



MALACAÑAN PALACE  
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 184

**PROMULGATING THE TENTH REGULAR FOREIGN INVESTMENT NEGATIVE LIST**

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

**WHEREAS**, there is a need to formulate the Tenth Regular Foreign Investment Negative List, replacing the Ninth Regular Foreign Investment Negative List, to reflect changes to List A, pursuant to existing laws.

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

**SECTION 2. Amendments.** Amendments 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 No. 7042, as amended, and its revised implementing rules and regulations.

**SECTION 3. Repeal.** All issuances, orders, rules and regulations, or parts thereof, which are inconsistent with this Order are hereby repealed, amended or modified accordingly.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 Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

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

**DONE**, in the City of Manila, this 29<sup>th</sup> day of May, in the year of our Lord Two Thousand and Fifteen.

By the President:

**PAQUITO N. OCHOA, JR.**  
Executive Secretary



THE PRESIDENT OF THE PHILIPPINES



**CERTIFIED COPY**

**MARIANITU M. DIMAANDAL**  
DIRECTOR IV  
MALACARANG RECORDS OFFICE

2015-05-29

## ANNEX

### TENTH REGULAR FOREIGN INVESTMENT NEGATIVE LIST

#### 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 Memorandum dated 05 May 1994)
2. Practice of professions<sup>1</sup> (Art. XII, Sec. 14 of the Constitution, Sec. 1 of RA 5181, Sec. 7.j of RA 8981)
  - a. Pharmacy (RA 5921)
  - b. Radiologic and x-ray technology (RA 7431)
  - c. Criminology (RA 6506)
  - d. Forestry (RA 6239)
  - e. Law (Art. VIII, Section 5 of the Constitution; Rule 138, Sec. 2 of the Rules of Court of the Philippines)
3. Retail trade enterprises with paid-up capital of less than US\$2,500,000 (Sec. 5 of RA 8762)<sup>2</sup>
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)<sup>3</sup>
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)<sup>3</sup>
11. Manufacture of firecrackers and other pyrotechnic devices (Sec. 5 of RA 7183)

##### Up to Twenty Percent (20%) 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 public works (Sec. 1 of Commonwealth Act No. 541, Letter of Instruction No. 630) except:

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<sup>1</sup> Foreigners are allowed to practice the following professions provided their country allows Filipinos to be admitted to the practice of these professions: aeronautical engineering, agricultural engineering, chemical engineering, civil engineering, electrical engineering, electronics engineering, electronics technician, geodetic engineering, mechanical engineering, metallurgical engineering, mining engineering, naval architecture and marine engineering, sanitary engineering, medicine, medical technology, dentistry, midwifery, nursing, nutrition and dietetics, optometry, physical and occupational therapy, veterinary medicine, accountancy, architecture, chemistry, customs brokerage, environmental planning, geology, landscape architecture, librarianship, marine deck officers, marine engine officers, master plumbing, sugar technology, social work, teaching, agriculture, fisheries, guidance counseling, real estate service (real estate consultant, real estate appraiser, real estate assessor, real estate broker and real estate salesperson), respiratory therapy, psychology and interior design. Architecture, chemistry, electronics engineering, environmental planning, guidance counseling, landscape architecture, metallurgical engineering, naval architecture and marine engineering, psychology, real estate service (real estate consultant, real estate appraiser, real estate assessor, real estate broker and real estate salesperson), sanitary engineering and interior design allow corporate practice by Filipinos.

<sup>2</sup> Full foreign participation is allowed for retail trade enterprises: (a) with paid-up capital of US\$2,500,000 or more provided that investments for establishing a store is not less than US\$830,000; or (b) specializing in high end or luxury products, provided that the paid-up capital per store is not less than US\$250,000 (Sec. 5 of RA 8762).

<sup>3</sup> Domestic investments are also prohibited (Art. II, Sec. 8 of the Constitution; Conventions/Treaties to which the Philippines is a signatory).

