SUBIC BAY GATEWAY PARK
HANDBOOK
SBDMC has redirected its focus by establishing synergies and cooperation to be able to further reach our goals of enticing more Foreign Direct Investments (FDIs) particularly those involved in manufacturing industry. SBGP will be a replica of Taiwan's successful industrial development for the Philippines through plenty of experienced Taiwan's small and medium industries. Young ambitious Filipinos will find a lot of career opportunities.

Accordingly, the Taiwan government has entered into an alliance for the establishment of an economic corridor between the economic zones of Subic and Clark in the Philippines and Export Processing Zones in Taiwan. The signing of the agreement would serve as a conduit towards a more active trade and economic partnership between the two countries.

SBGP is expected to reap the benefits from this arrangement with the infusion of fresh investment package from Taiwan and other neighboring countries in Asia-Pacific. Investments will be complemented with lower manufacturing costs of top-quality Subic-made products and better tariff arbitration.

Thank you and Goodspeed!

Mr. Theodore M. H. Huang
Chairman
SBDMC, Inc.

The SBGP handbook is a compilation of achievements of the Subic Bay Gateway Park during the past seventeen years highlighted with the entry of top foreign investors employing thousands of workers producing high-quality Subic-made products.

It showcases the competitive advantages of Subic Bay Freeport from tax incentives, security, health and welfare services, education, community, environment, strategic location, infrastructure, education and more importantly, human resources.

The handbook closes with the complete list of the companies which have showed strong confidence by investing inside the SBGP. To them, our grateful appreciation and to all Freeport workers, we say congratulations for a job well done.

Thank you!

Mr. Jeff Lin
President
SBDMC, Inc.
Subic Bay is located at the heart of Asia Pacific rim—at the crossroads of international shipping lines and airlines within the region. It is centrally situated along the world’s fastest growing and most densely populated region, with all major cities in Asia within easy reach by air or by sea. The Subic-Clark Alliance Development Program aims to develop the Subic-Clark economic corridor into a modern and bustling logistics hub and regional growth center.
The Subic Bay Development and Management Corporation, Inc. (SBDMC, Inc.) is the developer and administrator of the Subic Bay Gateway Park (SBGP). SBDMC was established in 1994 to develop, manage and market SBGP located in the self-sustaining area of Subic Bay Freeport Zone. Over the years, SBDMC has evolved into a company offering value-added and professional services to its locators and potential investors.

SBDMC is a joint venture between the Subic Bay Metropolitan Authority (SBMA) and the United Development Corporation (UDC) of Taiwan. UDC is a consortium of Taiwan’s top financial institution, China Development Industrial Bank (CDIB), and property developer, Century Development Corporation (CDC). The two entities merged their assets and resources for the SBGP project.

SBDMC ably handles the property management and security of SBGP while providing unsurpassed customer service to its more than 100 locators of various nationalities. From company registration to construction matters to import/export issues to labor concerns to a myriad of other issues related to a locator’s operations, SBDMC is there to provide advice and assistance at all times. In addition, SBDMC works closely with SBMA to resolve issues affecting its locators.

**VISION**
To make Subic Bay Gateway Park (SBGP) a Premier Business Destination in Asia-Pacific.

**MISSION**
To develop a globally competitive Subic Bay Gateway Park (SBGP) that will meet the needs of the foreign and local investors through excellent service and infrastructure, providing a rewarding work environment for our employees and the best value for our shareholders.
Subic Bay Gateway Park (SBGP), formerly known as Subic Bay Industrial Park, is a world-class industrial park offering prime industrial land and first class infrastructure and facilities and catering to renowned and respected companies.

SBGP is located in the Subic Bay Freeport Zone—a former US Military Naval Base in the Subic Bay area. Subic’s strategic location is right in the heart of growing markets in the Asia-Pacific region, a given advantage in today’s global economy. The Freeport’s infrastructure facilities, some inherited from the US Navy and others newly constructed by the Subic Bay Metropolitan Authority (SBMA), generous fiscal and non-fiscal incentives, tourism/recreation amenities, and other advantages make it an ideal place for investment.

With Phase 1 almost fully occupied, SBDMC has commenced development of SBGP Phase 2 to cater to new investors. Phase 2 has a total available area of 16.16 hectares, which will be divided into two zones—industrial and mixed use (commercial, institutional and residential). The commercial area and industrial area cover 7.32 hectares and 8.84 hectares, respectively.

