



OFFICE OF THE AUDITOR
CEZA
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MEMORANDUM CIRCULAR NO. 17-002
Series of 2017
14 September 2017

SUBJECT: PROCEDURAL GUIDELINES FOR THE CAGAYAN ECONOMIC ZONE AUTHORITY (CEZA) ACCREDITATION OF CEZA ENTERPRISE REPRESENTATIVE OR AGENT

WHEREAS, Republic Act No. 7922, a law that created the Cagayan Economic Zone Authority (CEZA) which is mandated to manage and operate the Cagayan Special Economic Zone and Free Port, was established in order to actively encourage, promote, induce and accelerate a sound and balanced industrial, economic and social development of the country in order to provide jobs to the people especially those in the rural areas, increase their productivity and their individual and family income, and thereby improve the level and quality of their condition through the establishment, among others, of special economic zones and free ports in suitable and strategic locations in the country and through measures that shall effectively attract legitimate and productive foreign investments.

WHEREAS, Congress, through Republic Act No. 7922, created a government corporate body, the Cagayan Economic Zone Authority (CEZA), to manage and operate the Cagayan Special Economic Zone and Free Port (Cagayan Freeport) in accordance with the same Act.

WHEREAS, the CEZA, through Section 6 (c) of Republic Act No. 7922, is given the power to approve, accept, accredit and allow any local or foreign business, enterprise or investment subject only to such rules and regulations as CEZA may promulgate from time to time in conformity with the provisions of the same Republic Act and the limitations provided in the Constitution.

WHEREAS, the CEZA, through Republic Act No. 7922, is given the power to issue rules and regulations consistent with the provisions of the same Act, has created the CEZA Implementing Rules and Regulations.

WHEREAS, the CEZA, pursuant to Section 4 (a) of Memorandum Circular No. 001 series of 2009 also known as the Implementing Guidelines for the Registration of CEZA Enterprises in relation to Article VI Section 30 of the CEZA Implementing Rules and Regulations, has required that a CEZA Enterprise must name a representative or agent who is a legal resident of the Philippines.

WHEREAS, it has come to CEZA's knowledge that some representatives or agents are using CEZA's name to collect additional and unnecessary fees from CEZA Enterprises.



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WHEREAS, to ensure that the CEZA Enterprises shall be protected from being taken advantage of by individuals by collecting unreasonable fees.

WHEREAS, to make sure that the enterprises who register under CEZA is a legal business entity and all the submitted documents are complete, accurate and reliable, CEZA shall accredit the representative or agent of the CEZA Enterprise who will do any transactions with CEZA on behalf of the CEZA Enterprise.

NOW, THEREFORE, in consideration of the premises, the following procedural guidelines are hereby prescribed for the guidance and compliance of all CEZA Enterprises and their representatives or agents, thus:

SECTION 1. Objectives

- 1.1 To ensure that the CEZA Enterprises are protected from representatives or agents who are charging unreasonable fees or rates.
- 1.2 To protect the reputation of the agency and prevent said individuals from using CEZA's name in doing illegal activities such as but not limited to collecting additional and unreasonable fees.
- 1.3 To set guidelines for the accreditation of representative or agent who will do transactions with CEZA on behalf of the CEZA Enterprise.

SECTION 2. Scope

These guidelines shall apply to any person, firm, association, partnership, corporation or any form of business organization providing services to CEZA Enterprises as representative or agent doing transactions with CEZA.

SECTION 3. Definition of Terms.

For the purpose of this Memorandum Circular, the terms used herein shall mean as follows:

- a. **"Act"** shall refer to Republic Act No. 7922, otherwise known as the "Cagayan Special Economic Zone Act of 1995".
- b. **"Cagayan Economic Zone Authority (CEZA)"** is a government corporate body established pursuant to the Act.
- c. **"CEZA Enterprise"** shall refer to any sole proprietorship, partnership, corporation, association or other form of business entity, including the CEZA, duly registered with and/or licensed by the CEZA to engage in any lawful economic activity.

- d. **“Certificate of Accreditation”** shall refer to the Certificate or document issued by the CEZA evidencing the accreditation of the business entity as a CEZA Enterprise representative or agent.
- e. **“CEZA Enterprise Representative or Agent”** shall refer to any person, firm, association, partnership, corporation or any other form of business entity representing CEZA locators in any CEZA transactions.

SECTION 4. Requirements for Complete Application for CEZA Accreditation.

- a. Letter of intent;
- b. Duly accomplished application form;
- c. Copies of relevant documentation of legal status of the business entity such as the Articles of Incorporation and by-laws, Partnership Agreement, SEC license to do business, and other business permit;
- d. Company Profile, if a company or firm;
- e. Latest Income Tax Return and Annual Audited Financial Statement, if applicable;
- f. List of references that may be contacted to verify the information included in the application, including a commercial bank and/or financial institution and independent auditor;
- g. Processing/ Registration Fee of **US\$100** or its equivalent in Philippine peso at the current exchange rate but which amount may be adjusted without prior notice; and
- h. Other requirements as may be required by CEZA.

SECTION 5. Issuance of Application Form.

All applicants shall secure standard form (**Annex**) from the One-Stop-Action-Center (OSAC) of the CEZA and the list of prescribed documents to support the application for accreditation. The applicant must complete all the entries in the application form.

SECTION 6. Receipt of Application Form.

The registration personnel shall undertake the following steps to receive an application:

- a. Immediately upon receipt of Application Form, the registration personnel shall initially check the documents submitted and stamp the application with the date and time of receipt.

- b. The registration personnel shall then notify the applicant within two (2) working days or earlier whether the application is complete or incomplete.

SECTION 7. Determination if Application is Complete.

