

**PROJECT EVALUATION AND REGISTRATION DEPARTMENT (PERD)  
CHECKLIST FOR APPLICATIONS FOR REGISTRATION UNDER BOOK 1 OF E.O. 226**

Form last revised on 12 August 2009

Date check-listed:

Name of staff:

Name of applicant enterprise	
Application No.	
Type of Registration	
Products/Services	
<input type="checkbox"/> New Project <input type="checkbox"/> Existing <input type="checkbox"/> Expansion <input type="checkbox"/> Existing and Expansion <input type="checkbox"/> Modernization/Rehabilitation	

	<b>REMARKS</b>
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**A. Required Documents**

1. Board Resolution Authorizing officer ( President; VP Finance; General Manager; Treasurer; or, Corporate Secretary) to transact, execute and sign in behalf of the applicant enterprise (in case of corporations); or Special Power of Attorney (SPA) (in case of sole proprietorship or partnership, in lieu of the Board Resolution)	
2. Application Form (BOI Form 501)	
> Properly accomplished	
> Signed by the authorized officer	
> Notarized	
> Names of stockholders and shares of stocks – should be consistent with those in the SEC Registration	
3. DTI Business Registration (for sole proprietorship); OR SEC Registration with Articles of Incorporation/Partnership and By-Laws, including amendments (for partnerships and corporations)	
> Primary purpose – should include the project/activity being applied for registration	
4. Audited Financial Statements (AFS)	
> For the past <b>3 years</b> or for the period the applicant has been in operation if less than 3 years (for regular applications); OR For the past <b>5 years</b> or for the period the applicant has been in operation if less than 5 years (for Contingency List)	
NOTE: Interim FS is acceptable if audited FS is not yet available	
5. Income Tax Return (ITR)	
> For the past 3 years or for the period the applicant has been in operation if less than 3 years (for regular applications); OR For the past 5 years or for the period the applicant has been in operation if less than 5 years (for Contingency List)	
6. Bio-data of major stockholders/ owners (for new enterprises, on case to case basis)	
7. Proof of financial capacity (for new enterprises, on case to case basis)	
> Sworn Statement of Assets and Liabilities and Income Tax Return (ITR) of Principal Stockholders/owners	
> Consider net worth	
> Notarized	
8. Project Report/Study (BOI Format)	
9. Other documents that may be required for the specific activity under the current IPP	
10. Proof of publication of the "Notice of the filing of Application"	

**B. Determination of Minimum Qualification for Projects for Regular Applications**

1. Nationality	
> Must be Philippine National – at least 60% Filipino-owned	
> If not Philippine National -	
o It proposes to engage in a project on a pioneer status; OR	
o It commits to export at least 70% of production	
NOTE: A foreign-owned, non-pioneer project that will cater to the domestic market does not qualify for registration.	
2. IPP listed	
> Activity/project proposed for registration should be listed in the current IPP	
> If not listed, project should be export-oriented	
3. Export Commitment for Export-oriented projects	
> If Filipino owned: It commits to export at least 50% of production	
> If foreign-owned: It commits to export at least 70% of production	
4. Qualification as to the Type of project (based on the General Policies under the IPP)	
> New	
> Expansion	
> Existing	
> Modernization	
> Existing and expansion	

**C. Contents of the Project Report/Study**

1. Company background	
<input type="checkbox"/> Brief history	
<input type="checkbox"/> Core business	
<input type="checkbox"/> Other businesses	
<input type="checkbox"/> Founders/owners	
<input type="checkbox"/> Other information	
2. Management Aspect	
<input type="checkbox"/> Capital structure	
❖ Authorized	
❖ Subscribed (at least 25% of authorized capital)	
❖ Paid-up (at least 25% of subscribed capital)	
3. Project description (write up on what the project is all about)	
4. Product/Service description and specifications	
5. Production and sales schedules (for at least 5 years, 12 months per year of operation)	
<input type="checkbox"/> Table showing the projected production in volume or quantity, and sales volume and value (Php and \$)	
<input type="checkbox"/> Assumptions used (e.g., average selling price, No. of shifts per day, No. of working days/year, foreign exchange rate (using the BOI rate for the month);	
6. Employment generation	
<input type="checkbox"/> Table (using the BOI format) showing the employment to be generated by the project at full capacity operation, classified as to direct labor, indirect labor and sales and admin (indicating corresponding number and annual payroll value)	
7. Proposed Market	
<input type="checkbox"/> Target market whether domestic or export	
<input type="checkbox"/> Export commitment in % of production	
<input type="checkbox"/> Identified buyers (names of enterprise and country)	
<input type="checkbox"/> Proof of assured export market (e.g., Certified copies of export sales contracts; Marketing agreement)	
<input type="checkbox"/> Marketing arrangements, including trade names, channels of distribution, etc.	
8. Technology aspect	
<input type="checkbox"/> Clearance from proper authorities for waste disposal and emission control (if already available)	
<input type="checkbox"/> Description of production processes and/or production methods	
❖ Process/step description	
❖ Process flow chart	

