or requesting party without appropriate action.

(Section 9(b)(2), R.A. No. 11032).

‘Action’ refers to the written approval or disapproval made by a government office or agency on the application or request submitted by an applicant or requesting party for processing.

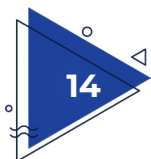
(Section 4 (a), R.A. No. 11032).

It must also be noted that returning or rejecting the application due to lacking documents or incomplete requirements without stating whether the same is approved or disapproved is not considered an action. At the most, it is only a preliminary assessment of the accompanying requirements of the application or request.

(Independent Electricity Market Operator of the Philippines, Inc. (IEMOP) v. Energy Regulatory Commission, G.R. No. 2544440. March 23, 2022).

In case an application or request is disapproved, the officer or employee who rendered the decision shall send a formal notice to the applicant or requesting party within the prescribed processing time, stating therein the reason for the disapproval. Moreover, any denial of application or request for access to government service shall be fully explained in writing, stating the name of the person making the denial and the grounds upon which such denial is based.

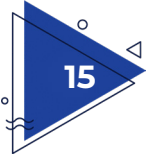
(Section 4 (a), R.A. No. 11032).



When can the prescribed processing time be suspended?

The prescribed processing time shall be suspended, and appropriate adjustments shall be made in cases where the cause of delay is due to force majeure or natural or man-made disasters resulting to damage or destruction of documents, and/or system failure of the computerized or automatic processing of applications or requests.

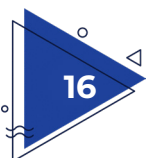
(Section 9 (b) (1), R.A. No. 11032).



When may an application be considered and classified as multi-stage?

A highly technical transaction that involves activities such as, but not limited to, **research, field trials, scientific methodology, inter-government actions**, the agency or office may apply the multi-stage system subject to the approval of the ARTA. Thus, an application that involve the activities like research, field trials, scientific methodology, inter-government actions, and with approval from the ARTA to apply the multi-stage system, may be considered as a multi-stage application.

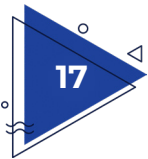
(Section 10, R.A. No. 11032).



Is there a limitation to the number of signatories in the document?

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 agency concerned. If the authorized signatory is on official business or official leave, an alternate shall be designated as signatory. **Electronic signatures** or **pre-signed license, clearance, permit, certification** or **authorization with adequate security and control mechanism** may be used. The document pertained to refers to license, clearance, permit, certification or authorization.

(Section 10, R.A. No. 11032).



What is the Automatic Approval mechanism under R.A. No. 11032?

The **Automatic Approval mechanism** provides 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.**

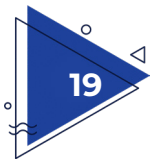
(Section 10, R.A. No.11032).



What are the prerequisites of the Automatic Approval mechanism?

It is a prerequisite that **all required documents have been submitted and all required fees and charges have been paid.** The acknowledgment 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.

(Section 10, R.A. No.11032).

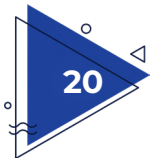


What is Automatic Extension under R.A. No. 11032?

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**.

However, **Automatic Extension** or **renewal** shall not apply to license, clearance, permit, certification or authorization that have already expired at the time of the submission of application or request.

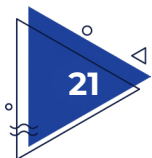
(Section 10, R.A. No. 11032). (Rule VIII, Section 3, IRR of R.A. No.11032).



In which documents does the Automatic Approval mechanism apply to?

The Automatic Approval mechanism applies only to the documents specifically mentioned under the law which are **license, clearance, permit, certification or authorization**.

(Section 10, R.A. No.11032.)



How is the Automatic Approval under R.A. No. 11032 being implemented by ARTA?

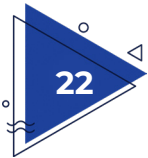
For the implementation of the Automatic Approval mechanism, the applicant or requesting party shall submit a request for Automatic Approval / Automatic Extension before the ARTA.

a. If a government office / agency fails to approve or disapprove an original application or request for the issuance of a license, clearance, permit, certification or authorization within the prescribed processing time;

b. When all the required documents have been submitted; and

c. When all the required fees and charges have been paid.

(Rule VIII, Section 1, IRR of R.A. No. 11032).



What are the documentary requirements to submit a request for Automatic Approval?