The assigned registration personnel shall establish that the application form has been properly filled out. A complete application for accreditation must contain the requirements enumerated in Section 4.

Any application containing the minimum requirements for complete application shall be judged as "complete" by the designated registration personnel. Only applications tagged as "complete" shall be processed.

SECTION 8. Incomplete Application.

If the application is not complete, the applicant shall be notified within two (2) working days from receipt of the application. The registration personnel shall specify in the notice the lacking documents and/or the exact nature of the missing information.

SECTION 9. Steps in the Evaluation of the Application Documents.

The following steps shall be undertaken in the evaluation of application documents:

- a. The CEZA designated registration personnel shall conduct the initial evaluation and upon completion shall prepare a summary sheet with the necessary recommendation for evaluation/review of the Department Manager for Planning and MIS.
- b. After review and evaluation of the Department Manager for Planning and MIS, the application shall be forwarded to the Administrator for approval.
- c. Upon approval of the Administrator and Chief Executive Officer, the Registration Personnel shall then release the Certificate of Accreditation.

SECTION 10. Processing Application with Negative Evaluation.

Should the evaluation of the applicant be negative, CEZA shall return the application within ten (10) days from receipt of the completed application form, formally and clearly citing the reasons for the disapproval of the application. This may include particular and necessary modifications which may result in the approval should the application be re-submitted.

SECTION 11. Issuance of CEZA Certificate of Accreditation for CEZA Enterprise Representative or Agent.

If results are positive and the application is complete, the CEZA Registration Office shall issue the Certificate of Accreditation as a CEZA Accredited Enterprise Representative or Agent (**Annex**). The Certificate shall be effective for a period of one (1) year and may be renewed every year thereafter subject to CEZA validation and submission of requirements.

SECTION 12. Renewal of Certificate of Accreditation.

CEZA Accredited Enterprise Representative or Agent whose Certificate of Accreditation will expire should renew the same at least fifteen (15) calendar days prior to the expiration. The renewal fee shall be **US\$100**. In addition, the said Accredited Enterprise Representative or Agent should comply with the renewal requirements prescribed by CEZA. The CEZA Accreditation control number shall be the same in case the latter's renewal shall be approved.

CEZA Accredited Enterprise Representative or Agent who fail to renew their respective Certificate of Accreditation shall automatically cease to be a CEZA Accredited Enterprise Representative or Agent and any applications or transactions from the said representative or agent will not be accepted. However, they can still renew their accreditation within fifteen (15) days from the expiration thereof upon payment of the renewal fee and submission of renewal requirements. After the lapse of such period, representative or agent shall have to file a new application which includes complete and updated application requirements.

SECTION 12. Reportorial Requirements.

All CEZA Accredited Enterprise Representatives or Agents shall submit a quarterly list of the following:

- a. CEZA Enterprises they represent;
- b. Name of the CEZA Working Visa (CWV) and Provisional Permit to Work (PPW) holders processed under each CEZA Enterprise/company/client;
- c. Name of cancelled visa processed under each CEZA Enterprise/company/client; and
- d. Other documents as may be required by CEZA.

SECTION 13. Withdrawal, Suspension or Cessation of the Accreditation.

When a CEZA Accredited Enterprise Representative or Agent decides to withdraw, suspend, or cease to be an Accredited CEZA Enterprise Representative or Agent, written notice thereof shall be sent to CEZA one (1) month prior to the implementation of the action. Should there be a new representative or agent, the CEZA Enterprise must notify CEZA immediately or their applications shall not be accommodated.

Section 14. Grounds for the Revocation, Suspension or Cancellation of Certificate of Accreditation.

The Certificate of Accreditation issued by the CEZA to any Accredited CEZA Enterprise representative or agent may be revoked, suspended or cancelled on any of the following grounds:

- a. Failure to maintain the qualifications for accreditation as required by this Memorandum;
- b. Violation of any provision of Philippine law or the Act;
- c. Violation of the corresponding memoranda or circular or any of the general or specific terms of the accreditation or agreement between the CEZA and the Accredited CEZA Enterprise representative or agent; and
- d. Expiration or violation of the conditions set forth in the Certificate of Accreditation.

Provided, that for minor violations including but not limited to non-submission of reportorial documents, the CEZA shall prescribe and impose administrative penalties, fines or sanctions in lieu of the revocation, cancellation or suspension of the Certificate of Accreditation. The CEZA shall also graduate the penalties, fines or sanctions to be imposed based on the gravity and frequency of the violations concerned.

SECTION 20. Repealing Clause.

All administrative orders, memoranda, circulars and resolutions or any parts thereof which are inconsistent herewith are hereby repealed, amended or modified accordingly.

SECTION 21. Effectivity.

This Memorandum Circular shall take effect immediately upon its signing.


SEC. RAUL L. LAMBINO
Administrator and Chief Executive Officer

APPLICATION FOR ACCREDITATION OF CEZA ENTERPRISE REPRESENTATIVE/AGENT

GENERAL INFORMATION

Name of Company/Agent			
Office Address			
Email Address			
Telephone No.		Fax No.	
Nature of Business			
Type of Organization	<input type="checkbox"/> Corporation	<input type="checkbox"/> Sole Proprietorship	
	<input type="checkbox"/> Partnership	<input type="checkbox"/> Others (please specify) _____	
Registered with SEC?	<input type="checkbox"/> Yes <input type="checkbox"/> No	SEC Registration No.	
Year Registered		TIN No.	

VERIFICATION

The information presented above are to the best of my knowledge true and correct and that we are liable to any false statements made in this application under Revised Penal Code and other applicable laws.

Signature over printed name
Authorized Representative

Date