EXECUTIVE ORDER NO. 98
PROMULGATING THE NINTH 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 areas/activities which may be opened to foreign investors and/or reserved to Filipino nationals, and WHEREAS, there is a need to formulate the Ninth Regular Foreign Investment Negative List, replacing the Regular Foreign Investment Negative List, to reflect changes to List A pursuant to existing laws and upon recommendation of concerned agencies.

NOW, THEREFORE, I, BENIGNO S. AQUINO III, President of the Republic of the Philippines, by virtue of the powers vested in me by Law, do hereby order:

SECTION 1. Ninth Regular Foreign Investment Negative List. Only the investment areas and/or activities listed in the Annex hereof shall be reserved to Filipino nationals, and hereafter shall be referred to as the Ninth Regular Foreign Investment Negative List. The extent of foreign equity in these areas shall be limited to the percentages indicated in the List.

SECTION 2. Amendments. 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 more often than once every two years, pursuant to Section 8 of RA 7042 as amended, and its revised implementing rules and regulations.

SECTION 3. Repeat. All issuances, orders, rules and regulations or parts thereof, which are inconsistent with this Order are hereby repealed, amended or modified accordingly.

SECTION 4. Separability. If any provision of this Executive Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

SECTION 5. Effectivity. This Executive Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

DONE, in the City of Manila, this 29th day of October, in the year of our Lord, Two Thousand and Twelve.

(Sgd) BENIGNO S. AQUINO III
By the President:
(Sgd) PAQUITO N. OCHOA, JR.
Executive Secretary

“ANNEX A”

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

No Foreign Equity

1. Mass media except recording (Art. XVI, Sec. 11 of the Constitution; Presidential

2. Practice of all professions (Art. XII, Sec.14 of the Constitution, Sec. 1 of RA 5181)

Memorandum dated 04 May 1994

2. Practice of all professions (Art. XII, Sec.14 of the Constitution, Sec. 1 of RA 5181)

a) Engineering

i. Aeronautical engineering (PD 1570)

ii. Agricultural engineering (RA 8559)

iii. Chemical engineering (RA 9297)

iv. Civil engineering (RA 1582)

v. Electrical engineering (RA 7920)

vi. Electronics and communication engineering (RA 9292)

vii. Geodetic engineering (RA 8560)

viii. Mechanical engineering (RA 8495)

ix. Metallurgical engineering (PD 1536)

x. Mining engineering (RA 4274)

xi. Naval architecture and marine engineering (RA 4565)

xii. Sanitary engineering (RA 1364)

b) Medicine and allied Professions

i. Medicine (RA 2382 as amended by RA 4224)

ii. Medical technology (RA 5527 as amended by RA 6318, PD 6138, PD 490 and PD 1534)

iii. Dentistry (RA 9484)

iv. Midwifery (RA 7392)

v. Nursing (RA 9173)

vi. Nutrition and dietetics (PD 1286)

vii. Optometry (RA 8050)

viii. Pharmacy (RA 5921)

ix. Physical and occupational therapy (RA 5680)

x. Radiologic and x-ray technology (RA 7431)

xi. Veterinary medicine (RA 9268)

c) Accountancy (RA 9298)

d) Architecture (RA 9266)

e) Criminology (RA 6506)

f) Chemistry (RA 754)

(g) Customs brokerage (RA 9280)

h) Environmental planning (PD 1308)

i) Forestry (RA 6239)

j) Geology (RA 4209)

k) Interior design (RA 8534)

l) Landscape architecture (RA 9053)

m) Law (Art. VIII, Sec. 5 of the Constitution; Rule 130, Sec. 2 of the Rules of Court of the Philippines)

n) Librarianship (RA 9246)

o) Marine deck officers (RA 6454)

p) Marine engine officers (RA 8544)

q) Master plumbing (RA 1378)

r) Sugar technology (RA 5197)

s) Social work (RA 4373)

t) Teaching (RA 7386)

u) Agriculture (RA 8435)

v) Fisheries (RA 8550)

w) Guidance counseling (RA 9258)

x) Real estate service (RA 9646)

y) Respiratory therapy (RA 10024)

z) Psychology (RA 10029)

3. Retail trade enterprises with paid-up capital of less than US$2,500,000 (Sec. 5 of RA 8762)

4. Cooperatives (Ch. III, Art. 26 of RA 6938)

5. Private security agencies (Sec. 4 of RA 5487)

6. Small-scale mining (Sec. 3 of RA 7076)

7. Utilization of marine resources in archipelagic waters, territorial sea, and exclusive economic zone as well as small-scale utilization of natural resources in rivers, lakes, bays, and lagoons (Art. XII, Sec. 2 of the Constitution)