The following documents shall be submitted when making a request for **Automatic Approval** before the ARTA:

a. **Acknowledgment receipt** or copies of the submitted documents to the government agency or office concerned bearing the stamp “received” which indicates that all the requirements for the issuance of the license, clearance, permit, certification, or authorization being applied for have already been submitted;

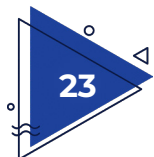
b. The **official receipt** or any document issued by any government agency as proof of payment, if applicable.

c. **Affidavit of Completeness** stating that the required submission for the license, clearance, permit, certification, or authorization applied for were duly submitted to the government agency or office concerned.

d. In case the person requesting for Automatic Approval is not the same as the applicant or requesting party, such request must be accompanied by a **Special Power of Attorney for individuals** and/ or **Secretary Certificate/ Board Resolution for juridical entities**.

(Rule VI, Section 2 of the 2023 Revised Rules of Procedure of ARTA).

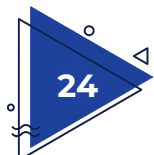
For complete procedure relative to requests for Automatic Approval, please refer to the **2023 Revised Rules of Procedure of ARTA** through this link: <https://arta.gov.ph/wp-content/uploads/2023/06/MC-No.-2023-02.pdf>



What will the ARTA issue if indeed the Automatic Approval mechanism is applicable?

Upon due investigation and verification that the applicant has indeed fully submitted all the necessary documents and paid all the required fees, the ARTA shall issue a **Declaration of Completeness** and order the concerned office or agency to issue the approval, extension, and/or renewal of the license, clearance, permit, bcertification or authorization which is deemed automatically approved as provided by **Section 10 of R.A. No. 11032**.

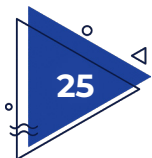
(Rule VI, Section 4, IRR of R.A. No. 11032)



Is the Declaration of Completeness, order to issue the approval and/or Resolution issued by ARTA appealable?

The parties may appeal the **Resolution** and **Declaration of Completeness** to the Office of the President, subject to applicable laws and rules of procedure.

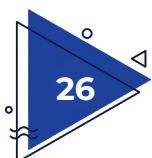
(2nd paragraph of Section 6, Rule VI, 2023 ARTA Revised Rules of Procedure).



What is the remedy available to the applicant if the concerned agency refuses to issue the approval, extension, or renewal applied for?

The applicant, whose application or request was not acted upon, i.e., either approved or disapproved, by the government office / agency concerned, and whose application or request for issuance of a licence, clearance, permit, certification or authorization has been a subject of automatic approval mechanism, yet still not acted upon by the government office / agency concerned, may file a criminal action alleging violation of **Section 3(f) of R.A. No. 3019** or the **Anti-Graft and Corrupt Practices Act**, i.e., for neglecting or refusing, after due demand or request, without sufficient justification, to act within a reasonable time on any matter pending before him for the purpose of obtaining, directly or indirectly, from any person interested in the matter some pecuniary or material benefit or advantage, or for the purpose of favoring his own interest or giving an undue advantage in favor of or discriminating against any other interested party.

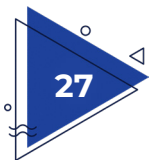
(Lacap v. Sandiganbayan, G.R. No. 198162. June 21, 2017) [This case involved an application for a business permit that was neither approved nor disapproved by the mayor.]



Are Resolutions of the Sanggunian subject to the Automatic Approval mechanism?

The Automatic Approval mechanism does not apply to the resolution of the Sanggunian concerned as there cannot be a Sanggunian approval without action of city council or the municipal council. However, the public officers responsible for the issuance of the resolution may be collectively liable under the **Section 21 of R.A. No. 11032**.

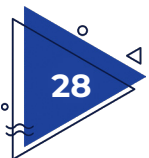
(page 71-72 of the Bicameral Conference Committee on the Disagreeing Provisions of Senate Bill No. 1311 and House Bill No. 6579 Expanded Anti-Red Tape Act / Ease of Doing Business dated February 12, 2018).



Does the ARTA approve the request or applications unacted upon by the government agency or office concerned?

The ARTA does not approve nor disapprove an application or request unacted upon by the government agency or office concerned. The ARTA will, however, determine whether the government agency or office is in violation of the provisions of **R.A. No. 11032**.

(page 74 of the Bicameral Conference Committee on the Disagreeing Provisions of Senate Bill No. 1311 and House Bill No. 6579 (Expanded Anti-Red Tape Act / Ease of Doing Business dated February 12, 2018).



What are the violations that may be committed under R.A. No. 11032 and who can be liable therefor?

