

## Good Practices in Local Governance

I. TITLE : PAPERLESS APPLICATION IN BUSINESS PERMIT RENEWAL  
Parañaque City

### II. SUMMARY

#### ➤ Profile of the LGU

Established as a town in 1580, Parañaque then was the gateway to communities south of Manila, collectively known today as the CALABARZON region. Not many people know that Parañaque was once part of the Province of Rizal but through the passage of time, this city has gained immense stature as one of the most innovative and modern cities in the metropolis.

There are several accounts as to how the City of Parañaque got its name. One such story stated that long ago, at the mouth of what is known as the Parañaque River, there stood a balete tree that, when viewed from afar, looked like a majestic ship. This earned it the name *Palanyag*, taken from the term “palayag,” which means “point of navigation.”

Another version says that before the Spanish *conquistadores* came to the islands, there were some natives who lived close to the Manila Bay whose main livelihood was fishing or *paglalayag*. On the other hand, the neighboring community in the east called *Muntinglupa* were rice farmers who were referred to as *taga-Palayan*. One day, the fishermen and farmers had a feast and many got drunk from *tuba* or fermented coconut wine. One farmer suggested that they should name the whole place *Palayan* as a sign of cooperation and good will between them. However, a fisherman protested and stated that they should name it *Palalayag* instead. As a compromise, they agreed to merge these two words and came up with *Palalanyag*. However, another drunken guest shouted. “*Mabuhay ang Palanyag at ang mga taga Palanyag!*” The rest liked this word better and ever since then, the place was called *Palanyag*.

In another story handed down to generations, when the Philippines was already a Spanish colony, some Spanish soldiers on a horse-drawn carriage asked to be taken to a certain place. The coachman, however, did not understand the Spanish soldier’s pronunciation. When they arrived, one of the soldiers said, “*Para aqui, para aqui,*” meaning, “Stop here, stop here.” The coachman did not understand and kept going whereas the soldier keeps repeating “*Para aqui, para aqui.*” Later, the coachman told the townspeople “These Spaniards are repeatedly saying *para aniya ake, para aniya ake*” to which the townspeople laughed. The story circulated and was repeated around for days and the term *para aniya ake* stuck, which became Parañaque.

➤ **Quick Facts About Parañaque**

- Parañaque was officially established as a town on **November 30, 1572**
- **Population** : 665,822 (per PSA 2015 survey)
- **LGU TYPE** : Highly urbanized city
- **Chartered as City:** February 13, 1998, through RA 8507 (An Act Converting the [Cityhood Day] Municipality of Parañaque into a Highly-Urbanized City to be Known as the City of Parañaque)
- **Income Class** : Highly urbanized city and most economically dynamic city in the Philippines in 2015 per the National Competitiveness Council
- **Total Land Area:** 46.57 sq kms
- **Congressional District:** Two (2)
- **Number of Barangays:** Sixteen (16)
- Parañaque City is the **third largest city in Metro Manila.**

**Brief Description of the Program**

The Paperless Application System in Business Permit Renewal is an innovation of the Parañaque City Business Permit and Licensing Office to expedite the process of business permit renewal. The system was developed upon the directive of Parañaque City Mayor Edwin L. Olivarez to streamline government transactions in all departments and offices of the city government, especially in front line offices like the BPLO.

Under the said system, those renewing their business permits no longer need to fill up application forms, since almost all the information needed to process their application are now easily accessible from the BPLO database and can be retrieved by both the taxpayer and the BPLO in a snap. The system benefits some 20,000 business establishments in the city.

**III. PROJECT DESCRIPTION**

The system was conceptualized and implemented by Atty. Melanie S. Malaya, chief of the Business Permit and Licensing Office (BPLO), to expedite the processing and releasing of business permits and licenses as mandated under Parañaque City Executive Order no. 18, series of 2013, directing the BPLO to streamline the issuance of business permits and other licenses.

