



MEMORANDUM

FOR : **The Directors**
Biodiversity Management Bureau
Land Management Bureau
Mines and Geosciences Bureau
National Water Resources Board

FROM : **The OIC Director**
Policy and Planning Service

SUBJECT : **REQUEST FOR REVIEW OF THE PROPOSED REVISIONS TO
BE REFLECTED IN THE 13TH REGULAR FOREIGN
INVESTMENT NEGATIVE LIST**

DATE : **09 AUG 2024**

This refers to the letter dated 26 July 2024 from the Undersecretary Rosemarie G. Edillon of the National Economic and Development Authority (NEDA), requesting the review of the proposed revisions to be reflected in the 13th Regular Foreign Investment Negative List (RFINL).

Background

The Republic Act No. 7042, also known as the "Foreign Investments Act of 1991", as amended, mandates the formulation of the RFINL every two (2) years, covering investment areas or activities with foreign equity restrictions and/or those reserved to Filipino Nationals. As provided by law, the 13th RFINL will be formulated to replace the 12th RFINL, which was promulgated last 2022. The 13th RFINL will reflect changes to Lists A and B, pursuant to existing and recently passed laws, consistent with the policy to ease the restrictions on foreign participation.

In compliance to this, the NEDA has conducted review of the 12th RFINL on the following items:

- i. Changes in the current laws governing the investment activities/areas in the RFINL;
- ii. Issues in the interpretations of laws in the investment activities/areas in the RFINL; and
- iii. Proposed action/changes to liberalize certain sectors to determine the revisions that may be reflected under the 13th RFINL

The review resulted in the crafting of the Comparative Matrix of the changes between the 12th RFINL and the 13th RFINL (*please see Attachment A*)

MEMO NO. 2024 - 707

Action Requested

In this regard, we would like to request your good Office to conduct a legal review of the proposed revisions (comparative matrix¹), particularly on the following sections/items:

Item/Section (12 th RFINL)	Change	Concerned Office
6. Small-scale mining (Section 3 of RA No. 7076)	Small-scale mining (Section 3 of RA No. 7076)	<ul style="list-style-type: none"> • Mines and Geoscience Bureau
7. Utilization of marine resources in archipelagic waters, territorial sea and exclusive economic zone, as well as small-scale utilization of natural resources in rivers, lakes, bays and lagoons (Section 2, Article XII of the Constitution)	Utilization of marine resources in archipelagic waters, territorial sea and exclusive economic zone, as well as small-scale utilization of natural resources in rivers, lakes, bays and lagoons (Section 2, Article XII of the Constitution)	<ul style="list-style-type: none"> • Biodiversity Management Bureau • National Water Resources Board
16. Exploration, development and utilization of natural resources (Section 2, Article XII of the Constitution)	Exploration, development and utilization of natural resources except: (a) agreements entered into with the President for the technical or financial assistance for large-scale exploration, development, and utilization of minerals, petroleum, and other mineral oils (Section 2, Article XII of the Constitution) and (b) renewable energy, such as solar, wind, hydro and ocean or tidal energy (DOE Department Circular No. DC2022-11-0034), where full foreign participation is allowed	<ul style="list-style-type: none"> • Mines and Geosciences Bureau
17. Ownership of private lands (Section 7, Article XII of the Constitution; Section 22 of CA No. 141; Section 4 of RA No.	17. Ownership of private lands (Section 7, Article XII of the Constitution; Section 22 of CA No. 141; Section 4 of RA No. 9182), except a natural born citizen who has lost his	<ul style="list-style-type: none"> • Land Management Bureau

¹ Attached as Attachment A

9182), except a natural born citizen who has lost his Philippine citizenship and who has the legal capacity to enter into a contract under Philippine laws (Section 10 of RA No. 7042, as amended by Section 5 of RA No. 8179)	Philippine citizenship and who has the legal capacity to enter into a contract under Philippine laws (Section 8, Article XII of the Constitution; Section 10 of RA No. 7042, as amended by Section 5 of RA No. 8179, as further amended by RA 11647; Section 50 of the IRR of RA 11647)	
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In line with the 13th RFINL, we would also like to request the submission of your designated focal points (*name, email, & contact number*) for matters regarding the RFINL.

Due to the urgent nature of the matter, we would appreciate receiving your legal review/comments and/or feedback by **14 August 2024**, send through the following emails: ouppia@denr.gov.ph; cc: odpps@denr.gov.ph; policy@denr.gov.ph & psddivision@gmail.com.

For your information and consideration, please.


CHERYL LOISE T. LEAL, *EnP*



REPUBLIC OF THE PHILIPPINES
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

26 July 2024

Hon. Maria Antonia Yulo Loyzaga
Secretary
Department of Environment and Natural Resources
DENR Bldg., Visayas Ave.,
Diliman, Quezon City

Subject: Request for Review of the Proposed Revisions to be Reflected in the 13th Regular Foreign Investment Negative List (RFINL)

Dear Secretary Loyzaga:

The Republic Act (RA) No. 7042, also known as the "Foreign Investments Act of 1991", as amended, mandates the formulation of the RFINL every two (2) years, covering investment areas or activities with foreign equity restrictions and/or those reserved to Filipino Nationals. As provided by law, the 13th RFINL will be formulated to replace the 12th RFINL, which was promulgated last 2022. The 13th RFINL will reflect changes to Lists A and B, pursuant to existing and recently passed laws, consistent with the policy to ease the restrictions on foreign participation.

In compliance to this, the National Economic and Development Authority (NEDA) has conducted a review of the 12th RFINL on the following items: i) changes in the current laws governing the investment activities/areas in the RFINL; ii) issues in the interpretations of laws in the investment activities/areas in the RFINL; iii) proposed actions/changes to liberalize certain sectors to determine the revisions that may be reflected under the 13th RFINL.

The review resulted in the crafting of the Comparative Matrix of the Changes Between the 12th RFINL and 13th RFINL (**Attachment A**).

In this regard, we would like to request the Department of Environment and Natural Resources' (DENR) review of the proposed changes to be reflected in the 13th RFINL in the attached matrix. Please indicate if there are recent laws and/or new regulations issued (since 2022) that limit or allow increased foreign equity participation or foreign ownership in economic activities under DENR's purview.

We would appreciate receiving the DENR's submission of response on or before **01 August 2024 (Thursday)**.

For questions or clarifications, your office may contact the Industry Division of the NEDA – Trade, Services, and Industry Staff at email address tsis-id@neda.gov.ph.

Thank you.

