

MALACAÑANG  
MANILA

MEMORANDUM ORDER NO. 105

**APPROVING THE 2000 INVESTMENT PRIORITIES PLAN**

Pursuant to Article 29 of the Omnibus Investments Code of 1987, the attached 2000 Investment Priorities Plan (IPP) is hereby approved.

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

**DONE**, in the City of Manila, this 31<sup>ST</sup> day of MAY in the year of our Lord Two Thousand.



PJEE: Holov:am #17904

JOSEPH EJERCITO ESTRADA



By the President:

**RONALDO E. ZAMORA**  
Executive Secretary

# THE 2000 INVESTMENTS PRIORITIES PLAN

## FOREWORD

The 2000 Investment Priorities Plan (IPP) embodies the framework within which investor confidence is established and maintained. The very essence of economic development lies not only on the capability to cater to investments in the urban areas and in the metropolis, but more importantly, to support sustainable growth in the countryside. Investment generation, thus, becomes one important vehicle towards eventual poverty eradication as envisioned by the Estrada Administration at the end of his term. This year's IPP shall therefore have its theme ***"UPLIFTMENT OF THE LIVES OF THE COMMON FILIPINO BY DEVELOPING GLOBALLY COMPETITIVE INDUSTRIES"***.

Consistent with the action plans of the administration, the 2000 IPP has identified the following goals:

- To alleviate and eventually eradicate poverty through employment generation
- To explore other activities/areas which can aid in increasing the country's exports
- To further the growth of agricultural productivity and increase countryside development by attracting investment focused at providing adequate industry support and infrastructure system
- To focus on sustainable development by supporting activities and technologies in line with the country's commitment to environmental protection
- To develop industries/sectors aimed at maintaining competitive advantage



Likewise, the IPP supports four focal points identified by DTI as follows:

- For the participant in the global economy, access to new technology, and incentives for innovation in exports and services.
- For business owner, a fair, transparent, competitive environment.
- For income earner, more job opportunities and greater access to jobs.
- For the ordinary household and consumer, value for hard-earned money, consumer information, advocacy and protection and enforcement of standards.

This year's IPP still adopts the regional approach of listing as a continuing effort for regional and countryside development. A distinct highlight of the 2000 IPP is the inclusion of a new heading, **Industry Clusters**. This is in response to a more focused support to industry competitiveness and development. This will highlight the value-chain among related industries.

**Industry Clustering** seeks to maximize the natural clusters existing in some of the specific regions in the country. Effectively, the identification of industry cluster in the 2000 IPP will accommodate not only the core industry but more importantly the allied services and linkages of the identified clusters. This is envisioned to be an effective tool in developing competitive advantage among industries; hence, making the regions the core of development.

The 2000 IPP also incorporates a special listing of economic activities determined for promotion and eligible for investment incentives by the Autonomous Region for Muslim Mindanao (ARMM). The ARMM IPP is the list of priority areas which have been independently determined by the Regional Board of Investments (RBOI) of the ARMM in accordance with E.O. 458. Economic activities in this special listing shall be pursued in the ARMM only.



However, economic activities listed in the National IPP may also be located inside the ARMM.

The preparation of the 2000 IPP was made possible in coordination with the IPP Inter-Agency Committee composed of Department of Finance (DOF), National Economic Development Authority (NEDA), and Presidential Management Staff (PMS). Concerned government agencies were likewise consulted and public hearings were held. The regional lists were completed in close coordination with BOI Extension Offices, Regional Growth Area Center and Regional Development Council.

**MAR ROXAS**

Chairman, Board of Investments  
Secretary, Department of Trade and Industry



# 2000 PRIORITY INVESTMENT AREAS

## I. NATIONAL LIST

### A. EXPORT ACTIVITIES\*

Coverage:

1. **Manufacture/production of non-traditional products** (minimum export requirement of 50% if Filipino-owned; 70% if foreign-owned)

Non-traditional products shall exclude: (a) copra (b) crude coconut oil (c) desiccated coconut (d) copra meat and cake (e) inedible molasses (f) pineapple in syrup (g) logs (h) lumber (i) plywood and veneer and (j) unmanufactured tobacco.