❖ <b>Material balance</b>		
9. Machinery and equipment (M/E)	<input type="checkbox"/> Table showing list of required M/E with corresponding description, quantity, description, unit cost, total cost, source (whether local or imported and in from which country) and end-uses (applications) <input type="checkbox"/> Machinery Layout ( <b>for large projects</b> , optional for MSME projects)	
10. Raw materials (RM)	<input type="checkbox"/> Table showing list of RM and supplies needed in the production of the proposed product <input type="checkbox"/> Include item description, unit of measure, usage rate per unit of finished product, cost, source <input type="checkbox"/> Proof of assured raw material [e.g., Contract Growing Agreement/s ( <b>for agribusiness</b> , on case to case basis)]; Supply contract]	
11. Project location		
12. Justification for Pioneer status, if the applicant is seeking pioneer status for its project	<b>Pioneer Status</b> <ul style="list-style-type: none"> <li>○ Based on Article 17 of EO 226</li> <li>○ Based on Magnitude of investments as indicated in the current IPP</li> <li>○ Based on other criteria as indicated in the current IPP</li> </ul> <b>Pioneer Incentives</b> <ul style="list-style-type: none"> <li>○ Based on Article 17 of EO 226</li> <li>○ Based on Magnitude of investments as indicated in the current IPP</li> <li>○ Based on other criteria as indicated in the current IPP</li> </ul>	
13. Project timetable/ Project cost (Using the BOI format)	<input type="checkbox"/> Table showing the major activities, schedule of implementation and corresponding costs involved	
14. Financing Scheme (sources, types and status of financing)	<input type="checkbox"/> Show how the project will be financed <ul style="list-style-type: none"> <li>❖ Equity (capital or retained earnings)</li> <li>❖ Loan (bank or advances from stockholders)</li> </ul>	
15. Projected Financial statements (for at least 5 years)	<input type="checkbox"/> Income (Profit & Loss) statements	with incentives without incentives
	<input type="checkbox"/> Cash flow statements	with incentives without incentives
	<input type="checkbox"/> Balance sheet statements	with incentives without incentives
	<input type="checkbox"/> Schedule of cost of goods sold (manufacturing cost)	with incentives without incentives
	<input type="checkbox"/> Schedule of operating expenses	with incentives without incentives
	<input type="checkbox"/> Schedule of overhead expenses	with incentives without incentives
16. Financial Evaluation (Profitability ratios)	<input type="checkbox"/> IRR <input type="checkbox"/> ROS <input type="checkbox"/> ROE <input type="checkbox"/> ROA <input type="checkbox"/> ROI	
17. Outline of all agreements including terms and conditions		
<b>D. Additional Information from existing enterprises</b>		
1. Brief summary of enterprise's operations to date		
2. Production & Sales Performance	<ul style="list-style-type: none"> <li>➢ For the past 3 years or for the period the applicant has been in operation if less than 3 years (<b>for regular applications</b>); OR</li> <li>For the past 5 years or for the period the applicant has been in operation if less than 5 years (<b>for Contingency List</b>)</li> </ul>	
3. Description & detail of existing machinery, including capacities		
4. Data on past employment		
<b>E. Required Additional Documents/ Information for Projects Under the Contingency List (As applicable to the applicant)</b>		
1. Certified itemized listing of all production equipment corresponding to the activity to be registered with acquisition cost and depreciated value.		
2. Two sets of List of workers supported by Payroll Master list indicating their job titles/descriptions and certified true copies of SSS contribution payment return and/or BIR Form 1601-C	<ul style="list-style-type: none"> <li>a) Pre-crisis Level <ul style="list-style-type: none"> <li>• For export-oriented enterprises: end of 2007</li> <li>• For domestic-oriented enterprises: end of 2008</li> </ul> </li> <li>b) At the time of application</li> </ul>	
3. Twelve months employment data for 2007 (for export-oriented projects or 2008 (for domestic-oriented projects)		
4. Sales invoices & sales contracts to support AFS, in cases when the crisis caused reduction of sales revenue (e.g., due to requests for big discounts)		
5. Proof of and specific reasons for cancellation of orders or loss of market.		
6. Letter(s) of indicating the non-renewal of contract/ agreements and the reasons thereof, in cases when the crisis caused non-renewal of supply contracts/ agreements.		
7. In cases when the crisis caused loss of market: Explanation on how the enterprise would address the problem or how it would develop new markets.		
8. Other documents that could serve as evidence that could link to the enterprise's present condition with that of the global crisis.		
9. <b>For BOI-registered enterprises:</b> Waiver of the remaining incentives provided for under their existing registrations.		
<b>F. Determination of Minimum Qualification for Contingency List</b>		
1. <b>Existing Projects:</b>	<ul style="list-style-type: none"> <li>➢ Investment activity is not found in the Negative List for Contingency Projects;</li> <li>➢ Sector is among those pre-identified as affected by the global economic crisis in 2008 based on statistical data;</li> <li>➢ Enterprise is affected by the crisis in 2008, impairing its viability; Financial performance has not been declining even before 2008;</li> <li>➢ Enterprise has retained its investments and has no reduction in number of workers from the pre-crisis level.</li> </ul>	
2. <b>New MSME Projects:</b>	<ul style="list-style-type: none"> <li>➢ Investment activity is not found in the Negative List for Contingency Projects;</li> <li>➢ Sector is among those pre-identified as affected by the global economic crisis in 2008 based on statistical data;</li> <li>➢ Project cost does not exceed Php 100 million;</li> <li>➢ Authorized capital does not exceed Php 100 million (<b>for new enterprises</b>); OR,</li> <li>➢ Total assets do not exceed Php 100 million, inclusive of those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated. (<b>for existing enterprises</b>)</li> </ul>	