Very truly yours,



Rosemarie G. Edillon
Undersecretary
NEDA, Policy and Planning Group

*Comparative Matrix: 12th vs 13th Regular Foreign Investment Negative List (RFINL)
Proposed Changes Based on the Scheduled Formulation of the 13th RFINL in 2024
As of 22 July 2024*

LIST A: FOREIGN OWNERSHIP IS LIMITED BY MANDATE OF THE CONSTITUTION AND SPECIFIC LAWS

12 th RFINL	Proposed 13 TH RFINL	Changes
No Foreign Equity		
1. Mass media, except recording (Section 11, Article XVI of the 1987 Constitution; Presidential Memorandum dated 05 May 1994) and internet business (Department of Justice [DOJ] Opinion No. 40, s. 1998) ¹	1. Mass media, except recording (Section 11, Article XVI of the 1987 Constitution; Presidential Memorandum dated 05 May 1994) and internet business (Department of Justice [DOJ] Opinion No. 40, s. 1998) ²	NEDA-TSIS: No changes. Presidential Memorandum dated 05 May 1994 is not available online.
2. Practice of professions (Section 14, Article XII of the Constitution), except in cases		NEDA-TSIS: This item is proposed to be deleted in the 13 th RFINL. In relation to this, the “Annex A: Professions where foreigners

¹ DOJ Opinion No. 40 (s. 1998) uses the term “Internet Business” to refer to internet access providers that merely serve as carriers for transmitting messages and not creators of messages/information.

² DOJ Opinion No. 40 (s. 1998) uses the term “Internet Business” to refer to internet access providers that merely serve as carriers for transmitting messages and not creators of messages/information.

Changes	Proposed 13 th RFINL	12 th RFINL No Foreign Equity
<p>are not allowed to practice in the Philippines except if subject to reciprocity as provided in the pertinent laws" is also being proposed to be removed in the 13th RFINL.</p> <p>The basis for removing these is Section 11 of the Republic Act No. 11647 which amended the RA 7042, as amended, inserted a Section 18 in RA No. 7042. This new section provides that RA 11647 will not apply to the practice of professions that are covered by specific laws and fall under the jurisdiction of various Professional Regulatory Boards (PRBs) or any other equivalent regulating body, or those subject to reciprocity agreements with other countries.</p> <p>If this proposed revision will be approved, an explanation of Section 11 of RA No. 11647 will be included in the "Whereas" clause of the draft Executive Order (EO) Promulgating the 13th RFINL.</p>	<p>-----</p>	<p>specifically allowed by law following the prescribed conditions stated therein (Section 1 of Republic Act [RA] No. 5181,³ Section 7[1] of RA No. 8981,⁴ Title II of Presidential Decree [PD] No. 442).⁵ The Annex on Professions attached herewith and forming an integral part of this document, indicates:</p> <p>a. professions where foreigners are not allowed to practice in the Philippines, except if subject to reciprocity as provided in pertinent laws; and</p> <p>b. corporate practice of professions with foreign</p>

³ RA No. 5181 prescribed permanent residence and reciprocity as qualifications for any examination or registration for the practice of any profession in the Philippines (Section 1 of RA No. 5181).

⁴ RA 8981 provides rules for foreign professionals who intend and are authorized by existing laws to practice a profession in the Philippines (Section 7(f) and 7(i) of RA 8981).

⁵ Title II of PD No. 442 governs the employment of non-resident aliens in the country.

Changes	Proposed 13 TH RFINL	12 th RFINL
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		equity restrictions under pertinent laws ⁶
<p>NEDA-TSIS: This will serve as Annex to the 13th RFINL to show the professions where the corporate practice has foreign equity restrictions. Kindly refer to the Annex for more details.</p>	<p>2. Corporate Practice of Professions with foreign equity restrictions under pertinent laws.⁷ The Annex on Corporate Practice of Professions attached herewith and forming in integral part of this document, indicates.</p>	
<p>NEDA-TSIS: Transfer Retail trade enterprises with paid-up capital of less than PHP25,000,000.00 from "No Foreign Equity" to "Up to 40% foreign equity" of List A.</p>	-----	<p>3. Retail trade enterprises with paid-up capital of less than PHP25,000,000.00 (Section 2 of RA No. 11595, amending RA No. 8762)⁸</p>
<p>NEDA-TSIS: Revised the legal basis for cooperatives to include the RA No. 11647 which amended the RA No. 8179. The "Rule XV, IRR of RA No. 11647" was also reflected as investments of former natural born citizens of the Philippines (Section 9 of RA No. 6938, as amended by Chapter II, Article 10 of RA No. 9520) except RA No. 6938, as amended by Chapter II, Cooperatives (Chapter III, Section 26 of</p>	<p>3. Investments of former natural born citizens of the Philippines (Section 9 of</p>	<p>4. Cooperatives (Chapter III, Article 26 of RA No. 6938, as amended by Chapter II, Article 10 of RA No. 9520), except investments of former natural</p>

⁶ DOJ letter to NEDA dated 12 October 2021 states "that licensed/registered foreign professionals who are allowed, on the basis of reciprocity, to practice profession in the Philippines, can have an equity in a corporation authorized to practice the same profession, subject to the limitations provided, if any, in the relevant regulatory or Board law and other relevant laws."

⁷ DOJ letter to NEDA dated 12 October 2021 states "that licensed/registered foreign professionals who are allowed, on the basis of reciprocity, to practice profession in the Philippines, can have an equity in a corporation authorized to practice the same profession, subject to the limitations provided, if any, in the relevant regulatory or Board law and other relevant laws."

⁸ Foreign-owned partnerships, associations and corporations are allowed to engage in retail trade provided that: a) the foreign retailer shall have a minimum paid-up capital of PHP25 million; b) the foreign retailer's country of origin does not prohibit entry of Filipino retailers; and c) foreign retailer with more than one physical store must have at least PHP10 million minimum investment per store (Section 2 of RA No. 11595 amending RA No. 8762).

Comparative Matrix: 12th vs 13th Regular Foreign Investment Negative List (RFINL)

Changes	Proposed 13 TH RFINL	12 th RFINL
<p>ARTICLE 26. Who May be Members of Cooperatives. – Any natural person, who is a citizen of the Philippines, a cooperative, or non-profit organization with juridical personality shall be eligible for membership in a cooperative if the applicant meets the</p> <p>Explanation of the footnote:</p> <p>Article 26, Chapter III of RA No. 6938, otherwise known as the Cooperative Code of the Philippines, provides:</p> <p>cooperatives was also revised to reflect RA No. 11647.</p> <p>RA 7042, as amended by Section 4 of RA No. 8179, as further amended by RA No. 11647;^{10, 11}</p> <p>Furthermore, another footnote indicating that the “There is no citizenship requirement for members of cooperatives (Chapter III, Article 26 of RA No. 9520 amending Article 26 of RA No. 6938)” was also added.</p>		<p>born citizens of the Philippines (Section 4 of RA No. 8179, amending RA No. 7042)⁹</p>

⁹ Former natural born citizens of the Philippines have the same investment rights to cooperatives as a Philippine citizen (Section 9 of RA No. 7042).