2. **Export trading**

Trading of non-traditional export products

3. **Services**

Export of services such as knowledge, information, technology and systems and/or application or installation thereof in the project sites

Services provided to international airlines/shipping lines/military aircraft or seacraft even if rendered locally may qualify for registration provided revenues are paid for in foreign currency. Mere deployment of people or individual practice of profession abroad shall not qualify for registration.

4. **Support to exporters**

Manufacturing activities and services rendered to exporters except financing services and trading other than export trading

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\* May cover modernization activities



### 3. SUPPORT TO GOVERNMENT PROGRAMS

Coverage:

#### 1. Agricultural/fishery/forestry production, processing and services\*

- Commercial production of agricultural crops, livestock, and poultry, feeds/feed ingredients, fish species, and forest species seedlings
- Processing of agricultural and fish products/by-products/wastes
- Service activities in support to the foregoing activities and to industrial tree plantation

#### 2. Information Technology Services\*

- Software development projects
  - System software
  - Middleware
  - Applications software
- IT - enabled services
- Support and knowledge-based services
- Business Process Outsourcing

#### 3. Mass housing projects including development and fabrication of housing components\*\*

#### 4. Drugs and Medicines\*

#### 5. Social Services\*

- Educational training institutions specializing in developing skills for the manufacturing, agriculture, fishery, forestry, mining, tourism, infrastructure and service sectors
- Health service such as hospitals, diagnostic centers, therapy centers, clinical laboratories, ambulatory health care facilities, facilities for mentally-ill patients, and other health services (as determined by the BOI in consultation with the Department of Health and other government agencies concerned)

\* May cover modernization activities

\*\* Coverage of modernization limited to fabrication only

- Social welfare services such as day care centers, senior citizens centers, centers for disabled, trauma/crisis centers, rehabilitation centers for youth offenders in selected areas and out-of-school youths centers, and other social-welfare services, (as determined by the BOI in consultation with the Department of Social Welfare and Development and other government agencies concerned)
- Retirement villages (limited to new projects only)

**6. Tourism\***

- Tourist accommodation facilities such as hotels, apartels, tourist inns, pension houses, and resorts

Resorts may also include special interest activities (that may or may not have accommodation facilities) such as but not limited to theme parks, convention and exhibition/trade display centers, eco-tourism projects and those involving environmentally-sound tourism activities in a given ecosystem/specific locality.

- Tourism estates
- Tourist buses
- Historico-cultural heritage projects covering the restoration of historical and cultural sites and properties identified, classified and declared as such by the National Historical Institute

Other cultural properties shall be endorsed by the National Commission for Culture and the Arts and the Department of Tourism.

- Agricultural – Tourism Projects

**7. Environmental Projects\***

- Development or Conversion of Industrial Ecosystem
- Industry self-regulation at the plant/firm level
  - Activities leading to environmental management systems certification (i.e., ISO 14000)
  - Activities in compliance with multilateral agreements where the Philippines is a signatory (i.e., Montreal Protocol Prescriptions on Ozone Depleting Substances and International Framework Convention on Climate Change)

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\*May cover modernization activities



- Establishment of toxic and hazardous waste facility
- Establishment of waste handling facilities/sewerage systems for industrial/municipal wastes (may include rehabilitation)
- Testing/measuring services for emission and effluent properties of industries or institutions
- Projects on Philippine rivers environmental management and rehabilitation similar to the activities under the Pasig River Rehabilitation Program
- Installation of pollution control devices in compliance with the Clean Air Act (R.A. 8749)

**8. Infrastructure\***

- Establishment of physical infrastructure similar to and/or those covered under BOT (R.A. 6957, as amended by R.A. 7718), Industrial Communities, Service Cities, relocation of industries, Urban Community Redevelopment, IT Parks, and Energy Conservation Activities and projects, among others

