

**[DILG-DPWH-DICT-DTI JOINT MEMORANDUM
CIRCULAR NO: 2018-01, January 10, 2018]**

**GUIDELINES IN STREAMLINING THE PROCESSES FOR THE
ISSUANCE OF BUILDING PERMITS AND CERTIFICATES OF
OCCUPANCY**

Adopted: 04 January 4, 2018

Date Filed: 10 January 2018

1. BACKGROUND

1.1 President Rodrigo Roa Duterte's 10-point socio-economic agenda includes "increasing competitiveness and the ease of doing business", objectives that have been reiterated in the recently approved Philippine Development Plan 2017-2022, which espouses "people-centered, clean, efficient and effective governance." Specifically, the President wants government services to be more accessible to the people through reduced documentary requirements, processing time and signatories for transactions. To achieve this, the administration is adopting a whole-of-government approach that promotes simplification of government transactions, inter-operability of government processes and strengthened linkages and coordination among agencies.

1.2 The President, in his 2017 State of the Nation Address, reiterated his directive to all government agencies with frontline services for "speedy reforms" that will further streamline their respective services to make these truly efficient and people-friendly and "to ensure that the people receive the quality services that they surely deserve minus the delays by the bureaucratic red tape."

1.3 By easing the cost of doing business in the Philippines, the government is also aiming to raise the overall country's current ranking of 114th out of 190 economies in the 2018 International Finance Corporation's (IFC) Doing Business Report. Specifically, in the criteria on "dealing with construction permits", the country's rank deteriorated at 101st, still below most ASEAN countries. The IFC report noted that in the Philippines, securing a construction permit for a warehouse requires 23 procedures that took 123 days to complete.

1.4 In compliance with President Duterte's socio-economic agenda and to improve the country's ranking in global competitiveness surveys, the Department of the Interior and Local Government (DILG), the Department of Public Works and Highways (DPWH), the Department of Information and Communications Technology (DICT), and the Department of Trade and Industry (DTI) are pursuing the streamlining of processes in securing building permits and certificates of occupancy.

2. PURPOSE

The overall objectives of this circular are the following:

2.1 To set service standards in processing building permits and certificates of occupancy by local government units (LGUs) as well as to provide guidelines in the streamlining of relevant processes related thereto, consistent with the provisions of the National Building Code of the Philippines (NBCP) (Presidential Decree (PD) 1096, s. 1977), the Fire Code of the Philippines (FCP) (Republic Act (RA) 9514) and the Anti-Red Tape Act of 2007 (ARTA) (RA 9485) and their respective Implementing Rules and Regulations (IRR).

2.2 To clarify the roles and responsibilities of DILG, DPWH, DICT, DTI, the Bureau of Fire Protection (BFP), and concerned offices and departments of cities/municipalities in ensuring the implementation of the necessary activities for the streamlining of subject processes.

3. LEGAL COMPLIANCE

3.1 Section 301 of the NBCP provides that "No person, firm or corporation, including any agency, or instrumentality, of the government shall erect, construct, alter, repair, move, convert or demolish any building or structure or cause the same to be done without first obtaining a building permit therefore from the Building Official assigned in the place where the subject building is located or the building work is to be done." The NBCP also specifies the documentary requirements to be submitted as well as the general processes that local governments have to follow in approving the building permit application.

3.2 Section 309 of the NBCP provides that "No building or structure shall be used or occupied and no change in the existing use or occupancy classification of a building or structure or portion thereof shall be made until the Building Official has issued a Certificate of Occupancy therefor as provided...."

3.3 Section 5 paragraph (g) of the FCP provides that no occupancy permit, business or permit to operate shall be issued without securing a Fire Safety Inspection Certificate (FSIC) from the Chief, BFP or his/her duly authorized representative. Furthermore, under Rule 9, Division 1 (c) of the FCP, the city/municipal Fire Marshall shall review, evaluate and assess plans, design calculations and specifications, and issue the necessary building fire safety evaluation clearance (FSEC) upon determination that the design and specification is in accordance with the provision of the FCP and its IRR.

3.4 The DPWH National Building Code Development Office Memorandum Circular No. 1, s. 2005 provides that, until a Building Official (BO) is fully deputized by the Secretary of Public Works and Highways for a particular local government, the official designated by the concerned local chief executive through a Special Order to be responsible for the enforcement of the provisions of the NBCP as well as of its IRR shall serve as BO for said local government.

3.5 The DILG, DPWH, BFP and LGUs as well as their various instrumentalities have the authority and power to streamline the processes of securing construction-related permits, clearances and certificates, consistent with and supportive of the provisions of pertinent national and local policies to ensure ease, comfort and convenience to applicants as well as for efficiency and prompt delivery of services by the government, anchored on the overall policy of the State to safeguard life, health, property and public welfare.

4. Scope/Coverage

This Joint Memorandum Circular covers all the Regional and Provincial Directors of the DILG and DTI, Regional Directors and District Engineers of the DPWH, the DICT, the BFP, the members of the Sangguniang Panglungsod and Sangguniang Bayan, and Local Chief Executives of all cities and municipalities.

5. Definition of Terms

For purposes of this policy, the following definitions apply, unless otherwise stated:

5.1 Applicant - Any person, firm, partnership, corporation, head of government or private institution, organization of any character applying for the issuance of permits and certificates.