¹⁰ Former natural born citizens of the Philippines have the same investment rights to cooperatives as a Philippine citizen (Section 9 of RA 7042, as amended by Section 4 of RA No. 8179, as further amended by RA No. 11647).

¹¹ There is no citizenship requirement for members of cooperatives (Chapter III, Article 26 of RA No. 9520 amending Article 26 of RA No. 6938).

Changes	Proposed 13 TH RFINL	12 th RFINL No Foreign Equity
<p>qualifications prescribed in the by-laws: Provided, That only natural persons may be admitted as members of a primary cooperative.</p> <p>However, Section 3 of RA No. 9520, entitled An Act Amending the Cooperative Code of the Philippines to be known as the "Philippine Cooperative Code Of 2008" provides:</p> <p>SEC. 3. Articles 26, 27, 28, 29, 30, 31 and 32 of Chapter III on Membership of the same Code are hereby renumbered and amended to read, as follows:</p> <p>"ART. 26. Kinds of Membership. – A cooperative may have two (2) kinds of members, to wit: (1) regular members and (2) associate members.</p> <p>"A regular member is one who has complied with all the membership requirements and entitled to all the rights and privileges of membership. An associate member is one who has</p>		

Changes	Proposed 13 TH RFINL	12 th RFINL No Foreign Equity
<p>no right to vote nor be voted upon and shall be entitled only to such rights and privileges as the bylaws may provide: Provided, That an associate member who meets the minimum requirements of regular membership, continues to patronize the cooperative for two (2) years, and signifies his/her intention to remain a member shall be considered a regular member.</p> <p>Based on this, the citizenship requirement for members of cooperatives has been removed.</p> <p>Article 10 of RA No. 6938, as amended by RA No. 9520, provides:</p> <p>ART. 10. Organizing a Primary Cooperative. – Fifteen (15) or more natural persons who are Filipino citizens, of legal age, having a common bond of interest and are actually residing or working in the intended area of operation, may organize a primary cooperative under</p>		

Changes	Proposed 13 TH RFINL	12 th RFINL No Foreign Equity
<p>this Code: Provided, That a prospective member of a primary cooperative must have completed a Pre-Membership Education Seminar (PMEs). X x x.</p> <p>While Article 5(1) of RA No. 6938, as amended by RA No. 9520, defines a member as a person either natural or juridical who adhering to the principles set forth in this Code and in the Articles of Cooperative, has been admitted by the cooperative as member, Article 10 of RA No. 6938, as amended by RA No. 9520, requires the organizers to be Filipino citizens.</p>		
<p>NEDA-TSIS: Changed the legal basis to reflect RA No. 11917. The RA No. 11917 already repealed the RA No. 5487. Hence, the need to revise the legal basis.</p>	<p>4. Organization and operation of private detective, watchmen or security guards agencies (Section 4 of RA No. 11917)</p>	<p>5. Organization and operation of private detective, watchmen or security guards agencies (Section 4 of RA No. 5487, as amended by Section 4 of PD No. 11 and PD No. 100, s. 1973)</p>
<p>NEDA-TSIS: No change. Will be retained in "List A, No foreign equity".</p>	<p>5. Small-scale mining (Section 3 of RA No. 7076)</p>	<p>6. Small-scale mining (Section 3 of RA No. 7076)</p>
<p>NEDA-TSIS: No change. Will be retained in "List A, No foreign equity".</p>	<p>6. Utilization of marine resources in archipelagic waters, territorial sea and</p>	<p>7. Utilization of marine resources in archipelagic waters,</p>

Changes	Proposed 13 TH RFINL	12 th RFINL
		No Foreign Equity
	<p>exclusive economic zone, as well as small-scale utilization of natural resources in rivers, lakes, bays and lagoons (Section 2, Article XII of the Constitution)</p>	<p>territorial sea and exclusive economic zone, as well as small-scale utilization of natural resources in rivers, lakes, bays and lagoons (Section 2, Article XII of the Constitution)</p>
<p>NEDA-TSIS: Reflected a minor change in the legal basis to reflect the exact provision on ownership in the PD 449 which is the Section 5a. Nonetheless, there is a need to request the Games and Amusements Board (GAB) if there are changes in the law that will allow foreign equity participation in "ownership, operation and management of cockpits".</p>	<p>7. Ownership, operation and management of cockpits (Section 5a of PD No. 449)</p>	<p>8. Ownership, operation and management of cockpits (Section 5 of PD No. 449)</p>
<p>NEDA-TSIS: Deleted the footnote indicating that domestic investments are also prohibited in this activity. This is because the RFINL serves as a guide for foreigners on the activities where foreign equity participation is limited.</p>	<p>8. Manufacture, repair, stockpiling and/or distribution of nuclear weapons (Section 8, Article II of the Constitution)</p>	<p>9. Manufacture, repair, stockpiling and/or distribution of nuclear weapons (Section 8, Article II of the Constitution)¹²</p>
<p>NEDA-TSIS: Deleted the footnote indicating that domestic investments are also prohibited in this activity. This is because the RFINL serves as a guide for foreigners on the anti-personnel mines (various treaties</p>	<p>9. Manufacture, repair, stockpiling and/or distribution of biological, chemical and radiological weapons and anti-personnel mines (various treaties</p>	<p>10. Manufacture, repair, stockpiling and/or distribution of biological, chemical and radiological weapons and anti-</p>

¹² Domestic investments are also prohibited (Section 8, Article II of the Constitution; Conventions/Treaties to which the Philippines is a signatory).

