

# Doing Direct Selling Business in the Philippines

# Philippines Overview

- An archipelago of 7,107 islands, situated in the western Pacific Ocean of Southeast Asia.



- The current population of the Philippines is **101,652,280** as of Friday, February 12, 2016, based on the latest United Nations estimates. The Philippines population is equivalent to 1.37% of the total world population. The Philippines ranks number 12 in the list of countries by population.

Source: [www.worldometers.info/world-population/philippines-population/](http://www.worldometers.info/world-population/philippines-population/)

# Philippines Overview



- **Official Language:** Filipino (Tagalog) and English
- **Religion:** majority Roman Catholic (86%)
- **Climate:** March to May is hot and dry. June to October is rainy. November to February is cool. Average temperatures: 78°F / 32°C
- **Currency:** Philippine Peso (PhP)



### **GDP (PPP):**

\$692.2 billion

6.1% growth

6.3% 5-year compound annual growth

\$6,962 per capita

### **Unemployment:**

7.1%

### **Inflation (CPI):**

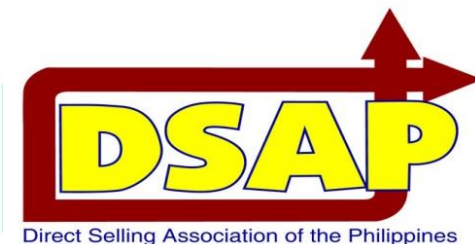
4.2%

### **FDI Inflow:**

\$6.2 billion

***Growth is projected at 6.4 percent in 2016.***

Source: <http://www.worldbank.org/>  
<http://www.heritage.org/index/country/philippines>

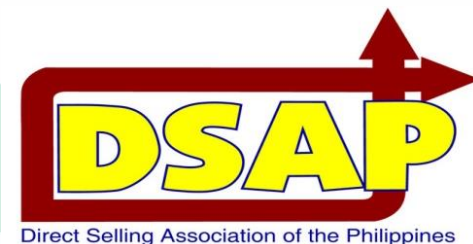


# Direct Selling Overview in the Philippines

Direct selling in the Philippines continued to grow in 2015 as more Filipinos from the lower-income segment, which holds a large share of the population, chose to purchase products from this channel mainly due to availability of instalment payment schemes and familiarity of consumers towards sellers, which are usually relatives or close friends.

In addition, there is also a notable percentage of the population who were encouraged to enter direct selling and become sales agents because of the minimal start-up requirements and the limitless profits and opportunities that they can gain from it.

***Based on “Direct Selling in the Philippines”  
January 2016, by:***





## **Setting up a Business**

- Reserve a company name
- Register the company at the Securities and Exchange Commission
- SEC-iRegister 24 hours a day, 7 days a week
- Filing fee is 1/5 of 1% of the Authorized Capital Stock or the subscription capital stock whichever is higher but less than Php1,000.00



## **Business Registration**

- Register the business name at the Department of Trade & Industry
- Processing fee is Php150.00 + Php15.00 Documentary Stamp
- Processing time is 15 working days



## **Tax Registration**

- Register the business at the Bureau of Internal Revenue for tax purposes (Vat or Non-Vat / TIN) at the RDO having jurisdiction.
- Annual registration fee of Php500.00 before commencing business not later than January 31 every year.
- Certificate of Registration (COR) shall be issued by RDO having jurisdiction of the head office or branch within the period time prescribed under the existing "BIR Citizens Charter" together with approved Authority to Print & Registered book of accounts.





## **Business Licensing & Product Registration**

- Register products (Cosmetics, Food supplements, Wellness, others) at the Food and Drug Administration
- Licensing Fees (initial 1 year validity) for: Food P4,000.00 / Cosmetics P3,000.00



## **Labor Registration**

- Filing of SSS / PHIC / HDMF for employees



## **Customs Registration**

- For importation of products, submit documents at the Bureau of Customs



## **Trademark Registration**

- Register brand at the Intellectual Property Office

# Law and Regulation



- Corporation Code of the Philippines  
<http://www.gov.ph/1980/05/01/batas-pambansa-bilang-68/>
- Foreign Investments Act  
[http://www.doe.gov.ph/doe\\_files/pdf/OCSP/foreign\\_investments\\_act\\_of\\_1991.pdf](http://www.doe.gov.ph/doe_files/pdf/OCSP/foreign_investments_act_of_1991.pdf)
- Consumer Act of the Philippines  
<http://www.gov.ph/1992/04/13/republic-act-no-7394-s-1992/>
- Food and Drug Administration Act  
<http://www.fda.gov.ph/>
- Labor Code of the Philippines  
[http://www.dole.gov.ph/labor\\_codes](http://www.dole.gov.ph/labor_codes)



# Government Contact List



## **Securities and Exchange Commission**

SEC Building, EDSA, Greenhills  
Mandaluyong City, Metro Manila Philippines  
Telephone: +63 2 584-0923  
Fax : +63 2 584-5293  
Website: [www.sec.gov.ph](http://www.sec.gov.ph)