- a. Infrastructure/development projects covered in RA 7718; and
  - b. Projects which are foreign funded or assisted and required to undergo international competitive bidding (Sec. 2(a) of RA 7718)
15. Contracts for the construction of defense-related structures (Sec. 1 of CA 541)

**Up to Thirty Percent (30%) Foreign Equity**

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

**Up to Forty Percent (40%) Foreign Equity<sup>4</sup>**

- 17. Exploration, development and utilization of natural resources (Art. XII, Sec. 2 of the Constitution)<sup>5</sup>
- 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 of public utilities (Art. XII, Sec. 11 of the Constitution; Sec. 16 of CA 146)<sup>6, 7</sup>
- 20. Educational institutions other than those established by religious groups and mission boards (Art. XIV, Sec. 4 of the Constitution)<sup>8</sup>
- 21. Culture, production, milling, processing, trading except 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)<sup>9</sup>
- 22. Contracts for the supply of materials, goods and commodities to government-owned or controlled corporation, company, agency or municipal corporation (Sec. 1 of RA 5183)
- 23. Facility operator of an infrastructure or a development facility requiring a public utility franchise (Art. XII, Sec. 11 of the Constitution; Sec. 2(a) of RA 7718)
- 24. Operation of deep sea commercial fishing vessels (Sec. 27 of RA 8550)
- 25. Adjustment companies (Sec. 332 of RA 10607 amending PD 612)
- 26. Ownership of condominium units (Sec. 5 of RA 4726)

**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 therefore, 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

<sup>4</sup> Lending companies regulated by SEC are allowed to have up to 49% foreign equity participation (Sec.6 of RA 9474). Financing companies and investment houses regulated by SEC are allowed to have up to 60% foreign equity participation (Sec. 6 of RA 5980 as amended by RA 8556; PD 129 as amended by RA 8366).

<sup>5</sup> Full foreign participation is allowed through financial or technical assistance agreement with the President (Art. XII, Sec. 2 of the Constitution).

<sup>6</sup> The participation of foreign investors in the governing body of any public utility enterprise shall be limited to their proportionate share in its capital, and all the executive and managing officers of such corporation or association must be citizens of the Philippines (Article XII, Section 11 of the Constitution).

<sup>7</sup> A "public utility" is a business or service engaged in regularly supplying the public with some commodity or service of consequence such as electricity, gas, water, transportation, telephone or telegraph service (Supreme Court ruling on JG Summit Holdings vs. Court of Appeals, et al., September 24, 2003). Power generation and the supply of electricity to the contestable market are not considered as public utility operation (Sec. 6 and Sec. 29, respectively, of RA 9136).

<sup>8</sup> Control and administration of educational institutions shall be vested in citizens of the Philippines (Art. XIV, Sec. 4(2) of the Constitution).

<sup>9</sup> Full foreign participation is allowed provided that within the 30-year period from start of operation, the foreign investor shall divest a minimum of 60 percent of their equity to Filipino citizens (Sec. 5 of PD 194; NFA Council Resolution No. 193 s. 1998).

12.

- 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. Others 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 National Defense 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).

- 3. Manufacture and distribution of dangerous drugs (RA 7042 as amended by RA 8179)
- 4. Sauna and steam bathhouses, massage clinics and other like activities regulated by law because of risks posed to public health and morals (RA 7042 as amended by RA 8179)
- 5. All forms of gambling (RA 7042 as amended by RA 8179) except those covered by investment agreements with PAGCOR (PD 1869 as amended by RA 9487)
- 6. Domestic market enterprises with paid-in equity capital of less than the equivalent of US\$200,000 (RA 7042 as amended by RA 8179)
- 7. Domestic market enterprises which involve advanced technology or employ at least fifty (50) direct employees with paid-in equity capital of less than the equivalent of US\$100,000 (RA 7042 as amended by RA 8179)