Changes	No Foreign Equity	
	12 th RFINL	Proposed 13 th RFINL
<p>activities where foreign equity participation is limited.</p> <p>NEDA-TSIS: No change. Will be retained in "List A, No foreign equity". But there is a need to ask the Department of Trade and Industry (DTI) and Securities and Exchange Commission (SEC) if there are new laws/regulations that amends the Section 5 of RA 7183 to allow foreign equity participation.</p>	<p>personnel mines (various treaties to which the Philippines is a signatory and conventions supported by the Philippines)¹³</p> <p>to which the Philippines is a signatory and conventions supported by the Philippines)</p>	<p>11. Manufacture of firecrackers and other pyrotechnic devices (Section 5 of RA No. 7183)</p> <p>10. Manufacture of firecrackers and other pyrotechnic devices (Section 5 of RA No. 7183)</p>

Changes	Up to twenty-five percent (25%) foreign equity	
	12 th RFINL	Proposed 13 th RFINL
<p>recruitment/manning agency is considered</p> <p>The NEDA-Legal Staff also clarified that Section 6 (n) of RA 8042, as amended by RA 10022, indicates that allowing a non-Filipino citizen to head or manage a licensed</p>	<p>12. Private recruitment, whether for local or overseas employment (Article 27 of PD No. 442)</p> <p>11. Private recruitment, whether for local or overseas employment (Book One, Chapter II, Article 27 of The Labor Code of the Philippines, Renumbered, DOLE Edition 2022".</p> <p>The NEDA-Legal Staff also clarified that Section 6 (n) of RA 8042, as amended by RA 10022, indicates that allowing a non-Filipino citizen to head or manage a licensed recruitment/manning agency is considered</p>	<p>12. Private recruitment, whether for local or overseas employment (Article 27 of PD No. 442)</p> <p>11. Private recruitment, whether for local or overseas employment (Book One, Chapter II, Article 27 of The Labor Code of the Philippines, Renumbered, DOLE Edition 2022)</p>

¹³ Domestic investments are also prohibited (Section 8, Article II of the Constitution; Conventions/Treaties to which the Philippines is a signatory).

Changes	Proposed 13 th RFINL	12 th RFINL
		Up to twenty-five percent (25%) foreign equity
<p>illegal recruitment. Further, the 75%-25% ownership rule is still valid for this activity.</p> <p>NEDA-TSIS: Needs clarification from Department of National Defense (DND) if Section 1 of CA 541 which provides that "no foreign bids" shall be allowed for the defense-related structures will contradict the allowed 25% foreign equity participation for "Contracts for the construction of defense-related structures".</p> <p>Moreover, the DND may also be consulted if there are new laws/regulations that will allow higher foreign equity participation in the contracts for the construction of defense-related structures.</p>	<p>12. Contracts for the construction of defense-related structures (Section 2(b) of Commonwealth Act [CA] No. 541)</p>	<p>13. Contracts for the construction of defense-related structures (Section 1 of Commonwealth Act [CA] No. 541)</p>
Changes	Proposed 13 th RFINL	12 th RFINL
		Up to thirty percent (30%) foreign equity
<p>NEDA-TSIS: No change. Will be retained in "List A, Up to 30% foreign equity".</p>	<p>13. Advertising (Section 11, Article XVI of the Constitution)</p>	<p>14. Advertising (Section 11, Article XVI of the Constitution)</p>

Changes	Proposed 13 th RFINL	12 th RFINL
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<p>NEDA-TSIS: Transferred "Retail trade enterprises with paid-up capital of less than PHP25,000,000.00" from "No Foreign Equity" to "Up to 40% foreign equity" of List A.</p>	<p>14. Retail trade enterprises with paid-up capital of less than PHP25,000,000.00 (Section 2 of RA No. 11595, amending RA No. 8762; Section 4, Rule III of the Implementing Rules and Regulations [IRR] of RA No. 8762, as amended by RA No. 11595)¹⁴</p>	<p>-----</p>
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<p>NEDA-TSIS: Added a statement to indicate that "in cases where the application of techniques and/or technologies are not adequately possessed by Filipino corporations, the foreign equity participation is allowed up to 75%".</p>	<p>15. Procurement of infrastructure projects pursuant to Section 23.4.2.1 (b), (c), and (e) of the Implementing Rules and Regulations (IRR) of RA No. 9184 except in cases where the application of techniques and/or technologies are not adequately possessed by Filipino corporations, the foreign equity participation is allowed up to 75% (Section 23.4.2.1 [e] of the IRR of RA 9184)</p>	<p>15. Procurement of infrastructure projects pursuant to Section 23.4.2.1(b), (c) and (e) of the Implementing Rules and Regulations (IRR) of RA No. 9184.</p>
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<p>NEDA-TSIS: Revised the wording to reflect that the agreements entered into by the President (Section 2, Article XII of the Constitution) and exploration, development</p>	<p>16. Exploration, development and utilization of natural resources except: (a) agreements entered into with the President for the technical or financial</p>	<p>16. Exploration, development and utilization of natural resources (Section 2, Article XII of the Constitution)¹⁵</p>
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¹⁴ Foreign-owned partnerships, associations, and corporations are allowed to engage in retail trade provided that: a) the foreign retailer shall have a minimum paid-up capital of PHP25 million; b) the foreign retailer's country of origin does not prohibit entry of Filipino retailers; and c) foreign retailer with more than one physical store must have at least PHP10 million minimum investment per store (Section 2 of RA No. 11595 amending RA No. 8762).

¹⁵ Full foreign participation is allowed through financial or technical assistance agreements entered into with the President (Section 2, Article XII of the Constitution).

Changes	Proposed 13 th RFINL	12 th RFINL
<p>and utilization of renewable energy (DOE Department Circular No. DC2022-11-0034) are not covered by the 60% Filipino and 40% foreign equity rule and, therefore, allow full foreign participation. Further, the footnote was removed.</p>	<p>assistance for large-scale exploration, development, and utilization of minerals, petroleum, and other mineral oils (Section 2, Article XII of the Constitution) and (b) renewable energy, such as solar, wind, hydro and ocean or tidal energy (DOE Department Circular No. DC2022-11-0034), where full foreign participation is allowed</p>	<p>17. Ownership of private lands (Section 7, Article XII of the Constitution; Section 22 of CA No. 141; Section 4 of RA No. 9182), except a natural born citizen who has lost his Philippine citizenship and who has the legal capacity to enter into a contract under Philippine laws (Section 8, Article XII of the Constitution; Section 10 of RA No. 7042, as amended by Section 5 of RA No. 8179, as further amended by RA 11647); Section 50 of the IRR of RA 11647)</p>
<p>NEDA-TSIS: Revised the legal basis to reflect the following: !) Section 8, Article XII of the Constitution was added as another law on the rights to private lands of natural-born citizen of the Philippines who has lost his Philippine citizenship; !!) RA 11647 which further amended RA 8179 !!!) Section 50 of the IRR of RA 11647</p>	<p>17. Ownership of private lands (Section 7, Article XII of the Constitution; Section 22 of CA No. 141; Section 4 of RA No. 9182), except a natural born citizen who has lost his Philippine citizenship and who has the legal capacity to enter into a contract under Philippine laws (Section 8, Article XII of the Constitution; Section 10 of RA No. 7042, as amended by Section 5 of RA 11647; Section 50 of the IRR of RA 11647)</p>	<p>17. Ownership of private lands (Section 7, Article XII of the Constitution; Section 22 of CA No. 141; Section 4 of RA No. 9182), except a natural born citizen who has lost his Philippine citizenship and who has the legal capacity to enter into a contract under Philippine laws (Section 10 of RA No. 7042, as amended by Section 5 of RA No. 8179)¹⁶ of RA No. 8179)</p>

¹⁶ Any natural born citizen who has lost his Philippine citizenship and who has the legal capacity to enter into a contract under Philippine laws may be a transferee of a private land up to a maximum area of five thousand (5,000) square meters in the case of urban land or three (3) hectares in the case of rural land to be used by him for business or other purposes.

