

# [ MEMORANDUM ORDER NO. 50, November 18, 2020 ]

## APPROVING THE 2020 INVESTMENT PRIORITIES PLAN

Pursuant to Article 29 of Executive Order (EO) No. 226 (s. 1987) or the "Omnibus Investments Code of 1987," as amended, the attached 2020 Investment Priorities Plan (IPP) is hereby **APPROVED**, subject to relevant laws, rules and regulations.

Upon effectivity of the IPP, all government agencies and entities are enjoined to issue the necessary regulations to ensure its implementation in a synchronized and integrated manner. No government body shall adopt any policy or take any course of action contrary to, or inconsistent with, the IPP and relevant laws. In the grant of incentives, it is understood that the Board of Investments shall ensure the attainment of and consistency with the State policies under EO No. 226 and the national goals under Republic Act (RA) No. 11469 or the "*Bayanihan* to Heal as One Act," and RA No. 11494 or the "*Bayanihan* to Recover as One Act."

The Chairman of the Board of Investments shall render an annual report to the President on the accomplishments and implementation of the IPP.

This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation as required under Article 31 of the Omnibus Investments Code of 1987.

**DONE** in the City of Manila, this 18th day of November, in the year of our Lord, Two Thousand and Twenty.

(SGD.) **RODRIGO ROA DUTERTE**

By the President:

(SGD.) **SALVADOR C. MEDIALDEA**

Executive Secretary

## The 2020 Investment Priorities Plan

### I. PREFERRED ACTIVITIES FOR INVESTMENT

#### A. Preferred Activities

## 1. All Qualified Activities Relating to the Fight against the COVID -19 Pandemic

### a. Essential Goods

This covers the production or manufacture of medicines, medical equipment and devices, personal protective equipment (PPE), surgical equipment and supplies, laboratory equipment and its reagents, medical supplies, tools, and consumables such as but not limited to sanitizers and cleaning materials, sodium hypochlorite, povidone iodine, including the production or manufacture of raw materials, semi-finished/intermediate goods, and machinery and equipment for use in the production or manufacture of the aforementioned products.

This include repurposing of manufacturing activities to produce the abovementioned products.

### b. Essential Services

This covers the provision of services such as but not limited to crematoriums, health waste treatment and disposal, laboratories, test facilities, hospitals, and quarantine facilities.

The above notwithstanding, subject to the determination by the Board, this also covers such other products and services relating to the fight against COVID-19 or to mitigate its impact such as but not limited to those included in the programs by the National Government or by any of its agencies or departments, or by local government units.

2. Investments in activities, subject to the determination by the Board, supportive of Programs to generate employment opportunities outside of congested urban areas such as but not limited to the proposed Balik Probinsya Program or any similar Program that may be implemented by Government.

Pursuant to Article 41 of EO 226, the Board may provide up to 6 years of Income Tax Holiday to qualified activities under listing 1 and 2 upon determination that it is highly essential to the attainment of the national goal under RA 11469 to mitigate or avoid serious threat to the lives, health, safety and security of the Filipinos and address the long-term adverse effects on their livelihood and the severe disruption of economic activities in the country.

## 3. All Qualified Manufacturing Activities including Agro-Processing<sup>1</sup>

This covers the manufacture of industrial goods and processing of agricultural and fishery products, including Halal and Kosher food, into (a) semi-finished/intermediate goods for use as inputs in the production of other goods, or (b) finished products or consumer goods for final consumption.

This also covers the manufacture of modular housing components and machinery and equipment including parts and components.

For Metro Manila, only modernization projects may qualify for registration.

#### 4. Agriculture, Fishery and Forestry

This covers commercial production of agricultural, fishery and forestry products.

This also covers nurseries, hatcheries, postharvest facilities, and other support services and infrastructures.

For Metro Manila, only agricultural infrastructure and support services and urban agriculture projects may qualify for registration as new, expansion, or modernization.

#### 5. Strategic Services <sup>1</sup>

##### a. IC Design

This covers all logic and circuit design techniques required to design integrated circuits (ICs).

##### b. Creative Industries/Knowledge-Based Services

This covers IT-BPM services for the domestic market (e.g., contact centers, data analytics), and those that involve original content such as animation, software development, game development, healthcare information management systemsj and engineering design.

This also covers digital or technological start-ups/activities.

c. Maintenance, Repair, and Overhaul (MRO) of aircraft This covers the MRO of all types of aircraft.

##### d. Charging/Refueling Stations for Alternative Energy Vehicles

This covers the establishment of charging/refueling stations for alternative energy vehicles except LPG-run vehicles.

##### e. Industrial Waste Treatment

This covers the establishment of treatment facilities for toxic and hazardous wastes (THW) from an industrial operation.

##### f. Telecommunications

This covers the establishment of connectivity facilities for fixed and mobile broadband services.

Only new players may qualify for registration.

##### g. State-of-the-art Engineering, Procurement, and Construction

This covers engineering design, procurement, and construction for industrial plants and infrastructure.

#### 6. Healthcare and Disaster Risk Reduction Management Services <sup>2</sup>

This covers the establishment and operation of general and specialty hospitals, and other medical/healthcare facilities including drug rehabilitation, quarantine and evacuation centers.

## 7. Mass Housing

This covers the development of mass housing units based on a price ceiling of Php2.0 Million.

This also covers in-city low-cost dwelling projects for lease/rent.

For Metro Manila, only in-city low-cost dwelling for lease/rent may qualify for registration.

## 8. Infrastructure and Logistics including LGU-PPPs

This covers the establishment and operation of physical infrastructures vital to the country's economic development and prosperity such as, but not limited to: airports, seaports, (air, land and water) transport, LNG storage and regasification facilities, pipeline projects for oil and gas, bulk water treatment and supply, training facilities, testing laboratories, and domestic industrial zones.

This also covers PPP projects including those initiated and/or implemented by Local Government Units (LGUs).

## 9. Innovation Drivers

This covers research and development (R&D) activities, conduct of clinical trials (including drug trials), establishment of Centers of Excellence, innovation centers, business incubation hubs, smart cities and fabrication laboratories (fablabs)/co-working spaces, and development of mobility solutions and digital trade.

This also covers commercialization of new and emerging technologies, uncommercialized patents on products and services, and products of locally- undertaken R&D, such as, but not limited to:

- Agricultural biotechnology tools
- Disaster mitigation/prevention hardware or software
- Hardware or software for increasing agricultural productivity
- Mechanized means for natural resources conservation
- Portable technologies - innovation on existing bulky or heavy device to make it portable, or a new device or service that can be brought virtually anywhere
- Hardware or software for the prevention of disease outbreaks
- Remote monitoring devices or systems
- Professional services for remote sensing
- Hardware or software for the upgrading of local industries
- Photonics and Nanotechnology
- Natural health products

This includes startup and startup enablers under Republic Act 11337 or the Innovative Startup Act.