For the system to succeed, BPLO operations have to be fully computerized and all business information had to be encoded and stored electronically in a secure database. For this purpose, Atty. Malaya tapped IT professionals in her office to create and manage the database that would contain sensitive taxpayers' information.

No additional fund was spent for the implementation of the program, as the software used in the creation of the database was a freeware.

The said system is in line with DILG and DTI Joint Memorandum Circular no. 1, series of 2010, which encourages the nationwide streamlining of BPLS. The said JMC provides that for the LGU to be fully streamlined it has to follow certain BPLS reform standards. The Paperless Application is consistent with the standard processing time as well as the five-step standard in applying for business permit renewal. The system expedites the transaction, since the forms are already filled out and readily accessible in the database, thus cutting the process of paper encoding for the applicant, and computer encoding for the BPLO assessors. With over 20,000 registered establishments, the system saves time and effort for both the taxpayer and the government.

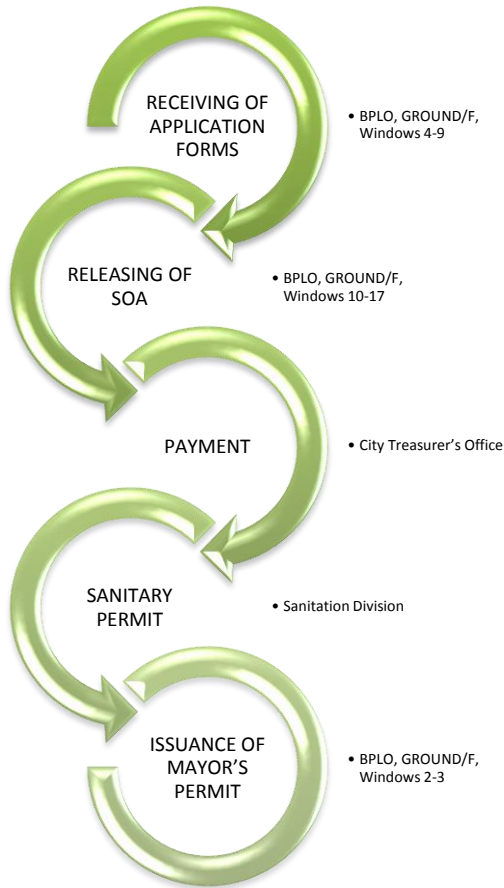
#### **IV. IMPLEMENTATION PROCESS**

Under the leadership of Atty. Malaya, the BPLO database designed and developed by BPLO IT Officers, was piloted in Barangay BF Homes in December 2015 and, was fully adopted by the city government in January 2016.

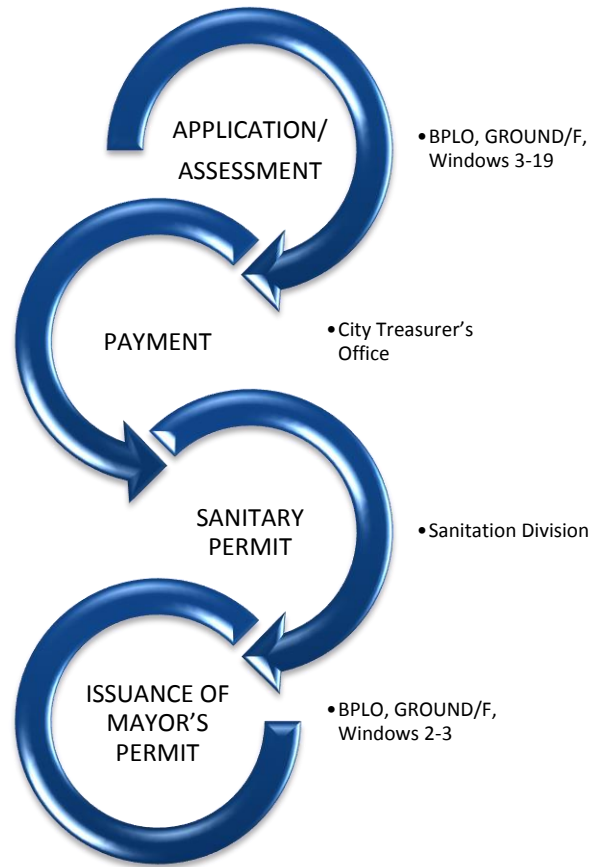
Under the new system, the applicant or taxpayer will just provide the Business Name or Business Identification Number (BIN) to the BPLO assessor who will access the necessary information from the BPLO database. In the same window, the accessed information will be printed out for the applicant to review, update, or modify (if needed) and to declare his gross sale for the previous year.