## **Bureau of Internal Revenue**

BIR National Office Bldg., BIR Road,  
Diliman, Quezon City, Philippines  
Trunkline: 9817000  
BIR CONTACT CENTER: +63 2 981-8888  
Email: [contact\\_us@cctr.bir.gov.ph](mailto:contact_us@cctr.bir.gov.ph)  
Website: [www.bir.gov.ph](http://www.bir.gov.ph)

# Government Contact List



## Department of Trade and Industry

Trade & Industry Building

361 Senator Gil J. Puyat Avenue, Makati City

Metro Manila, Philippines 1200

Trunkline: +63 2 **7510-DTI (384)**

DTI DirectHotline: +63 2 751-3330

Cellphone: +639178343330

Website: [www.dti.gov.ph](http://www.dti.gov.ph)



## Food and Drug Administration

Civic Drive, Filinvest Corporate City, Alabang,  
Muntinlupa City

- Center for Food Regulation & Research

Licensing: +63 2 857-1991

Registration: + 63 2 857-1992

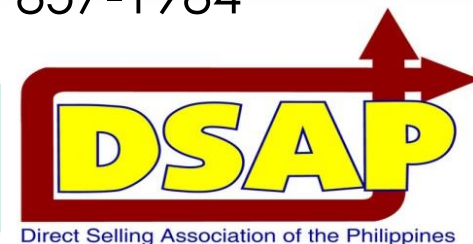
- Center for Cosmetic Regulation & Research

Licensing & Registration: +63 2 857-1984

Trunkline: +63 2 857 -1900

Email: [info@fda.gov.ph](mailto:info@fda.gov.ph)

Website: [www.fda.gov.ph](http://www.fda.gov.ph)



# Government Contact List



## Department of Labor & Employment

Department of Labor and Employment (DOLE) Building,  
Muralla Wing cor. General Luna St., Intramuros,  
Manila, 1002, Philippines

DOLE HOTLINE: +63 2 527-8000

Website: [www.dole.gov.ph](http://www.dole.gov.ph)



## Intellectual Property Office of the Philippines

28 Upper McKinley Road, McKinley Hill Town Center  
Fort Bonifacio, Taguig City 1634, Philippines

Trunkline: +63 2 238-6300 with local numbers:

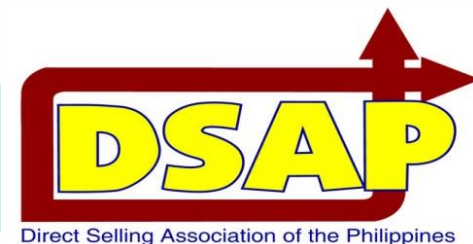
General inquiries: 121 / 122 / 207 | Library: 205

Trademark application status: 502 / 503

Inquiries on Madrid Protocol System: 507 / 509 / 513

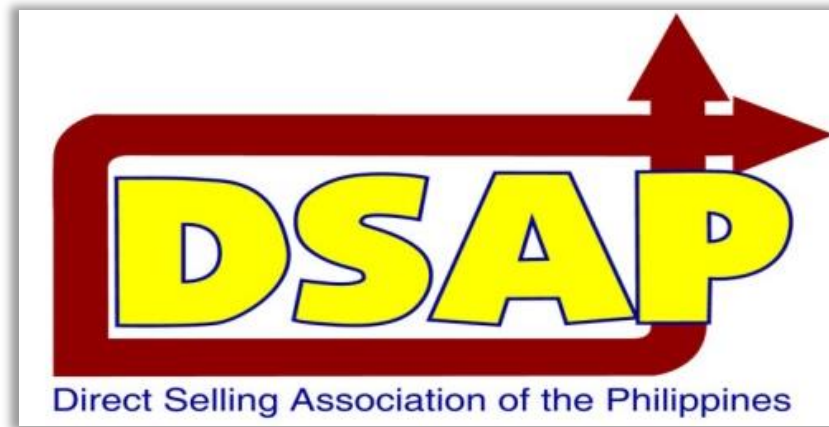
Patent application status: 412 / 416

Website: [www.ipophil.gov.ph](http://www.ipophil.gov.ph)



Direct Selling Association of the Philippines

# DSAP Contact Information



## **Direct Selling Association of the Philippines**

Address: Unit 606, 6<sup>th</sup> Floor, Cityland Shaw Tower  
St. Francis Avenue corner Shaw Boulevard  
Mandaluyong City, Philippines 1552

Telefax: +63 2 638-3089  
+62 2 806-8530

Email: [ndeleon@dsap.ph](mailto:ndeleon@dsap.ph)  
[info@dsap.ph](mailto:info@dsap.ph)

Website: [www.dsap.ph](http://www.dsap.ph)

**THANK YOU!**

