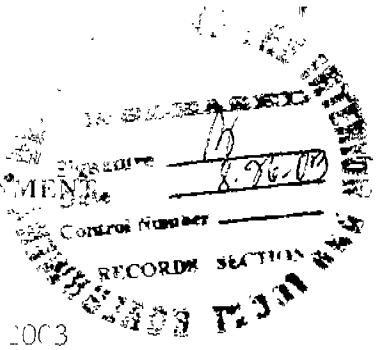


REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT

A. Francisco Gold Condominium II EDSA Cor. Mapagmahal St.
Diliman, Quezon City



MEMORANDUM CIRCULAR
No. 2003 - 172

August 23, 2003

TO : ALL PROVINCIAL GOVERNORS, CITY/MUNICIPAL MAYORS,
DILG REGIONAL/PROVINCIAL/CITY DIRECTORS, CLGOOs,
MLGOOs, PROVINCIAL/CITY/MUNICIPAL SANGGUNIANs AND
OTHERS CONCERNED

SUBJECT : CLARIFICATION ON THE IMPLEMENTATION OF SECTION 7 OF
THE RULES AND REGULATIONS IMPLEMENTING P.A. 9178

Reference : *Republic Act 9178 entitled, "An Act to Promote the Establishment of
Barangay Micro-Business Enterprise (BMBEs), Providing Incentives
and Benefits Therefore, and for Other Purposes"*

The Department of Trade and Industry (DTI) has sought the assistance of the Department on the implementation of the above-subject law at the city/municipal levels most particularly on the imposition of fees and charges on the registration and monitoring of BMBEs, as provided in Section 7 of the Rules and Regulations Implementing RA 9178 which reads:

"SEC. 7. Fees and Charges. – *The LGUs shall issue the Certificate of Authority (CA) promptly and free of charge. However, to defray the administrative costs of registering and monitoring the BMBEs the LGU may charge a fee not exceeding One Thousand Pesos (1,000.00)."*

The DTI, being the lead government agency tasked to implement the mandate and objective of the said law, has brought to our attention the inaction of some LGUs on the applications for CA as Barangay Micro-Business Enterprise (BMBE) because of the absence of an enabling ordinance implementing the law at the local levels. According to the DTI, neither the law (R.A. 9178) nor its Implementing Rules and Regulations on the matter requires or at least evinces a need for an enabling ordinance before qualified applicants for BMBE can be entertained.

In view of the above, it is hereby clarified that as far as registration for accreditation is concerned, an enabling ordinance is not prerequisite before LGUs shall entertain applicants for CA under RA 9178. The Rules and Regulations Implementing R.A. 9178 has already detailed the procedure and requirements for registration as BMBE.

Consistent with the settled principle that a national law prevails upon a local legislation, local ordinances inconsistent with R.A. 9178, are deemed amended or modified accordingly. Local Chief Executives, as well as their respective local sanggunians, are hereby advised to be guided on the matter.

DILG Field Officers are hereby directed to monitor LGUs compliance with the mandate and objective of the RA 9178 and its Implementing Rules and Regulations.

For information, guidance and compliance.

Attested by:
ATTY. ALAN ROULLO YAP
Head Executive Assistant

JOSE D. LINA JR.
Secretary

E. Lina Jr.