Changes	Proposed 13 th RFINL	12 th RFINL
<p>NEDA-TSIS: Footnote 13 “Operation of public utilities” of the 12th RFINL did not include in the list item 4 of Section 13 of CA No. 146, as amended by Section 4 of RA No. 11659, specifically, the “water pipeline distribution systems and wastewater pipeline systems, including sewerage pipeline systems”. Hence, we propose the following change in footnote 13 of “Operation of public utilities”, as follows:</p> <p>Section 13 of CA No. 146, as amended by Section 4 of RA No. 11659, defines Public</p>	<p>18. Operation of public utilities (Section 11, Article XII of the Constitution,²⁰ utilities” of the 12th RFINL did not include in the list item 4 of Section 13 of CA No. 146, as amended by Section 4 of RA No. 11659;²¹ Sections 2[a], 2[b] and 2[m] of RA No. 7718)²²</p>	<p>18. Operation of public utilities (Section 11, Article XII of the Constitution;¹⁷ Section 13 of CA No. 146 as amended by Section 4 of RA No. 11659;¹⁸ Sections 2[a], 2[b] and 2[m] of RA No. 7718)¹⁹</p>

¹⁷ The participation of foreign investors in the governing body of any public utility enterprise shall be limited to their proportionate share in its capital, and all the executive and managing officers of such corporation or association must be citizens of the Philippines (Section 11, Article XII of the Constitution).

¹⁸ Section 13 of CA No. 146, as amended by Section 4 of RA No. 11659, defines Public Utility as public service that operates, manages or controls for public use any of the following: (1) distribution of electricity; (2) transmission of electricity; (3) petroleum and petroleum products pipeline transmission systems; (4) seaports; and (6) public utility vehicles. All concessionaires, joint ventures and other similar entities that wholly operate, manage or control for public use the sectors above are public utilities. Nothing in this Act shall be deemed a public utility unless otherwise subsequently provided by law.

¹⁹ Except power generation and the supply of electricity to the contestable market (Section 6 and Section 29 of RA No. 9136, respectively) and such other like businesses or services not covered by the definition of public utilities.

²⁰ The participation of foreign investors in the governing body of any public utility enterprise shall be limited to their proportionate share in its capital, and all the executive and managing officers of such corporation or association must be citizens of the Philippines (Section 11, Article XII of the Constitution).

²¹ Section 13 of CA No. 146, as amended by Section 4 of RA No. 11659, defines Public Utility as public service that operates, manages or controls for public use any of the following: (1) distribution of electricity; (2) transmission of electricity; (3) petroleum and petroleum products pipeline transmission systems; (4) water pipeline distribution systems and wastewater pipeline systems, including sewerage pipeline systems; (5) seaports; and (6) public utility vehicles. All concessionaires, joint ventures and other similar entities that wholly operate, manage or control for public use the sectors above are public utilities. Nothing in this Act shall be deemed a public utility unless otherwise subsequently provided by law.

²² Except power generation and the supply of electricity to the contestable market (Section 6 and Section 29 of RA No. 9136, respectively) and such other like businesses or services not covered by the definition of public utilities.

Changes	Proposed 13 th RFINL	12 th RFINL
<p>Utility as public service that operates, manages or controls for public use any of the following: (1) distribution of electricity; (2) transmission of electricity; (3) petroleum and petroleum products pipeline transmission systems; (4) water pipeline distribution systems and wastewater pipeline systems, including sewerage pipeline systems; (5) seaports; and (6) public utility vehicles. All concessionaires, joint ventures and other similar entities that wholly operate, manage or control for public use the sectors above are deemed a public utility unless otherwise subsequently provided by law.</p>		<p>19. Educational institutions other than those established by religious groups and mission boards, for foreign diplomatic personnel and their dependents, and other foreign temporary residents (Section 4, Article XIV of the Constitution),²⁴ or for short-term high-level skills development that do not for part of the formal education</p>
<p>NEDA-TSIS: No change. Will be retained in "List A, Up to 40% foreign equity". But there is a need to confirm with the Commission on Higher Education (CHED) and Technical Education and Skills Development Authority (TESDA) if there are other/new laws allowing foreign equity participation in "educational institutions other than those established by religious groups and mission boards, for</p>	<p>19. Educational institutions other than those established by religious groups and mission boards, for foreign diplomatic personnel and their dependents, and other foreign temporary residents (Section 4, Article XIV of the Constitution),²⁴ or for short-term high-level skills development that do not for part of the formal education</p>	<p>19. Educational institutions other than those established by religious groups and mission boards, for foreign diplomatic personnel and their dependents, and other foreign temporary residents (Section 4, Article XIV of the Constitution),²³ or for short-</p>

²³ Control and administration of educational institutions shall be vested in citizens of the Philippines (Section 4[2], Article XIV of the Constitution).
²⁴ Control and administration of educational institutions shall be vested in citizens of the Philippines (Section 4[2], Article XIV of the Constitution).

Changes	Up to forty percent (40%) foreign equity	
	Proposed 13 th RFINL	12 th RFINL
foreign diplomatic personnel and their dependents, and other foreign temporary residents".	system as defined in Section 20 of Batas Pambansa No. 232	term high-level skills development that do not form part of the formal education system as defined in Section 20 of Batas Pambansa No. 232
NEDA-TSIS: No change. Will be retained in "List A, Up to 40% foreign equity".	20. Culture, production, milling, processing, trading except retailing, of rice and corn and acquiring, by barter, purchase or otherwise, rice and corn and the by-products thereof (Section 5 of PD No. 194) subject to period of divestment (National Food Authority [NFA] Council Resolution No. 193, s. 1998) ²⁶	20. Culture, production, milling, processing, trading except retailing, of rice and corn and acquiring, by barter, purchase or otherwise, rice and corn and the by-products thereof (Section 5 of PD No. 194), (National Food Authority [NFA] Council Resolution No. 193, s. 1998) ²⁵
NEDA-TSIS: No change. Will be retained in "List A, Up to 40% foreign equity".	21. Contracts for the supply of materials, goods and commodities to government-owned and controlled corporations (GOCC), company, agency or municipal corporation	21. Contracts for the supply of materials, goods and commodities to government-owned or -controlled corporations (GOCC), company, agency or municipal

²⁵ Full foreign participation is allowed provided that within the 30-year period from start of operation, the foreign investor shall divest a minimum of sixty percent (60%) of their equity to Filipino citizens (Section 5 of PD No. 194; NFA Council Resolution No. 193, s. 1998).

