

DEPARTMENT ADMINISTRATIVE ORDER NO. 16-01
Series of 2016

Subject: Amending Article II, DAO No. 01 S. of 2003, on the Implementing Rules and Regulations of Republic Act No. 9178, otherwise known as the Barangay Micro Business Enterprises Act of 2002, and Rule 4, Sections 1(b)ii and Sec. 3 of the Implementing Rules and Regulations of RA No. 10644, otherwise known as the Go Negosyo Act

WHEREAS, the “BMBEs Act of 2002” was issued on November 13, 2002 and Implementing Rules and Regulations thereof was issued on February 7, 2003 as DTI Department Administrative Order No. 1, Series of 2003”;

WHEREAS, DTI, through the Bureau of Small and Medium Enterprise Development (BSMED), is mandated to promote and develop Micro, Small and Medium Enterprises (MSMEs) in the country by initiating and implementing programs and projects addressing the specific needs of MSMEs in areas concerning entrepreneurship development, institutional strengthening, and productivity improvement. Further, it is tasked to review and formulate policies and strategies geared towards the advancement of MSMEs;

WHEREAS, Republic Act No. 10644, otherwise known as “Go Negosyo Act”, provided for the establishment of Negosyo Centers in all provinces, cities and municipalities nationwide; and for a unified and simplified business registration;

WHEREAS, under the Go Negosyo Act, the DTI through the Negosyo Center in the city/municipal level, shall have the sole power to issue the Certificate of Authority (CA) for BMBEs to avail of the benefits provided by RA No. 9178;

WHEREFORE, this Department Administrative Order is hereby issued to effectively and efficiently meet the objective/s of the BMBEs Act of 2002 and the Go Negosyo Act:

Section 1. Rule II of DAO No. 01, Series of 2003 dated February 7, 2003 on Registration of BMBE is hereby amended to read as follows:

“Sec. 3. Who are eligible to apply as BMBE.– Any person, natural or juridical, such as partnership, corporation, association and cooperative, having the qualifications and none of the disqualifications shall be eligible to register as BMBEs.

Sec. 4. Qualifications of a BMBE. – A person applying to be registered as a BMBE shall meet the following qualifications:

- a) With an asset of not more than Three Million PESOS (PhP3,000,000.00) excluding land;
- b) Engaged in the production, processing or manufacturing of products or commodities, including agro-processing, trading and services;

c) Registered with the Department of Trade and Industry (DTI) for sole proprietorships; for juridical persons: with the Securities and Exchange Commission (SEC), for corporations and associations; and with the Cooperative Development Authority for cooperatives.

However, entities rendering services in connection with the exercise of one's profession by a person duly licensed by the government after having passed a government licensure examination are disqualified from applying for BMBE Certificate of Authority.

Sec. 5. Place of Registration. – Applications for BMBE Certificate of Authority shall be filed with the Negosyo Centers established in each province, city, or municipality or in the DTI offices where Negosyo Centers have not been set up.

Sec. 6. Requirements for Registration. – The following shall be submitted in support of the duly filled up BMBE application form (see Annex "1"):

- a) Certificate of Business Name Registration from the Department of Trade and Industry (DTI), or
- b) Certificate of Registration from the Securities and Exchange Commission (SEC), or
- c) Certificate of Registration from the Cooperative Development Authority (CDA).

Sec. 7. Procedure for Registration. – The applicant shall follow the steps herein enumerated in applying for BMBE Certificate of Authority (CA):

1. Accomplish and file the application form for BMBE Certificate of Authority;
2. The DTI, through the Negosyo Center, evaluates the application for purposes of determining the eligibility and qualification as a BMBE;
3. The DTI, after finding the applicant to be eligible and qualified, issues the BMBE Certificate of Authority (see Annex "2") within fifteen (15) working days from receipt of application with complete requirements; otherwise, the BMBE Certificate of Authority shall be deemed approved (where in such case, it becomes ministerial on the part of DTI to issue the BMBE Certificate of Authority).

The BMBE Certificate of Authority shall be effective for a period of two (2) years commencing from the date of issuance. The CA may be renewed for the same period of two (2) years and every two (2) years thereafter subject to the applicant's continued compliance with the eligibility requirements as prescribed by law and this DAO.

Section 8. Fees and Charges. – The registration and issuance of the CA shall be free of charge.

Section 9. Transfer of Ownership. – The BMBE shall report to the DTI through the Negosyo Center of any change in the status of its ownership structure and shall surrender the original copy of the BMBE Certificate of Authority for notation."

