

[ADMINISTRATIVE ORDER NO. 161, January 23, 1969]

DIRECTING ALL LOCAL GOVERNMENT OFFICIALS TO EXTEND THE MAXIMUM COOPERATION AND ASSISTANCE TO THE BOARD OF INVESTMENTS IN THE IMPLEMENTATION OF RA 5455 AND THE RULES PROMULGATED THEREUNDER

1. All officials and instrumentalities of local governments, particularly the city and municipal mayors and such other local government officials charged with the registration or licensing of persons and entities for the purpose of doing business anywhere in the Philippines, are hereby directed to extend the maximum cooperation and assistance to the Board of Investments and other government agencies involved in the implementation of RA 5455 and the rules issued or to be issued by the Board of Investments thereunder, and to observe the injunction in Section 6 of said law that –

“No agency, instrumentality or political subdivision of the Government shall take any action in conflict with or which will nullify the provisions of this Act, or any certificate or authority granted thereunder.”

2. To insure compliance with the foregoing, local government officials shall inform themselves of the provisions and operation of RA 5455 and its implementing rules, and seek clarification of any question thereon from the Board of Investments.

3. In accordance with Section 4 of RA 5455 and its implementing rules, and except as otherwise therein provided, no local government official or employee shall allow the following persons and entities to do business or engage in any economic activity in the Philippines, or register, license or permit any of them to do so without first securing a written certificate or authority from the Board of Investments:

- a. Aliens;
- b. Partnership, corporations and other business organizations formed, organized, chartered or existing under any laws other than those of the Philippines;
- c. Domestic entities which are not Philippine nationals, and
- d. Domestic entities more than 50% of the outstanding capital of which is owned or controlled by aliens.

For purposes hereof, “Philippine national” in general refers to a citizen of the Philippines; or a partnership or association wholly owned by citizens of the Philippines; or a corporation organized under the laws of the Philippines of which at least 60% of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines; or a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine national and at least 60% of the fund will accrue to the benefit of Philippine nationals.

4. Local government officials shall, at their own initiative or upon the request of the