8. Ownership, operation and management of cockpits (Sec. 5 of PD 449)

9. Manufacture, repair, stockpiling and/or distribution of nuclear weapons (Art. II, Sec. 8 of the Constitution)

10. Manufacture, repair, stockpiling and/or distribution of biological, chemical and radiological weapons and anti-personnel mines (Various treaties to which the Philippines is a signatory and conventions supported by the Philippines)

11. Manufacture of firecrackers and other pyrotechnic devices (Sec. 5 of RA 7183)

Up to Thirty Percent (30%) Foreign Equity

12. Private radio communications network (RA 3846)

Up to Twenty-Five Percent (25%) Foreign Equity

13. Private recruitment, whether for local or overseas employment (Art. 27 of PD 442)

14. Contracts for the construction and repair of locally-funded

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

Up to Forty Percent (40%) Foreign Equity

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

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

18. Ownership of private lands (Art. XII, Sec. 7 of the Constitution, Ch. 5, Sec. 22 of CA 141; Sec. 4 of RA 9182)

19. Operation and management of public utilities (Art. XII, Sec. 11 of the Constitution; Sec. 16 of CA 146)

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

21. Culture, production, milling, processing, trading excepting retailing, of rice and corn and acquiring, by barter, purchase or otherwise, rice and corn and the by-products thereof (Sec. 5 of PD 194)
LIST B: FOREIGN OWNERSHIP IS LIMITED FOR REASONS OF SECURITY, DEFENSE, RISK TO HEALTH AND MORALS AND PROTECTION OF SMALL- AND MEDIUM-SCALE ENTERPRISES

Up to Forty Percent (40%) Foreign Equity

1. Manufacture, repair, storage, and/or distribution of products and/or ingredients requiring Philippine National Police (PNP) clearance:
   a) Firearms (handguns to shotguns), parts of firearms and ammunition therefor, instruments or implements used or intended to be used in the manufacture of firearms
   b) Gunpowder
   c) Dynamite
   d) Blasting supplies
   e) Ingredients used in making explosives:
      i. Chlorates of potassium and sodium
      ii. Nitrates of ammonium, potassium, sodium, barium, copper (11), lead (11), calcium and cuprite
      iii. Nitric acid
      iv. Nitrocellulose
      v. Perchlorates of ammonium, potassium and sodium
      vi. Dinitrocellulose
      vii. Glycerol
      viii. Amorphous phosphorus
      ix. Hydrogen peroxide
      x. Strontium nitrate powder
      xi. Toluene
   f) Telescopic sights, sniper scope and other similar devices

   However, the manufacture or repair of these items may be authorized by the Chief of the PNP to non-Philippine nationals; Provided that a substantial percentage of output, as determined by the said agency, is exported. Provided further that the extent of foreign equity ownership allowed shall be specified in the said authority/clearance (RA 7042 as amended by RA 8179)

2. Manufacture, repair, storage and/or distribution of products requiring Department of National Defense (DND) clearance:
   a) Guns and ammunition for warfare
   b) Military ordnance and parts thereof (e.g., torpedoes, depth charges, bombs, grenades, missiles)
   c) Gunnery, bombing and fire control systems and components
   d) Guided missiles/missile systems and components
   e) Tactical aircraft (fixed and rotary-winged), parts and components thereof
   f) Space vehicles and component systems
   g) Combat vessels (air, land and naval) and auxiliaries
   h) Weapons repair and maintenance equipment
   i) Military communications equipment
   j) Night vision equipment
   k) Stimulated coherent radiation devices, components and accessories
   l) Armament training devices
   m) Other as may be determined by the Secretary of the DND

However, the manufacture or repair of these items may be authorized by the Secretary of the DND to non-Philippine nationals; Provided that a substantial percentage of output, as determined by the said agency, is exported. Provided further that the extent of foreign equity ownership allowed shall be specified in the said authority/clearance (RA 7042 as amended by RA 8179)

Up to Forty-Nine Percent (49%) Foreign Equity

27. Lending companies (Sec. 6 of RA 9474)

Up to Sixty Percent (60%) Foreign Equity

28. Financing companies regulated by the SEC (Sec. 6 of RA 5980 as amended by RA 8556)

29. Investment houses regulated by the SEC (Sec. 5 of PD 129 as amended by RA 8366)

---

*Foreign investor shall devote a minimum of 40 percent of their equity to Filipino citizens (Sec. 5 of PD 104; NFA Council Resolution No. 193 s. 1998)

*No foreign national may be allowed to own stock in financing companies or investment houses unless the country of which he is a national accords the same reciprocal rights to Filipinos (Sec. 5 of RA 5980 as amended by RA 8556; PD 129 as amended by RA 8366)