**9. Common Carriers\***

- Public utility land, air, and water transport. Air and water facilities may involve cargo operations only
- Pipeline operations for transport of petroleum products and/or natural gas

**10. Engineered Products\***

- Manufacture of machinery and equipment such as metalworking machinery (tools & dies included), special purpose industrial machinery, electrical machinery, agricultural machinery, communication equipment and apparatus, medical equipment and/or devices, and office, computing and accounting machinery, including their parts and components
- Preparation of designs of machinery and equipment and/or their parts and components
- Radio and television manufacturing projects (limited to modernization only)

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\*May cover modernization activities



11. **Projects of Cooperatives\***
  - Activities undertaken by producer cooperatives (e.g., agricultural, fishery, and industrial cooperatives) and service cooperatives (e.g., electric cooperatives).
12. **Development of Energy Sources**
  - Development of renewable energy sources such as natural gas and liquefied natural gas
  - Mini-hydro electric power
13. **Shipbuilding/shiprepair/shipbreaking\***
14. **Manufacture of motor vehicles and parts and components**
15. **Research and development activities (may include in-house activities)**

**C. MANDATORY INCLUSION**

Coverage:

1. **Activities under the Agricultural & Fisheries Modernization Act, R.A. 8435 \***
2. **Production and/or processing of high-value crops under R.A. 7900\***
3. **Commercial fishing under R.A. 8550\***
4. **Industrial Tree Plantation under P.D. 705**
5. **Iron and steel projects under R.A. 7103\***
6. **Exploration, mining, quarrying, and processing of minerals under R.A. 7942\***
7. **Publication or printing of books or textbooks under R.A. 8047\***

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\* May cover modernization activities



8. Activities under the Jewelry Industry Development Act, RA 8502\* (limited to export-oriented projects)
9. BOT Projects\*  
Projects under BOT (costing more than P1.0 Billion) under R.A. 6957, as amended by R.A. 7718
10. Refining, storage, marketing and distribution of petroleum products under R.A. 8479
11. AICO (ASEAN Industrial Cooperation Agreement) Projects

## II. REGIONAL LIST

### A. MANUFACTURING/PRODUCTION ACTIVITIES

Region	Activities
CAR	<ul style="list-style-type: none"> <li>• Gifts, Toys and Housewares</li> <li>• Jewelry</li> <li>• Pulp and Paper</li> <li>• Textiles* and Garments &amp; Articles of Textiles</li> </ul>
I	<ul style="list-style-type: none"> <li>• Furniture</li> <li>• Gifts, Toys and Housewares</li> <li>• Packaging Products</li> <li>• Textiles* and Garments &amp; Articles of Textiles</li> </ul>
II	<ul style="list-style-type: none"> <li>• Composite Board</li> <li>• Gifts, Toys and Housewares</li> </ul>
III	<ul style="list-style-type: none"> <li>• Chemical Products*</li> <li>• Composite Board</li> <li>• Jewelry</li> <li>• Leather and Leathergoods</li> <li>• Pyrotechnics</li> </ul>
IV	<ul style="list-style-type: none"> <li>• Chemical Products*</li> </ul>
V	<ul style="list-style-type: none"> <li>• Chemical Products (Organic Chemicals)*</li> <li>• Furniture</li> </ul>

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\* May cover modernization activities



- Gifts, Toys and Housewares
  - Industrial Carbon\*
  - Jewelry
- VI
- Composite Board
  - Furniture
  - Gifts, Toys and Housewares
  - Industrial Carbon\*
  - Jewelry
  - Leather and Leathergoods
  - Pulp and Paper
  - Textiles\* and Garments & Articles of Textiles
- VII
- Composite Board
  - Gifts, Toys and Housewares
  - Jewelry
  - Packaging Products (Wooden Container)
  - Pulp and Paper
  - Textiles\* and Garments & Articles of Textiles (Hand & Loomwoven Products\*)
- VIII
- Chemical Products (Oleochemicals) \*
  - Industrial Carbon\*
  - Pulp and Paper
  - Textiles\* and Garments & Articles of Textiles (Cordage)
- IX
- Composite Board
  - Gifts, Toys and Housewares
  - Jewelry
  - Pulp and Paper
  - Rubber Footwear
  - Textiles\* and Garments & Articles of Textiles
- X
- Chemical Products (Inorganic Fertilizer, Lubricants\* Oleochemicals\* & Paints)
  - Composite Board
  - Pulp and Paper
  - Soaps, Detergents, Shampoos\*
  - Wood Products
- XI
- Chemical Products\*
  - Gifts, Toys and Housewares
  - Industrial Carbon\*
  - Packaging Products (Glass Packaging)
  - Textiles\* and Garments & Articles of Textiles