²⁶ Full foreign participation is allowed provided that within the 30-year period from start of operation, the foreign investor shall divest a minimum of sixty percent (60%) of their equity to Filipino citizens (Section 5 of PD No. 194; NFA Council Resolution No. 193, s. 1998).

Changes	Proposed 13 th RFINL	12 th RFINL
		Up to forty percent (40%) foreign equity
	(Section 1 of RA No. 5183 ²⁸ , Section 4 of RA No. 9184)	corporation (Section 1 of RA No. 5183 ²⁷ , Section 4 of RA No. 9184)
NEDA-TSIS: No change. Will be retained in "List A, Up to 40% foreign equity".	22. Operation of deep sea commercial fishing vessels (Section 27 of RA No. 8550, as amended by RA No. 10654)	22. Operation of deep sea commercial fishing vessels (Section 27 of RA No. 8550, as amended by RA No. 10654)
NEDA-TSIS: Minor changes in the legal basis for "Ownership of condominium units" in the 12 th RFINL, only the RA 4726 was used as the legal basis; RA 4726 was already amended by RA 7899. Hence, the need to reflect RA 7899 as additional legal basis.	23. Ownership of condominium units (Section 5 of RA No. 4726, as amended by RA No. 7899)	23. Ownership of condominium units (Section 5 of RA No. 4726)
NEDA-TSIS: Proposed for deletion since RA No. 11659 already defined "public utility". Private radio communications is not included among the activities under the term "public utility". Nevertheless, this still needs vetting by the National Telecommunications Commission (NTC).	-----	24. Private radio communications network (Section 11, Article XII of the Constitution, National Telecommunications Commission Memorandum Circular No. 10-8-91)

²⁷ A contract may be awarded to any contractor or bidder who is a citizen, corporation or association of a foreign country the laws or regulations of which grant similar rights or privileges to citizens of the Philippines (Section 1 of RA No. 5183).

²⁸ A contract may be awarded to any contractor or bidder who is a citizen, corporation or association of a foreign country the laws or regulations of which grant similar rights or privileges to citizens of the Philippines (Section 1 of RA No. 5183).

LIST B: FOREIGN OWNERSHIP IS LIMITED FOR REASONS OF SECURITY, DEFENSE, RISK TO HEALTH AND MORALS AND PROTECTION OF SMALL AND MEDIUM SCALE ENTERPRISES

Changes	Proposed 13 TH RFINL	12 th RFINL
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<p>NEDA-TSIS: Revised the legal basis to indicate that the IRR of RA 11647 already replaced the IRR of RA 8179. Furthermore, the requirement of "Provided that a substantial percentage of output, as determined by the said agency, is exported" was deleted given that the said requirement can no longer be found in the IRR of RA 11647.</p> <p>On the other hand, the PNP may be asked if there are new laws/regulations that allow for greater foreign participation in this activity. Note that in the original FIA, only the activities under the purview of the DND were mentioned. Activities under PNP were only added in the IRR. Furthermore, the RA No. 10591 did not mention this activity.</p>	<p>1. Manufacture, repair, storage, and/or distribution of products and/or ingredients requiring Philippine National Police (PNP) clearance:</p> <p>a. Firearms (handguns to shotguns), parts of firearms and ammunition or therefore, instruments or implements used or intended to be used in the manufacture of firearms;</p> <p>b. Gunpowder;</p> <p>c. Dynamite;</p> <p>d. Blasting supplies;</p> <p>e. Ingredients used in making explosives;</p> <p>i. Chlorates of potassium and sodium;</p> <p>ii. Nitrates of ammonium, potassium, sodium barium,</p>	<p>1. Manufacture, repair, storage, and/or distribution of products and/or ingredients requiring Philippine National Police (PNP) clearance:</p> <p>a. Firearms (handguns to shotguns), parts of firearms and ammunition therefore, instruments or implements used or intended to be used in the manufacture of firearms;</p> <p>b. Gunpowder;</p> <p>c. Dynamite;</p> <p>d. Blasting supplies;</p> <p>e. Ingredients used in making explosives;</p> <p>i. Chlorates of potassium and sodium;</p>
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Changes	Proposed 13 TH RFINL	12 th RFINL
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Up to forty percent (40%) foreign equity

