ANNEX A

LIST A: FOREIGN OWNERSHIP IS LIMITED BY MANUFACTURE, REPAIR, STORAGE AND/OR DISTRIBUTION OF PRODUCTS REQUIRING DEPARTMENT OF NATIONAL DEFENSE (DND) CLEARANCE:

1. Manufacture, repair, stockpiling and/or distribution of military equipment for warfare, systems and components as provided by the Constitution, Sec. 1 of RA 5181

2. Guns and ammunition for warfare, Gunnery, bombing and fire control systems and components

3. Combat vessels (air, land and naval)

4. Hydrogen peroxide

5. Strontium nitrate powder

6. All forms of gambling (RA 7042 as amended by RA 9487) operating within special economic zones or within the waters in the City of Manila, this 5th day of February in the year of our Lord, Two Thousand and Ten.

Sgd. GLORIA MACAPAGAL ARROYO

Executive Secretary

Glory Macapagal Arroyo

EXECUTIVE ORDER NO. 859

PROCLAIMING THE EIGHTH REGULAR FOREIGN INVESTMENT NEGATIVE LIST

WHEREAS, Republic Act (RA) No. 7042 also known as the Foreign Investments Act of 1991, as amended by RA 8179, provides for the formulation of a Regular Foreign Investment Negative List covering investment activities, which may be opened to foreign investors and/or reserved to Filipino nationals;

WHEREAS, there is a need to formulate the Eighth Regular Foreign Investment Negative List, replacing the 7th Foreign Investment Negative List, to reflect changes to List A and B, as recommended by concerned agencies;

NOW, THEREFORE, I, GLORIA MACAPAGAL ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by Law, do hereby order:

SECTION 1. Only the investment areas and/or activities listed in the Annex hereto shall be reserved to Philippine nationals and/or shall be included in the Eighth Regular Foreign Investment Negative List. The extent of foreign equity in these areas will be limited to the percentage limits indicated in the List.

SEC. 2. Any amendment to List A may be made at any time to reflect changes instituted in specific laws while amendments to List B shall not be made other than once every two years, pursuant to Section 8 of RA 7042 as amended, and its revised Implementing Rules and Regulations.

SEC. 3. All orders, rules and regulations or parts thereof, which are inconsistent with this Order are hereby revoked or modified accordingly.

SEC. 4. This Executive Order shall take effect fifteen days after publication in a newspaper of general circulation.

DONE in the City of Manila, this 5th day of February in the year of our Lord, Two Thousand and Ten.

(Sgd) GLORIA MACAPAGAL ARROYO

By the President

(Sgd) EDUARDO R. ERMITA

Executive Secretary

1 This is limited to Filipino citizens who are presently residing in the Philippines.

LIST A: FOREIGN OWNERSHIP IS LIMITED BY MANDATE OF THE CONSTITUTION AND SPECIFIC LAWS

No Foreign Equity

1. Mass Media except recording (Art. XV, Sec. 7 of the Constitution; Presidential Memorandum dated 04 May 1994)

2. Practice of all professions (Art. XIV, Sec. 7 of the Constitution; Sec. 1 of RA 5181)

a) Engineering

i. Aeronautical engineering (PD 1590)

ii. Agricultural engineering (RA 8556)

iii. Chemical engineering (RA 5207)

iv. Civil engineering (RA 1595)

v. Electrical engineering (RA 7532)

vi. Geodetic engineering, surveying and mapping engineering (RA 5080)

vii. Mechanical engineering (RA 8465)

viii. Metallurgical engineering (RA 8466)

ix. Mining engineering (RA 4274)

x. Naval Architecture and Marine Engineering (RA 4565)

xi. Sanitary engineering (RA 1394)

b) Medicine and Medical Professions

i. Medicine (RA 2382 as amended by RA 4242)

ii. Medical Technology (RA 5257 as amended by RA 6318, PD 6139 and PD 1534)

iii. Dentistry (RA 6945)

iv. Midwifery (RA 7382)

v. Nutrition and Dietetics (PD 1285)

vi. Optometry (RA 8550)

vii. Pharmacy (RA 5251)

viii. Physical and Occupational Therapy (RA 5599)

ix. Radiological and X-ray Technology (RA 7431)

x. Veterinary Medicine (RA 5629)

xi. Accountancy (RA 5086)

xii. Auditing (RA 5086)

xiii. Criminology (RA 6956)

xiv. Pharmacy (RA 5251)

xv. Chemistry (RA 7545)

xvi. Environmental Planning (PD 1088)

i) Forestry (RA 5255)

ii) Geology (RA 4205)

iii) Interior Design (RA 8534)

iv) Landscape Architecture (RA 8062)

xvii) Law (Art. VIII, Sec. 5 of the Constitution; Rule 138, Sec. 2 of the Rules of Court of the Philippines)

2. Full foreign participation is allowed for retail trade enterprises: (a) with paid-up capital of less than US$2,500,000; or (b) specializing in high end or luxury products, provided that they are local in character and not more than 20% of the paid-up capital is not sold to foreign investors.

3. Full foreign participation is allowed for retail trade enterprises: (a) with paid-up capital of less than US$2,500,000; or (b) specializing in high end or luxury products, provided that they are local in character and not more than 20% of the paid-up capital is not sold to foreign investors.

b) Projects which are foreign funded or assisted and required to undergo international bidding (Sec. 3a of RA 7178)

15. Contracts for the construction of defense-related structures (Sec. 1 of CA 541)

Up to Thirty Percent (30%) Foreign Equity

16. Advertising (Art. XIV, Sec. 11 of the Constitution)

Up to Forty Percent (40%) Foreign Equity

17. Exploration, development and utilization of natural resources (Art. 6X, Sec. 2 of the Constitution)

18. Ownership of private lands (Art. X, Sec. 7 of the Constitution; Ch. 5, Sec. 22 of RA 141, Sec. 4 of RA 1915)

19. Operation and development of public utilities (Art. 11 of the Constitution; Sec. 16 of CA 149)

20. Ownership, establishment and administration of educational institutions (Art. XIV, Sec. 4 of the Constitution)

21. Culture, production, milling, processing, packaging, storage and distribution of biological, chemical and pharmaceutical products (RA 4373)

22. Contracts for the supply of materials, goods and commodities to government-owned or controlled corporations, government agency or municipal corporation (Sec. 1 of RA 5183)

23. Project Proposers and Facility Operator of a BOT project requiring private participation (Art. XII, Sec. 11 of the Constitution)

24. Operation of deep sea commercial fishing vessels (Sec. 27 of RA 8550)

25. Advertising and promotion (Art. XII, Sec. 2 of the Constitution) and/or any similar devices

26. All financial or banking enterprises (Sec. 4 of RA 5850 as amended by RA 8559)

27. Finance companies or investment houses unless the country of which he is a national accords the equivalent of at least US$2,500,000 direct employees with paid-in-equity capital of the equivalent of US$1,000,000 (RA 7042 as amended by RA 8559)