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\* May cover modernization activities



- XII
- Chemical Products\*
  - Composite Board
  - Furniture
  - Gifts, Toys and Housewares
  - Jewelry
  - Pulp and Paper
  - Rubber Footwear
  - Textiles\* and Garments & Articles of Textiles

- CARAGA
- Chemical Products (Essential Oils)\*
  - Composite Board
  - Furniture
  - Gifts, Toys and Housewares
  - Jewelry
  - Pulp and Paper

Coverage:

**Chemical products**

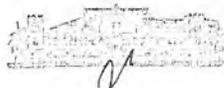
- Manufacture of organic chemicals, inorganic fertilizer, oleochemicals, lubricants, essential oils, paints, and petrochemicals

**Composite board**

- Manufacture of composite boards (e.g., particle board) using natural resource-based materials/wastes and industrial refuse

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\* May cover modernization activities



### **Furniture**

- Manufacture of furniture

### **Gifts, toys and housewares**

- Manufacture of baskets, shellcraft, woodcraft, stonecraft, fibercraft, and fossilized dried flowers and ornamental ceramic products

### **Industrial carbon**

- Manufacture of coal/charcoal briquettes, activated carbon, carbon black and acetylene black.

### **Packaging products**

- Manufacture of packaging products or materials

### **Pulp and paper**

- Manufacture of pulp and/or paper products

### **Pyrotechnics**

- Manufacture of firecrackers and pyrotechnic devices as defined and listed under R.A. 7183 (excluding industrial explosives)

### **Rubber Footwear**

- Manufacture of rubber shoes and parts thereof, sandals and slippers.

### **Textiles and Garment & Articles of Textiles**

- Manufacture of textile, items of clothing and other wearing apparel and made up articles of textile.

### **Soaps, Detergents and Shampoos**

- Manufacture of soaps, detergents and shampoos (may be integrated with production of raw materials)

### **Wood Products**

- Manufacture of window and door panels, jambs, moldings, and other builders joinery



## B. INDUSTRY CLUSTERS\*

An industry cluster is a group of interlinked or related activities composed of industries, suppliers, required support services, infrastructure and institutions.

Coverage:

REGION	CLUSTER/S
NCR	<ul style="list-style-type: none"><li>• Footwear Center</li></ul>
CAR	<ul style="list-style-type: none"><li>• Wood Center</li></ul>
I	<ul style="list-style-type: none"><li>• Loomweaving Center</li></ul>
II	<ul style="list-style-type: none"><li>• Furniture Center</li></ul>
III	<ul style="list-style-type: none"><li>• Fine Jewelry Center</li><li>• Food Center</li></ul>
IV	<ul style="list-style-type: none"><li>• Automotive Parts and Components</li><li>• Electronics</li></ul>
V	<ul style="list-style-type: none"><li>• Coconut Center</li><li>• Pili Center</li></ul>
VI	<ul style="list-style-type: none"><li>• Marine Products Center</li><li>• Sugar Center</li></ul>
VII	<ul style="list-style-type: none"><li>• Costume Jewellery Center</li><li>• Home Furnishing Center</li><li>• Fashion Accessories Center</li></ul>
VIII	<ul style="list-style-type: none"><li>• Coconut Center</li><li>• Abaca Center</li><li>• Aquamarine Center</li><li>• Food Center</li></ul>
IX	<ul style="list-style-type: none"><li>• Seaweed Center</li><li>• Fish Center</li><li>• Rubber Center</li></ul>
X	<ul style="list-style-type: none"><li>• Rubber Center</li></ul>
XI	<ul style="list-style-type: none"><li>• Fish Center</li></ul>
XII	<ul style="list-style-type: none"><li>• Food Center</li></ul>
CARAGA	<ul style="list-style-type: none"><li>• Wood Center</li></ul>

