A. PREFATORY STATEMENT

In line with the Administration’s thrust of creating a more dynamic and competitive environment for business investment and development, the Board of Investments (BOI) has developed the Investment Priorities Plan (IPP) for the years 2014 to 2016. This IPP was approved by President Benigno S. Aquino III through Executive Order (EO) No. 772 dated 08 February 1982, and is in line with the government’s commitment to strengthen the investment climate, support global value chains, and promote competitiveness, and create jobs.

B. GENERAL POLICIES

1. APPLICATION AND ENTITLEMENT TO INCENTIVES

The approval of applications for registration and entitlement to incentives shall be based on the following criteria:

a) The project must be a new industrial enterprise.

b) The project must have a minimum investment of P10 million.

2. PROJECT STATUS

Except as provided for under the Constitution and the Foreign Investments Act of 1991 (Republic Act No. 7020, as amended), there shall be no renunciation on foreign ownership of experience-sharing joint venture or partners in enterprises that will be granted incentives.

III. EQUITY REQUIREMENT

This new IPP will, however, be reviewed annually over the three-year period. The BOI shall limit incentives to firms that locate in congested urban areas, provide for job generation, and have a minimum income tax of P10 million.

A. DEFINITION OF TERMS

1. Projects in government industrial estates declared by national law or presidential proclamation prior to 01 January 1989 (unless otherwise specified in the Specific Guidelines, and apply production processes that are directly attributable to the eligible revenue generated from the project).

2. Projects of an enterprise with multiple phases/locations may be registered on an individual basis to the extent of the project’s ITH entitlement shall be based on the following parameters: (i) project’s net value added, (ii) job generation, (iii) percentage of equipment and supplies purchased in the Philippines, and (iv) the extent of the ITH availment; and the corresponding cumulative equity requirement for ITH availment.

3. Indirect Goods Rate Material Cost Cuts


5. Provision for Neonatal Intensive Care Unit (NICU);

6. General ICU for critically-ill patients;

7. DOH licensed secondary clinical laboratory with the services of a Board-certified/eligible medical specialists and other licensed physicians.

8. Staff of qualified medical, allied medical and administrative personnel.

9. Bioethanol vehicles that run on gasoline and a minimum ethanol blend of 5%.

X. GENERAL GEOGRAPHICAL CONSIDERATION IN INDUSTRY DEVELOPMENT

1. Registered enterprises shall use brand new equipment except for projects of an enterprise with multiple phases/locations that purchase equipment that may be used for entry into the project proponent/contract with government on the project, or when specified in the Specific Guidelines, and apply production processes that are directly attributable to the eligible revenue generated from the project.

2. Net Foreign Exchange Earnings/Savings

a) Foreign Exchange Earnings is the total foreign exchange earnings from the project proponent/contract with government on the project, or when specified in the Specific Guidelines, and apply production processes that are directly attributable to the eligible revenue generated from the project.

b) Foreign exchange applicable to ITH shall include the export sales/local sales of import substitutes or the sale of the registered product (must be justified as an import substitute) equivalent to the foreign exchange costs of the said product had these been imported.

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D. SPECIFIC GUIDELINES

1. Manufacturing

a) Basic Industries

i. Metal Fabrication

- The processes under this category shall include the fabrication of all types of structures, machines, and equipment made primarily of metal materials. This includes the manufacture of metal products such as steel beams, sheet metal, pipes, valves, and fittings, as well as the assembly of machinery and equipment. This category also includes the production of metal products for the automotive, construction, and manufacturing industries.

ii. Machine Tool Manufacturing

- Includes the manufacture of metalworking machine tools such as lathes, milling machines, and grinding machines. It also includes the manufacture of tooling and dies for the production of metal parts.

iii. Power Generation

- Includes the manufacture of electrical equipment such as generators, transformers, and switchgear for the production of electrical power. This category also includes the manufacture of electrical machinery and equipment such as motors, generators, and inverters.

b) Agro-Industrial Industries

i. Agricultural Processing

- The processing of agricultural products such as grains, oilseeds, and fruits. This includes the production of food products, animal feed, and industrial products from agricultural raw materials.

ii. Food and Beverage Processing

- The processing of food products and beverages such as flour, milk, and juices. This category also includes the production of alcoholic beverages and confectionery products.

iii. Textile and Apparel

- Includes the manufacture of textile products such as clothing, fabrics, and apparel. This category also includes the production of household textiles such as bed linens and towels.

iv. Pharmaceutical and Cosmetic Products

- The manufacture of pharmaceutical and cosmetic products such as medicines, personal care products, and vitamins.

v. Chemicals

- The production of chemical products such as fertilizers, pesticides, and industrial chemicals. This category also includes the manufacture of chemicals for the production of plastics and pharmaceuticals.

vi. Petrochemical Products

- The production of petrochemical products such as synthetic fibers, polymers, and plastics. This category also includes the production of fuels and lubricants.

vii. Rubber and Plastics

- The manufacture of rubber and plastic products such as tires, tubes, and molded products.

viii. Pulp and Paper

- The production of paper and paperboard products such as newsprint, coated paper, and cardboard.

ix. Other Industries

- This includes industries such as the manufacture of glass products, cement, and bricks.