	<p> copper (11), lead (11), calcium and cuprite; iii. Nitric acid; iv. Nitrocellulose; v. Perchlorates of ammonium, potassium and sodium; vi. Dinitrocellulose; vii. Glycerol; viii. Amorphousphosphorus; ix. Hydrogen peroxide; x. Strontium nitrate powder; xi. Toluene; and f. Telescopic sights, sniper scope and other similar devices </p> <p> However, the manufacture or repair of these items may be authorized by the Chief of the PNP to non-Philippine nationals; Provided that the extent of foreign equity ownership allowed shall be specified in the said authority/clearance (IRR of RA No. 7042, as amended by IRR of RA No. 11647). </p>	<p> ii. Nitrates of ammonium, potassium, sodium barium, copper (11), lead (11), calcium and cuprite; iii. Nitric acid; iv. Nitrocellulose; v. Perchlorates of ammonium, potassium and sodium; vi. Dinitrocellulose; vii. Glycerol; viii. Amorphousphosphorus; ix. Hydrogen peroxide; x. Strontium nitrate powder; xi. Toluene; and f. Telescopic sights, sniper scope and other similar devices. </p> <p> However, the manufacture or repair of these items may be authorized by the Chief of the PNP to non-Philippine nationals; Provided that a substantial percentage of output, as </p>
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Changes	Proposed 13 TH RFINL	12 th RFINL
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		<p>determined by the said agency, is exported. Provided further that the extent of foreign equity ownership allowed shall be specified in the said authority/clearance (IRR of RA No. 7042, as amended by IRR of RA No. 8179).</p>
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<p>NEDA-TSIS: Changed the legal basis to reflect that the RA 8179 was already amended by RA 11647. The IRR of RA 11647 was also added as another legal basis.</p> <p>Nonetheless, the (DOH) may be consulted if there are new laws/regulations for this activity.</p>	<p>2. Manufacture and distribution of dangerous drugs (RA No. 7042, as amended by RA No. 8179 and RA No. 11647; Rule XII, Section 39 of the IRR of RA 11647)</p>	<p>2. Manufacture and distribution of dangerous drugs (RA No. 7042, as amended by RA No. 8179)</p>
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<p>NEDA-TSIS: Changed the legal basis to reflect that RA 8179 was already amended by RA 11647. The IRR of RA 11647 was also added as another legal basis.</p> <p>The DOH may be consulted if there are new laws/regulations which will open the activity to higher foreign equity participation.</p>	<p>3. Sauna and steam bathhouses, massage clinics and other like activities regulated by law because of risks posed to public health and morals, except wellness centers (RA No. 7042, as amended by RA No. 8179 and RA No. 11647; IRR of RA No. 11647)</p>	<p>3. Sauna and steam bathhouses, massage clinics and other like activities regulated by law because of risks posed to public health and morals, except wellness centers (RA No. 7042 as amended by RA No. 8179)</p>
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<p>NEDA-TSIS: Changed the legal basis to reflect that RA 8179 was already amended by RA</p>	<p>4. All forms of gambling (RA No. 7042, as amended by RA No. 8179 and RA No.</p>	<p>4. All forms of gambling (RA No. 7042, as amended by RA No.</p>
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Changes	Proposed 13 th RFINL	12 th RFINL
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<p>11647. The IRR of RA 11647 was also added as another legal basis.</p> <p>NEDA-TSIS: The Games and Amusements Board (GAB) may be asked if they can allow foreign equity participation of up to 100%.</p>	<p>11647; IRR of RA No. 11647) except those covered by investment agreements with PAGCOR (PD No. 1869, as amended by RA No. 9487)</p>	<p>8179) except those covered by investment agreements with PAGCOR (PD No. 1869, as amended by RA No. 9487)</p>
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<p>NEDA-TSIS: No change. Will be retained in "List B, Up to 40% foreign equity".</p>	<p>5. Micro and small domestic market enterprises with paid in equity capital of less than the equivalent of US\$200,000 (RA No. 7042, as amended by RA No. 11647)</p>	<p>5. Micro and small domestic market enterprises with paid in equity capital of less than the equivalent of US\$200,000 (RA No. 7042, as amended by RA No. 11647)</p>
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<p>NEDA-TSIS: No change. Will be retained in "List B, Up to 40% foreign equity".</p>	<p>6. Micro and small domestic market enterprises: i) that involve advanced technology as determined by the Department of Science and Technology (DOST); or ii) are endorsed as startup or startup enablers by the lead host agencies, namely the Department of Trade and Industry, Department of Information and Communications Technology or DOST, pursuant to RA No. 11337, otherwise known as the "Innovative Startup Act"; or iii) with a majority of their direct employees are Filipinos, but in no case shall the number</p>	<p>6. Micro and small domestic market enterprises: (i) that involve advance technology as determined by the Department of Science and Technology (DOST); or (ii) are endorsed as startup or startup enablers by the lead host agencies, namely the Department of Trade and Industry, Department of Information and Communications Technology or DOST, pursuant to RA No.</p>
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Changes	Proposed 13 TH RFINL	12 th RFINL
	<p>of Filipino employees be less than fifteen (15), with paid-in equity capital of less than the equivalent of US\$100,000 (RA No. 7042, as amended by RA No. 11647).</p>	<p>11337, otherwise known as the "Innovative Startup Act"; or (iii) with a majority of their direct employees as Filipinos, but in no case shall the number of Filipino employees be less than fifteen (15), with paid-in equity capital of less than the equivalent of US\$100,000 (RA No. 7042, as amended by RA No. 11647).</p>
Up to forty percent (40%) foreign equity		

ANNEX ON PROFESSIONS (FOR DELETION)

Changes	Proposed 13 th RFINL	12 th RFINL
<p>NEDA-TSIS: "Annex A: Professions where foreigners are not allowed to practice in the Philippines except if subject to reciprocity as provided in the pertinent laws" is suggested to be removed in the 13th RFINL. The basis for removing this is Section 11 of the Republic Act No. 11647 which amended the RA 7042, as amended, inserted a Section 18 in RA No. 7042. This new section provides that RA 11647 will not apply to the practice of professions that are covered by specific laws and fall under the jurisdiction of various Professional Regulatory Boards (PRBs) or any other equivalent regulating body, or those subject to reciprocity agreements with other countries.</p>	<p align="center">-----</p>	<p>A. Professions where foreigners are not allowed to practice²⁹ in the Philippines except if subject to reciprocity as provided in the pertinent laws:</p>
		<p>1. Accountancy (Section 34 of RA No. 9298)</p>

²⁹ Section 1(b) of PRC Resolution No. 2012-668 defines "practice of a profession" as an "activity/undertaking rendered by a registered and licensed professional or a holder of a Special Temporary Permit as defined in the scope of practice of a professional regulatory law."

Changes	Proposed 13 th RFINL	12 th RFINL
<p>NEDA-TSIS: Proposed to be removed in the 13th RFINL.</p>	<p>-----</p>	<p>2. Aeronautical engineering (Section 14 of PD No. 1570)</p> <p>3. Agricultural and biosystems engineering (Sections 15 and 31 RA No. 10915, repealing RA 8559)</p> <p>4. Agriculture (Section 27 of Professional Regulation Commission [PRC] Resolution No. 2000-663)</p> <p>5. Architecture (Sections 13 and 27 of RA No. 9266)</p> <p>6. Chemical engineering (Section 30 of RA No. 9297)</p> <p>7. Chemistry (Sections 16, 18 and 34 of RA No. 10657)</p> <p>8. Civil engineering (Section 25 of RA No. 544, as amended by RA No. 1582)</p> <p>9. Criminology (Sections 14(a) and 27(b) of RA No. 11131)</p> <p>10. Customs brokers (Section 25 of RA No. 9280)</p> <p>11. Dentistry (Section 14 and 31 of RA No. 9484)</p> <p>12. Electrical engineering (Section 38 of RA No. 7920)</p> <p>13. Electronics engineering (Sections 13 and 33 of RA No. 9292)</p>

Changes	Proposed 13 th RFINL	12 th RFINL
		14. Electronics technician (Sections 13 and 33 of RA No. 9292)
		15. Environmental planning (Sections 18 and 28 of RA No. 10587)
		16. Fisheries profession (Section 28 of RA No. 11398)
		17. Food technology (Section 14a of RA No. 11052)
		18. Forestry (Sections 14 and 27 of RA No. 10690)
		19. Geodetic engineering (Section 26 of RA No. 8560)
		20. Geology (Sections 17 and 33 of RA No. 10166)
		21. Guidance and counseling (Sections 13 and 29 of RA No. 9258)
		22. Interior design (Sections 15 and 29 of RA No. 10350)
		23. Landscape architecture (Sections 13 and 29 of RA No. 9053)
		24. Librarianship (Sections 15 and 28 of RA No. 9246)
		25. Marine deck and engineering (Section 28 of RA No. 8544, as amended by RA 10635) ³⁰

³⁰ On Marine deck and engineer officer, practice is allowed for foreigners subject to special dispensation under Section 28 of RA No. 8544, as amended by RA No. 10635.