Section 2. Rule 4, Section 1(b) of DTI-DAO No. 14-5, Series of 2014 is hereby superseded by this DAO.

Section 3. Use of the BMBE Fund. – Only the interest earnings as may be realized from the BMBE fund, it being given with an endowment, shall be used for technology transfer, production and management training, marketing assistance pursuant to RA No. 9178, the BMBEs Act of 2002, and as source of Start-up Fund for MSMEs pursuant to RA No. 10644 or the Go Negosyo Act.

Section 4. Repealing Clause. – All orders, issuances, rules and regulations pertaining to the registration of BMBEs that are inconsistent herewith are hereby repealed or modified accordingly.


Section 5. Effectivity. – This Order shall take effect after fifteen (15) days from its publication in a newspaper of general circulation.

Issued this 22nd day of April 2016 in Makati City, Philippines.

Approved by:


ADRIAN S. CRISTOBAL, JR.
Secretary
Department of Trade and Industry

Recommended by:


ZENAIDA C. MAGLAYA
Undersecretary
Regional Operations Group
Department of Trade and Industry

Att.A/S



**APPLICATION FOR REGISTRATION AS
BARANGAY MICRO BUSINESS ENTERPRISE (BMBE)**

BMBE Form 01

Date Application Filed : _____
Application No. _____

New Renewal

Certificate No. _____
Date Registered: _____

Name of Business Enterprise

(DTI Business Name/ SEC Registered Name)
DTI Business Name /SEC Registration No./CDA Registration No. _____

Name of Owner *(if Sole Proprietor)*

_____ Male Female
(Last Name) (First Name) (Middle Name)

Business _____ *(House/Bldg. No.)* _____ *(Bldg. Name)* Telephone No. _____
Address _____ *(Unit No.)* _____ *(Street)* Mobile No. _____
_____ *(Barangay)* _____ *(Subdivision)* Fax No. _____
_____ *(City/Municipality)* _____ *(Province)* Email _____

Branches *(if any)* _____

Type of Business Organization Single Proprietorship Partnership Corporation Cooperative
 Association Others _____

Status of Business New Existing

Principal Business Activity Production Processing Manufacturing Trading
 Services *(Excluding those rendered by anyone who is duly licensed by the government after having passed a government licensure examination in connection with the exercise of one's profession)* Others _____

Product Lines/Services _____

Other Businesses if any Yes No If yes, how many? _____

Total Assets *(To the nearest Thousand Pesos excluding the value of the land on which the business entity's office, plant and equipment are located)* _____ Php

Total Number of Employees _____ No. of Males: _____ No. of Females: _____
Regular: _____ Irregular/Part-time: _____

UNDERTAKING

I/We hereby declare, for purposes of Section 5 of RA 9178, that all information, including the business enterprise's asset size, supplied in this application which shall be the basis of assessing my eligibility for registering as BMBE are true and correct to the best of my belief and knowledge. Any false or misleading information supplied, and/or production of materially false or misleading document to support this application shall be ground for disapproval of BMBE application/revocation of BMBE Certificate of Authority as well as ground for criminal, civil and/or administrative action against our enterprise. I affirm under the penalties of perjury, that this declaration has been made in good faith.

I/We undertake to advise the Department of Trade and Industry through the Negosyo Center of any change in the status of its ownership structure and shall surrender the original copy of the BMBE Certificate of Authority for notation of the transfer.

Applicant's/Authorized Representative's Signature
Over Printed Name



BMBE Form 02

BMBE Registration No. [GEOCODE] [#]

BMBE Certificate of Authority

(Registered Barangay Micro Business Enterprise)

THIS Certificate entitles the registered Barangay Micro Business Enterprise (BMBE) to all the benefits and incentives, subject to the terms and conditions, of Republic Act No. 9178, otherwise known as the Barangay Micro Business Enterprises (BMBEs) Act of 2002, and the implementing rules and regulations thereof by virtue of Department Administrative Order No. ___ Series of 2016 of the Department of Trade and Industry. This certificate is effective for two (2) years and will expire on _____. This may be renewed for the same period of (2) years and every two (years) thereafter subject to the applicant's continued compliance with theeligibility requirements prescribed under the BMBE law's IRR.

Granted to:

Name of Enterprise

Owner/Manager:

Address:

IN TESTIMONY WHEREOF, I have set my hand and caused the seal of the Department of Trade and Industry to be affixed at _____ this _____ day of _____ in the year of our Lord, twenty hundred and _____.

Approved:

Secretary, DTI