2. Agro-Industrial Industries

a) Agro-Industrial Processing

i. Food Processing

- The processing of food products such as grains, oilseeds, and fruits. This includes the production of food products such as flour, milk, and juices.

ii. Animal Agriculture

- The raising of animals such as cattle, hogs, and poultry. This includes the production of meat, eggs, and dairy products.

iii. Agriculture

- The production of agricultural products such as grains, oilseeds, and fruits. This includes the production of food products such as flour, milk, and juices.

iv. Other Industries

- This includes industries such as the manufacture of rubber and plastic products such as tires, tubes, and molded products.

3. Energy and Power Generation

a) Electricity Generation

i. Thermal Power Plants

- The production of electricity from the combustion of fossil fuels such as coal, oil, and gas.

ii. Nuclear Power Plants

- The production of electricity from nuclear reactors.

iii. Hydropower Plants

- The production of electricity from the energy of flowing water.

iv. Solar Power Plants

- The production of electricity from solar energy collectors.

v. Wind Power Plants

- The production of electricity from wind turbines.

vi. Geothermal Power Plants

- The production of electricity from geothermal energy.

4. Economic and Low-cost Housing (horizontal and vertical)

a) Economic Housing

i. Housing Projects

- The development of affordable housing projects for low-income families. This includes the development of single-family homes, multi-family dwellings, and other types of housing.

ii. Economic Housing Projects

- The development of affordable housing projects for low-income families. This includes the development of single-family homes, multi-family dwellings, and other types of housing.

b) Low-cost Housing

i. Housing Projects

- The development of affordable housing projects for low-income families. This includes the development of single-family homes, multi-family dwellings, and other types of housing.

ii. Economic Housing Projects

- The development of affordable housing projects for low-income families. This includes the development of single-family homes, multi-family dwellings, and other types of housing.

5. Industrial Subsidies

a) Industrial Subsidies

i. Industrial Subsidies

- The provision of financial assistance to industries to improve their competitiveness. This includes tax incentives, grants, and low-interest loans.

ii. Other Industrial Subsidies

- The provision of financial assistance to industries to improve their competitiveness. This includes tax incentives, grants, and low-interest loans.

6. Specific Guidelines

a) Manufacturing

i. Manufacturing Projects

- The development of new manufacturing facilities or the expansion of existing facilities. This includes the production of new products or the improvement of existing products.

ii. Manufacturing Projects

- The development of new manufacturing facilities or the expansion of existing facilities. This includes the production of new products or the improvement of existing products.

b) Other Industries

i. Other Industries

- The provision of financial assistance to industries to improve their competitiveness. This includes tax incentives, grants, and low-interest loans.

ii. Other Industries

- The provision of financial assistance to industries to improve their competitiveness. This includes tax incentives, grants, and low-interest loans.

7. Specific Guidelines

a) Manufacturing

i. Manufacturing Projects

- The development of new manufacturing facilities or the expansion of existing facilities. This includes the production of new products or the improvement of existing products.

ii. Manufacturing Projects

- The development of new manufacturing facilities or the expansion of existing facilities. This includes the production of new products or the improvement of existing products.

b) Other Industries

i. Other Industries

- The provision of financial assistance to industries to improve their competitiveness. This includes tax incentives, grants, and low-interest loans.

ii. Other Industries

- The provision of financial assistance to industries to improve their competitiveness. This includes tax incentives, grants, and low-interest loans.
1. Production and Manufacture of Export Products
   This covers the production/export of non-traditional export products.

2. Tourism
   This covers the establishment of infrastructures related to tourism.

3. Agriculture
   This covers the establishment of agricultural plantations.

4. Community Developments
   This covers the establishment of community-based projects.

5. Industrial Projects
   This covers the establishment of industrial projects.

6. Mining and Quarrying
   This covers the establishment of mining and quarrying projects.

7. Energy Projects
   This covers the establishment of energy-related projects.

8. Water Projects
   This covers the establishment of water-related projects.

9. Power Projects
   This covers the establishment of power-related projects.

10. Poultry, Swine, and Other Livestock
    This covers the establishment of livestock-related projects.

11. Automotive Industry
    This covers the establishment of automotive-related projects.

12. Communications
    This covers the establishment of communications-related projects.

13. Construction Industry
    This covers the establishment of construction-related projects.

14. Infrastructure Projects
    This covers the establishment of infrastructure-related projects.

15. Environmental Projects
    This covers the establishment of environmental-related projects.

16. Technology Projects
    This covers the establishment of technology-related projects.

17. Other Projects
    This covers the establishment of other types of projects.

18. Public Infrastructure Projects
    This covers the establishment of public infrastructure-related projects.

19. Tourism Activities
    This covers the establishment of tourism-related activities.

20. Agriculture Activities
    This covers the establishment of agriculture-related activities.

21. Community Developments Activities
    This covers the establishment of community-based activities.

22. Industrial Projects Activities
    This covers the establishment of industrial-related activities.

23. Mining and Quarrying Activities
    This covers the establishment of mining and quarrying-related activities.

24. Energy Projects Activities
    This covers the establishment of energy-related activities.

25. Water Projects Activities
    This covers the establishment of water-related activities.

26. Power Projects Activities
    This covers the establishment of power-related activities.

27. Poultry, Swine, and Other Livestock Activities
    This covers the establishment of livestock-related activities.

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33. Technology Projects Activities
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