Any person who performs or cause the performance of the following acts shall be liable:

(a) Refusal to accept application or request with complete requirements being submitted by an applicant or requesting party without due cause;

(b) Imposition of additional requirements other than those listed in the Citizen's Charter;

(c) Imposition of additional costs not reflected in the Citizen's Charter;

(d) Failure to give the applicant or requesting party a written notice on the disapproval of an application or request;

(e) Failure to render government services within the prescribed processing time on any application or request without due cause;

(f) Failure to attend to applicants or requesting parties who are within the premises of the office or agency concerned prior to the end of official working hours and during lunch break;

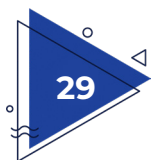
(g) Failure or refusal to issue official receipts; and

(h) Fixing and/or collusion with fixers in consideration of economic and/or other gain or advantage.

(Section 21 of R.A. No. 11032).

Additionally, it is a violation for the BFP or any of its officials or employees to sell, offer to sell, or recommend specific brands of fire extinguishers and other fire safety equipment to any applicant or requesting party or business entity.

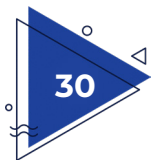
(Section 12 (f), R.A. No. 11032).



Does the ARTA impose the penalty for administrative violations of R.A. No. 11032?

The administrative jurisdiction regarding any violation of the provisions of R.A. No. 11032 shall be vested with the **Civil Service Commission (CSC)**, or the **Office of the Ombudsman** as determined by appropriate laws and issuances. Thus, it is the CSC or the Office of the Ombudsman, as the case maybe, which imposes the penalty for administrative violations of R.A. No. 11032.

(Section 24, R.A. No. 11032).



How does ARTA determine whether to endorse its Findings and Recommendation actions to the CSC or the Ombudsman? Please clarify the distinctions?

If a *prima facie* case is established after the investigation conducted by ARTA, it shall issue a **Final Complaint**, directing the filing of the appropriate case/s against the person/s complained of with the Office of the President (OP), CSC, the Office of the Ombudsman and other appropriate courts, as the case may be.

(Section 4, Rule XIV of the Implementing Rules and Regulation (IRR) of R.A. No. 11032).

The CSC and the Office of the Ombudsman shall have administrative jurisdiction over non-presidential appointees, while the Office of the Ombudsman and the Office of the President shall have administrative jurisdiction over presidential appointees.

(Section 4, Rule VIII of CSC Resolution No. 081471 or the IRR of Anti-Red Tape Act of 2007; Section 7 (A) of the 2017 Rules on Administrative Cases in the Civil Service (2017 RACCS)).²

For complaints against elective officials, the same is endorsed to the Office of the Ombudsman.

Further, complaints that include allegations for violation of **R.A. No. 3019** or the **Anti-Graft and Corrupt Practices Act** are endorsed to the **Office of the Ombudsman**, while complaints which are purely administrative in nature or that which does not involve allegations for violation of R.A. 3019 are endorsed to the CSC, subject to the afore-mentioned distinctions, i.e., whether presidential or non-presidential appointee or elective officer.

² Please note that neither R.A. No. 11032 nor its IRR has specific provisions delineating the administrative jurisdictions between the CSC and the Office of the Ombudsman, and considering that the cited provision under the IRR of R.A. No. 9485 is not inconsistent nor incompatible with R.A. No. 11032 and its IRR, the same could be used as a basis for clarifying the distinction between the jurisdiction of the CSC and of the Office of the Ombudsman.

NOTES



LABANAN ANG **RED TAPE** SA GOBYERNO

MABIGAT ANG PARUSA PARA SA
MGA MAPATUTUNAYANG
SANGKOT SARED TAPE AYON SA
REPUBLIC ACT NO. 11032

NAKARANAS KA NA BA NG ALINMAN SA MGA ITO?

- TINANGGIHAN ANG APLIKASYON KAHIT KUMPLETO ANG DOKUMENTO
- BINIGYAN NG REQUIREMENTS O BAYARIN NA WALA SA CITIZEN'S CHARTER
- 'DI NAKATANGGAP NG WRITTEN NOTICE SA HINDI APRUBADONG APLIKASYON
- LAGPAS SA 3-7-20 RULE ANG PROCESSING TIME
- WALANG OFFICIAL RECEIPT
- IDINAAN SA FIXER ANG TRANSAKSYON
- CUT-OFF SYSTEM AT PAGLABAG SA NO-NOON BREAK POLICY

**O NAIS MONG MAAKSYUNAN AGAD
ANG NAKABINBIN MONG APLIKASYON?**

Kung unang beses:

- 6 na buwang suspensyon sa gobyerno

Kung pangalawang beses o sangkot sa fixing:

- Sibak sa serbisyo
- 'Di na maaaring humawak ng pampublikong tanggapan
- Tanggal ang retirement benefits
- 1 hanggang 6 na taong pagkakakulong
- P500,000 hanggang P2,000,000 na multa

ARTA HOTLINE: ☎ 1-2782 O SA 8888
ART A



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