Upon the input of the gross sales, the assessor will compute the applicable fees and issue a Statement of Account to the taxpayer. The applicant will then go to the Treasurer's Office for payment. Upon submission of the Official Receipt evidencing payment and other requirements, the renewed business permit will be immediately issued. The new system eliminates the need for an application form, since the data is already stored in the system. The taxpayer is also spared from transferring from one window to another.

## PROCEDURE IN SECURING BUSINESS PERMITS (RENEWAL)



**2014-2015**



**2015-2016**

### V. PROJECT RESULT

The system has been operational for almost a year now and has gained positive feedback from the taxpayers and the general public.

Lydia Pascua, a senior citizen who has been renewing her business permit for years, attests to the efficiency of the new system. In an interview, she mentioned that with the previous system, a taxpayer sometimes had to spend several days transacting with City Hall because other taxpayers take so much time in filling out the application form which clogs the line and extends the processing time for assessors who need to encode everything written in the form. Moreover, the assessor sometimes struggles in reading the data in the form, since some applicants have handwriting that are difficult to read or decipher.

Renewing her business permit, according to Pascua, is much easier now under the new system as the most time-consuming step was already eliminated. She also added, *“Maganda ang bagong sistema, lalo na sa aming mga senior, kase hindi na kami ganoon naiinip, nagugutom, at nahihilo. Hindi na pabalik-balik. Wala nang matagal na hintayan.”*

BPLO Atty. Malaya also commented in an interview that going paperless is a greener option, saving more trees, thus, better for the environment.

The Parañaque City BPLO is among the first in the country to establish the paperless application system in business permit renewal. With this innovation and other reforms, the BPLO was ranked number 1 in NCR in the Anti-Red Tape Act (ARTA) Compliance and Citizen Satisfaction Survey conducted by the Civil Service Commission and Bantay.ph. The said survey looked at client satisfaction, transparency, process flow, and compliance to ARTA standards.

With a score of 90.7 or 4.5 stars, Parañaque BPLO emerged to be the most compliant in NCR in eliminating red tape and corruption in the process of securing a business permit.

## **VI. LESSONS LEARNED**

Ranking No.1 in the ARTA Compliance Survey of CSC and Bantay.ph is clear recognition that the new system is a success. To increase customer satisfaction, you need to constantly innovate and improve on the experience of transacting with government. The more you streamline the process, the more you save time and money for both the taxpayer and government.

Submitted by

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**ADDITIONAL INQUIRIES FOR DOCUMENTATION:**

- Describe the conceptualization to implementation process (meeting, etc.)
- Who are the people/departments involved in the implementation of the paperless system?
- Is there any fund allocated for the creation of the database?
- Do we have a contingency for downtime (computer breakdown, power out, etc.)
- Difference in time processing: paper vs. paperless
- Is there still a room to improve the system?
- What are the problems that you have encountered in the creation, implementation or utilization of the system?
- How do we sustain the paperless system?
- What are the lessons learned from the implementation of this project (This could be a life lesson po like Pag may tyaga, may nilaga)
- If there are inconsistencies in the documentation, feel free to note po.
- Maraming salamat po!