

THE TENTH REGULAR FOREIGN INVESTMENT NEGATIVE LIST IN THE PHILIPPINES

No Foreign-owned entities allowed – only local shareholders can conduct such business activities	
1	Mass media except recording (Art. XVI, Sec.11 of the Constitution; Presidential Memorandum dated 05 May 1994)
2	Practice of Professions (Art. XII, Sec. 14 of the Constitution, sec. 1 of RA 5181, Sec. 7.j of RA 8981) • Pharmacy (RA 5921) • Radiologic and x-ray technology (RA 7431) • Criminology (RA 6506) • Forestry (RA 6239) • 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\$ 2,500,00 (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-personal 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)

No wholly foreign-owned entities allowed – only joint ventures with a 80% local shareholder	
12	Private radio communication network (RA 3846)

No foreign-owned entities allowed – only joint ventures with a 75% local shareholder	
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: • Infrastructure/development projects covered in RA 7718; and • Projects which are foreign-funded or assisted and required to undergo international competitive bidding of contracts for construction of defense-related structure.
15	Contracts for the construction of defense related structures (Sec. 1 of CA 541)

No foreign-owned entities allowed- only joint ventures with a 70% local shareholder	
16	Advertising (Art. XVI, Sec. 11 of the Constitution)

THE TENTH REGULAR FOREIGN INVESTMENT NEGATIVE LIST IN THE PHILIPPINES

No foreign-owned entities allowed – only joint ventures with a 60% local shareholder	
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	Educational institutions other than those established by religious groups and mission boards (Art. XIV, sec. 4 of the Constitution)
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)
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

Allowed Limited Foreign ownerships - only joint venture with a 60% shareholder	
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 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

THE TENTH REGULAR FOREIGN INVESTMENT NEGATIVE LIST IN THE PHILIPPINES

	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 Defence 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)