**CHECKED BY**

**Signature** : \_\_\_\_\_  
**Printed Name** : \_\_\_\_\_  
**Department** : \_\_\_\_\_

Date : \_\_\_\_\_

**Negative List for Contingency Projects. The following are not qualified for registration:**

1. Banks and financial institutions (as provided under Article 11 of E.O. 226)
2. Retailing business as defined under R.A. 8762
3. All services except those qualified under the Regular List
4. Small-scale mining as defined under P.D. 1899 and R.A. 7076
5. Activities that are restricted/regulated by law or ordinances for reasons of security, defense and risk to health and morals (e.g., beerhouse; "health clubs"; manufacture/distribution of dangerous drugs; race track operations and forms of gambling, among others)
6. Activities of non-Philippine nationals engaged in small and medium-sized domestic market enterprises that are not qualified under the Foreign Investment Act (R.A. 7042) as amended by R.A. 8170
7. Non-agricultural basic consumer goods
8. Personal care products
9. All existing power and infrastructure projects with sovereign guarantee or granted ITH
10. Other activities as may be determined by the Board

**Sectors affected by the global economic crisis in 2008 based on statistical data:**

1. Food Manufacturing (beverages excluded)
2. Petroleum Products
3. Rubber Products
4. Miscellaneous Non-Metallic Minerals
5. Transport Equipment
6. Furniture & Fixtures
7. Miscellaneous Manufactures (e.g., musical instruments, jewelries, etc.)

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**Commitments of the Applicant Enterprise:**

1. **The applicant commits to submit the lacking information/documents as indicated in the BOI check-list on \_\_\_\_\_.**
2. **The applicant understands that:**
  - **The foregoing is without prejudice to the BOI requiring additional information/documents to clarify some information on the application.**
  - **In the event that after official acceptance of application for registration, it is found that there are still lacking information/documents or there are inconsistencies in the application, the counting of the twenty(20) working days for processing of application may be suspended. The BOI may defer the evaluation of the application, pending the applicant's submission of the lacking information/documents and/or rectification of the inconsistencies in the application.**

**COMMITTED BY APPLICANT'S AUTHORIZED OFFICER/REPRESENTATIVE:**

**Signature** : \_\_\_\_\_  
**Printed Name** : \_\_\_\_\_  
**Name of Enterprise** : \_\_\_\_\_  
**Date** : \_\_\_\_\_