Comparative Matrix: 12th vs 13th Regular Foreign Investment Negative List (RFINL)

Changes	Proposed 13 th RFINL	12 th RFINL
		26. Master plumbing (Section 21 of RA No. 1378)
		27. Mechanical engineering (Section 39 of RA No. 8495)
		28. Medical technology (Section 27 of RA No. 5527, as amended by RA No. 6138, PD No. 498 and PD No. 1534)
		29. Medicine (Section 9 of RA No. 2382, as amended by RA No. 4224 and RA No. 5946)
		30. Metallurgical engineering (Sections 17 and 34 of RA No. 10688)
		31. Midwifery (Section 22 of RA No. 7392)
		32. Mining engineering (Sections 15, 16 and 28 of RA No. 4274)
		33. Naval architecture (Sections 13 and 31 of RA No. 10698)
		34. Nursing (Sections 13 and 20 of RA No. 9173)
		35. Nutrition and dietetics (Sections 15 and 31 of RA No. 10862)
		36. Optometry (Section 34 of RA No. 8050)
		37. Pharmacy (Sections 14 and 21, RA No. 10918)

Changes	Proposed 13 th RFINL	12 th RFINL
		<p>38. Physical therapy (Sections 15 and 21 of RA No. 5680) and occupational therapy (Sections 13(a) and 25 of RA No. 11241)</p> <p>39. Professional teaching (Sections 15(a) and 24 of RA No. 7836, as amended by RA No. 9293; Section 7(j) of RA No. 8981, PRC Resolution No. 2012-668 and RA No. 11448)³¹</p> <p>40. Psychology (Sections 12, 13 and 24 of RA No. 10029)</p> <p>41. Radiologic and x-ray technology (Section 17(b) of RA No. 7431)³²</p> <p>42. Real estate service (real estate consultant, real estate appraiser, real estate assessor, real estate broker and real estate salesperson) (Section 24 of RA No. 9646)</p> <p>43. Respiratory therapy (Sections 13 and 34 of RA No. 10024)</p> <p>44. Sanitary engineering (Section 32 RA No. 1364)</p>

³¹ On professional teaching, practice of qualified foreign teachers at elementary and secondary level is subject to mutual reciprocity agreement under Sections 4, 15(a) and 24 of RA No. 7836; practice of qualified foreign teachers at higher education level is subject to mutual reciprocity and other conditions as prescribed under RA No. 8981, PRC Resolution No. 2012-668 (s. 2012) and other international agreements as stipulated under RA No. 11448.

³² On radiologic and x-ray technology, practice is allowed for foreigners (limited, however, to lectures of consultation and teaching) subject to mutual reciprocity and other conditions provided under Section 17(b) of RA No. 7431.

Changes	Proposed 13 th RFINL	12 th RFINL
		45. Social work (Section 18 of RA No. 4373, as amended) 46. Speech Language Pathology (Sections 13(a) and 25 of RA No. 11249) 47. Veterinary medicine (Sections 15 and 31 of RA No. 9268) 48. Other professions as may be provided by law or by treaty where the Philippines is a party

ANNEX ON CORPORATE PRACTICE OF PROFESSIONS WITH FOREIGN EQUITY RESTRICTIONS UNDER PERTINENT LAWS

Changes	Proposed 13 th RFINL	12 th RFINL
NEDA-TSIS: Proposed to be changed to "Annex on Corporate practice of professions with foreign equity restrictions under pertinent laws" ³⁴	Annex on Corporate practice of professions with foreign equity restrictions under pertinent laws ³⁴ :	B. Corporate practice of professions with foreign equity restrictions under pertinent laws ³³ :

³³ DOJ letter to NEDA dated 12 October 2021 defines corporate practice as such: "A corporation may engage in the practice of professions, subject to the requirements that the corporation be registered with SEC and/or the Professional Regulatory Board concerned; that a certain percentage of the Board of Directors or members (stockholders) of the corporation be registered and licensed professionals; and that the practice of the corporation be carried out by the duly registered and licensed professionals."

³⁴ DOJ letter to NEDA dated 12 October 2021 defines corporate practice as such: "A corporation may engage in the practice of professions, subject to the requirements that the corporation be registered with SEC and/or the Professional Regulatory Board concerned; that a certain percentage of the Board of Directors or members (stockholders) of the corporation be registered and licensed professionals; and that the practice of the corporation be carried out by the duly registered and licensed professionals."

Comparative Matrix: 12th vs 13th Regular Foreign Investment Negative List (RFINL)

1. Architecture (Section 37 of RA No. 9266)³⁵

NEDA-TSIS: No changes.

1. Architecture (Section 37 of RA No. 9266)³⁶

2. Real Estate Service (Sections 14, 24, and 32 of RA 9646) - For DSHUD comments

NEDA-TSIS: Section 14 of the law also provides that the qualifications for applicants in the examination be limited to "Filipino citizens". Nonetheless, Section 24 of the law allows foreign real estate service practitioners to be admitted to the licensure examination or be given a certificate of registration or a professional identification card, if the country of the foreigner where he/she is a citizen allows Filipino real estate service practitioners to practice within its territorial limits on the same basis as citizens of such foreign country.

Since Section 32 (a) of RA 9646 allows Corporate Practice of Real Estate Service to be limited to those "duly registered and licensed real estate brokers, appraisers or consultants", it follows that foreigners can engage in

<p>NEDA-TSIS: No changes.</p>	<p>1. Architecture (Section 37 of RA No. 9266)³⁶</p>	<p>2. Real Estate Service (Sections 14, 24, and 32 of RA 9646) - For DSHUD comments</p> <p>NEDA-TSIS: Section 14 of the law also provides that the qualifications for applicants in the examination be limited to "Filipino citizens". Nonetheless, Section 24 of the law allows foreign real estate service practitioners to be admitted to the licensure examination or be given a certificate of registration or a professional identification card, if the country of the foreigner where he/she is a citizen allows Filipino real estate service practitioners to practice within its territorial limits on the same basis as citizens of such foreign country.</p> <p>Since Section 32 (a) of RA 9646 allows Corporate Practice of Real Estate Service to be limited to those "duly registered and licensed real estate brokers, appraisers or consultants", it follows that foreigners can engage in</p>	
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³⁵ Qualified/registered/licensed foreign architects cannot invest or own equity in a domestic architectural firm since Section 37(a) of RA No. 9266 states that only Filipino architects may form and register an architectural firm.

³⁶ Qualified/registered/licensed foreign architects cannot invest or own equity in a domestic architectural firm since Section 37(a) of RA No. 9266 states that only Filipino architects may form and register an architectural firm.

		corporate practice up to 100% subject to reciprocity.
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