\* May cover modernization activities

### III. AUTONOMOUS REGION OF MUSLIM MINDANAO (ARMM) LIST

#### A. EXPORT ACTIVITIES

1. Export Trader and Service Exporters
2. Support Activities for Exporters

#### B. AGRICULTURE FOOD AND FORESTRY-BASED INDUSTRIES

##### 1. Processed Food

- Production and processing of halal meat
- Leguminous and other vegetable-based protein (textured, palletized or liquid)
- Spices processing (e.g., hot pepper, black pepper, ginger, etc.) *Note: May be integrated with plantation*
- Vegetable oils (e.g., peanut oil, rice bran oil, sunflower and soybean oil)  
Production of food crops  
*Note: Maybe integrated with post-harvest processing and other vegetables (such as Tomatoes)*
- Integrated coconut processing
- Seaweeds processing
- Cassava processing  
*Note: May be integrated with plantation*
- Fruit processing (e.g., durian, mangosteen, jack fruit, marang, banana, mango, passion guava, calamansi, and guyabanos)
- Aquaculture (Fish Production and Processing) such as, but not limited to:
  - Frozen fish
  - Chilled fish
  - Canned fish
  - Abalone
  - Crab fattening
  - Eel production
  - Squid processing
  - Carp and tilapia production and processing
  - Tropical fish production and processing
  - Shrimps/prawn
  - Lapu-lapu (Grouper) and other marine products
- Corn flour mill (Integrated with plantation)
- Young corn production  
*Note: May include processing/canning*
- Mushrooms culture and processing
- Sweet potato plantation and processing
- Crocodile farming and processing



2. **Cutflower Production**
3. **Pearl Culture and Processing**
4. **Industrial Tree Plantation** (Include Mangrove, Rattan, Bamboo, etc.) and wood processing (cement wood board and fiberboard) reconstructed veneer
5. **Shipbuilding and Watercraft**
6. **Abaca Pulp Plantation and Processing**
7. **Palm Oil Plantation and Processing**
8. **Coffee Processing (maybe integrated with plantation)**
9. **Particle Board (use of agri-based waste material such as rice straw, wood waste, etc.)**
10. **Activated Carbon Manufacturing (use of coconut shell, wood based, etc.)**
11. **Feeds Production (animal feeds and feeds for aquaculture)**
12. **Tobacco Plantation and Processing**
13. **Production of Beverage Crops (but not limited to)**
  - Cacao beans
  - Coffee beans (Arabica variety)
14. **Production of Plantation Crops and other Medical Herbs/Essential oil plants (including flower extracts)**
15. **Production of Livestock and Poultry (including dairy products)**
  - Beef (including cow-calf and feedlot operations)
  - Carabao (water buffalo) production
  - Goats and sheep
  - Frozen semen and embryos

*Note: includes natural method and artificial insemination and embryo transfer technology*
16. **Bricks and Roofing Tiles production**
17. **Quality Seeds and Seedlings of Fruit Trees and Other Planting Materials Propagated Asexually or by Tissue Culture**
18. **Sugarcane Plantation and Refineries**



19. Sericulture
20. Mosquito Coil Processing

C. **BASIC INDUSTRIES**

1. **Pharmaceuticals**

- Antibiotics
- Penicillin
- Streptomycin
- Tetracycline's
- Soft gelatin capsules

2. **Medical Devices**

- Prosthetics
- Diagnostics

3. **Other pharmaceuticals**

4. **Textile and Textile Products**

- Yarns and fabrics
- Hand-woven textiles
- Specialty fabrics
- Tire cord fabrics
- *Note: Must be integrated with weaving and dipping units.*
- Ramie (degummed, staple fiber, combed tops, noels and slivers)
- Fish nets
- Fabrics made of indigenous raw materials
- Silk reeling