5.2 Application Form - A preformatted prescribed form specified in this circular.

5.3 Backroom - A working arrangement among the Office of the Building Operation Official (OBO) and other concerned departments and offices under the local government, and the BFP where application and documentary requirements for building permits and certificates of occupancy are transferred and moved from one department to another for review, evaluation and action without the physical interference of the applicant.

5.4 Estimated Value of the Building/ Structure - Measures the value of the construction installed or erected at a given location and may also be considered as the cost of construction including architectural and engineering work and labor cost as stipulated in the Building Permit Application Form as duly notarized.

5.5 Building Official (BO) - The Executive Officer of the OBO appointed by the Secretary of Public Works and Highways.

5.6 Building Permit - A document issued by the BO to an owner/applicant to proceed with the construction, installation, addition, alteration, renovation, conversion, repair, moving, demolition or other work activity of a specific project/building/structure or portions thereof after the accompanying principal plans, specifications and other pertinent documents with the duly notarized application are

found satisfactory and substantially conforming with the NBCP and its IRR.

5.7 Construction - All on-site work done in the site preparation, excavation, foundation, assembly of all components and installation of utilities, machineries and equipment of buildings/structures.

5.8 Certificate of Occupancy - A document issued by the Building Official certifying that the building/structure was completed and can be occupied/used in accordance with the approved use.

5.9 Fire Safety Evaluation Clearance (FSEC) - A document issued by the BFP as a pre-requisite for the grant of Building Permit by the Office of Building Official having jurisdiction upon determination that the evaluated plans are compliant with RA 9514 and its IRR.

5.10 Fire Safety Inspection Certificate (FSIC) - A document issued by the BFP upon determining that the required fire safety construction are in place, and fire protective and/or warning system are properly installed in accordance with the approved plans and specifications and in compliance with RA 9514 and its IRR.

5.11 Notice of Disapproval (NOD) - A document issued by the BFP if the applicant fails to comply with the required documents or fire safety requirements of the RA 9514 and its IRR.

5.12 Office of the Building Official - The Office authorized to enforce the provisions of the NBCP and its IRR in the field as well as the enforcement of orders and decisions made pursuant thereto.

5.13 One-Stop Shop for Construction Permits (OSCP) - A mechanism of coordination among the OBO, Zoning Office, Assessor's Office, Treasurer's Office, other concerned departments or offices at the local government, and the Office of the City/Municipal Fire Marshall through co- location of related functions and through a practical system of linkages.

5.14 Simple Application for Building Permits and Certificates of Occupancy - Refers to applications for any of the following structures, whose floor area shall not exceed 1,500 square meters: (1) single dwelling residential building of not more than three (3) floors/storeys; (2) commercial buildings of not more than two (2) floors/storeys; (3) renovation within a mall with issued building permit; and (4) warehouse storing non-hazardous substance.

5.15 Step - Any procedure taken by an applicant as part of the process of applying for and/or processing permits and licenses that triggers an interface, whether physical or online/virtual, with an action on the part of the office/unit to which the applicant has presented or communicated with himself/herself leading to a result (a document, certification, or decision) that is necessary to secure a permit.

6. Standards for Processing Construction-related Permits

6.1 Standards in Processing Building Permit Applications

6.1.1 Application Form. A preformatted form for building permit applications shall be prescribed in all cities and municipalities in the Philippines (refer to Annex 1). Four (4) copies of the application form for building permit, duly notarized, shall be submitted with the required documents as described in Section 6.1.3, together with the four (4) sets of the duly accomplished ancillary permit forms.

6.1.2 A modified format of the application form for building permits can be adopted by cities/municipalities provided that the fields in the prescribed uniform form in Annex 1 are maintained.

6.1.3 Documentary Requirements. Consistent with Section 302 of the NBCP and its IRR, the applicant, in applying for a building permit, shall be required to submit the following documents together with the application form:

a. Certified true copy of Original Certificate of Title (OCT)/Transfer Certificate of Title (TCT) covering the subject lot and, in cases where the applicant is not the registered owner of the said lot, a duly notarized copy of the Contract of Lease, or Deed of Absolute Sale; or, in lieu of the certified true copy of the OCT/TCT, a Lot Location Plan generated thru the Parcel Verification Service of the Land Registration Authority (LRA);

b. Four (4) sets of survey plans, design plans and other documents prepared, signed and sealed over the printed names of duly licensed and registered professionals, as stipulated under Section 302 (3) of the IRR of the NBCP:

Four (4) sets of the following:

- (i) Architectural Documents
- (ii) Civil/Structural Documents
- (iii) Electrical Documents (iv) Mechanical Documents (v) Sanitary Documents
- (vi) Plumbing Documents (vii) Electronics Documents (viii) Geodetic Documents
- (ix) Fire Protection Plan (if applicable)

c. Three (3) photocopies of valid licenses of all involved professionals (e.g. Professional Tax Receipt and the Professional Regulation Commission identification card);

d. Estimated value of the building or structure to be erected as declared by the owner or applicant and duly notarized.

6.1.4 The owner/applicant/design professionals are enjoined to secure required clearances from other agencies as stipulated under Section

302 (12) b of the IRR of the NBCP, and other documents or clearances from local authorities as maybe provided by local ordinances.