

## **9<sup>th</sup> Regular Foreign Investment Negative List (FINL) now in place**

Executive Order No. 98 promulgating the 9<sup>th</sup> FINL was signed last October 29, 2012 by Executive Secretary Ochoa. The FINL provides for investment areas/activities which are only reserved for Filipinos or may be opened to foreign investments. The 9<sup>th</sup> FINL will take effect 15 days after publication. The following are the changes in the 9<sup>th</sup> FINL *vis-à-vis* the 8<sup>th</sup> FINL:  
List A- Foreign Ownership is limited by mandate of the constitution and specific laws

### No Foreign Equity

The 9<sup>th</sup> FINL added the following professions/calling as reserved purely to Filipinos:

- Real estate service (RA 9646);
- Respiratory therapy (RA 10024);
- Psychology (RA 10029).

### Up to 20% Foreign Equity

The 9<sup>th</sup> FINL retained the private radio communications network as the only activity allowed with maximum of 20% foreign equity.

### Up 25% Foreign Equity

No changes/additions were made from the 8<sup>th</sup> FINL.

### Up to 30% Foreign Equity

Advertising was retained as the only activity allowed with up to 30% foreign equity.

### Up to 40% Foreign Ownership

No changes/additions were made from the 8<sup>th</sup> FINL.

### Up to 49% Foreign Ownership

The 9<sup>th</sup> FINL allowed up to 49% foreign equity on lending companies. Note that no foreign national may be allowed to own stock in lending companies, financing companies or investment houses unless the country of which he is a national accords the same rights to Filipinos.

### Up to 60% Foreign Equity

No changes/additions were made from the 8<sup>th</sup> FINL.

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 40% Foreign Equity

The 9<sup>th</sup> FINL included in the exemption from 40% limit on foreign equity all forms of gambling covered by the PAGCOR charter (RA 9487). The provision on all forms of gambling in relation to the 40% limit on foreign equity now reads:

“5. All forms of gambling, except those covered by investment agreements with PAGCOR pursuant to RA 9487, or the PAGCOR Charter (RA 7042 as amended by RA 8179).”