5. **Fertilizers (organic and inorganic)  
Solid waste materials**

6. **Mining (Exploration and development of Mineral Resources)**

- Mining and quarrying of metallic and non-metallic minerals (including small scale as defined under P.D. 1899, but to exclude river beds in operations)
- Processing of minerals (such as beneficiation and other metallurgical methods)
- Cement – At least 1.0 MTPY Capacity (clinker based)



**D. CONSUMER MANUFACTURES**

**1. Rubber Products such as:**

- High pressure and hydraulic rubber hoses
- Rubber bolts
- Industrial rubber rollers
- Rubber tires

**2. Leather Products**

**E. INFRASTRUCTURE AND SERVICES**

**1. Public Utilities (with developmental route of the four provinces of the ARMM and other adjacent Cities and Provinces)**

- Common carriers (land, air and water transport facilities)
- Electric transmission/distribution
- Water supply facilities/waterways and sewerage systems
- Buses/cargo trucks
- Other specialized mass transport systems
- Power generation like hydro power, and geothermal

**2. Telecommunications with International Gateways**

**3. Tourism**

- Tourism estates  
Subject to guidelines developed jointly by the Board of Investments- ARMM and Department of Tourism (DOT)
- Tourist accommodation facilities
  - Hotels
  - Resorts
  - Other tourist accommodation facilities such as apartels, pension houses, tourist inns, and others.
- Tourist transport facilities
  - Air
  - Water
  - Tourist buses and taxi/van

*Note: \*Endorsed by the DOT*

*\*\*New and expansion projects may be registered*

**4. Agriculture - Fisheries Infrastructure & Services under the Agriculture and Fisheries Modernization Act, R.A. 8435**

**5. Industrial Service Facilities**

Coverage:

- Common centers:
  - Testing and quality control laboratories

- Training and demonstration centers
- Tool shops and similar facilities
- Metal working
  - \* Electroplating
  - \* Foundry
  - \* Forging
  - \* Machining
  - \* Heat treatment
  - \* Brass making
- Furniture
  - \* Kiln drying
  - \* Treatment and processing facilities
- Ceramics
  - \* Kiln
  - \* Glazing
- Food Processing
  - \* Bottling and canning of distilled Water
  - \* Industrial salt
  - \* Vapor heat treatment
  - \* Slaughterhouse/abattoir
- Automotive battery plate manufacturing

*Note: The following criteria must be met:*

- a. *The project will serve the common needs of the industry in the locality and;*
- b. *The project will improve the relative status and comparative advantages of the industry*

- Development of retirement villages

- Shall include health and medical facilities including amenities required by the Philippine Retirement Authority (PRA).
- Subject to the guidelines to be approved by BOI-ARMM in consultation with the PRA, the Department of Health (DOH), the Regional Planning and Development Office (RPDO) and other concerned agencies.

**6. Petrochemical Complex**

**7. Industrial Gases (such as oxygen and nitrogen)**

**8. Miscellaneous Chemical Products**

- Biotechnological/biosynthetic chemicals
- Essential oils
- Fine chemicals

**F. ENGINEERING INDUSTRIES**

**1. Engineering Products**

- Motor vehicle part and components
- Automobile parts and assembly

- Modern offset printing

2. **Electronics and Telecommunications Products**

G. **ARMM PRIORITY AND TOURISM AREAS**

*NOTE: Listed below are potential tourist destinations which need further exploration and evaluation for intensified promotions, development and marketing.*

<b>NUCLEUS</b>	<b>GATEWAY</b>	<b>SATELLITE DESTINATION</b>
Area I – Sulu	Jolo	Sulu Province
Area II – Tawi-Tawi	Bongao	Tawi-Tawi Province
Area III – Lanao del Sur	Marawi City	Lanao del Sur Province
Area IV – Maguindanao	Cotabato City	Maguindanao Province