SBDMC has also recently updated and upgraded its development master plan in its bid to transform SBGP into a Gateway Commercial and Industrial Park. SBDMC embarked on the Redevelopment Master Plan to make SBGP more competitive and more responsive to the prevailing economic conditions as well as to take advantage of emerging market opportunities.

The Redevelopment Master Plan aims to convert SBGP from an industrial park into a mixed-use commercial complex that will have a mix of commercial, civic, residential and park-like facilities. From an industrial park, SBGP will be converted into a regional commercial outlet center that caters to local and international markets and complements the facilities of SBFZ and its neighboring area, Olongapo City.

Based on the Redevelopment Master Plan, SBGP will be broken down into districts that will facilitate phasing of development while providing the themes that will enhance the sense of place of the various areas of the project. The districts will include Shopping Street District, Grand Outlets District, Mall District, Office District, Entertainment District, Convention Center District, Hill District, Lower Hill District, East District, Paradise District, Nature Strip and Riverside District.
Map of Proposed Districts

Subic Bay Gateway Park
Proposed Districts Plan

LEGEND:
- Shopping Street District
- Grand Outlet Stores District
- Mall District
- Office District
- Entertainment District
- Convention Center District
- Upper Hill District
- Lower Hill District
- East District
- Paradise District
- Nature Strip
- Riverside District
- Special Development

Graphical Scale:
0 100 200 350 500

Exhibit 9. Proposed Districts Plan

Existing warehouse converted into commercial building
Vision

In pursuit of economic development and social progress, SBMA shall develop the Subic Bay Freeport into a globally competitive, self-sustaining and environment friendly center for industry, commerce, finance, investment, academe and tourism in the Asia Pacific Region.

Hon. Roberto V. Garcia
SBMA Chairman and Administrator

Subic Bay Metropolitan Authority (SBMA) was established under Republic Act No. 7227 as the Philippine government’s implementing agency to develop Subic Bay Freeport Zone into a self-sustaining industrial, commercial, financial and tourism center while protecting its natural resources.
The Subic-Clark-Tarlac Expressway is a 93.77 kilometers, 4 - lane world class highway, built with the objective of connecting the seaport of Subic Freeport to the airport of Clark Freeport and to the Tarlac Special Economic Zone. The expressway will boost the development of Central Luzon Region which includes the provinces of Zambales, Bataan, Bulacan, Pampanga, Nueva Ecija, and Tarlac.

The New Subic Container Port, a project funded by Japan Bank of International Cooperation, is now ready to pursue its goals of decongesting the ports in Manila, boosting economic activities in the Subic and Clark Freeports and Bataan and Tarlac Special Economic zones, and becoming a top-class container port not only to handle goods destined for the Philippines, but also for transhipment to regional destinations.

The Subic Bay International Airport (SBIA) is a modern international airport with 10,000 sq. m. passenger terminal, capable of handling 700 passengers at any given time and featuring the very latest technology for passengers' security and comfort.
Subic Enerzone Corporation (SEZ), a privately owned electric distribution utility and a subsidiary of Aboriz Power Corp., manages the power distribution system (PDS) in Subic Bay Freeport Zone. Subic Enerzone has two power stations that provide a total of 130 megawatts.

Subicwater & Sewerage Company Inc. is a joint venture among Filipino construction firm, D.M.C.I.; the British water utility specialist Biwater; the Subic Bay Metropolitan Authority (SBMA) which previously operated the water supply and sewerage system in the Subic Bay Freeport; and the Olongapo City Water District (OCWD), the former operator of the water system in Olongapo City.

Subicwater’s facilities include 2 water treatment plants with combined capacity of 66,500 m³/day and 8 primary sewerage treatment plants.

PLDT Subic Telecom, Inc. a wholly owned company of Philippine Long Distance Telephone Company (PLDT) offers telecommunications services and products to corporate and residential customers in the Subic Bay Freeport Zone. It started as a joint venture of AT&T, PLDT and Subic Bay Metropolitan Authority (SBMA).

Subic Telecom is using a Lucent SES Digital Switch which serves as a local toll and International Gateway Switch which with C7 TUP and ISUP signaling protocols. Remote switches were deployed via fiber optic technology including a Synchronous Digital Hierarchy (SDH) Transmission System, which significantly increased the network capability to handle higher volumes.
First-class infrastructure worth US$8 billion has been left behind by the US Navy and are being maintained and modernized by the SBMA including well-maintained roads. The internal road network allows total accessibility to all land parts of Subic Bay.

Seven secured gates provide access to the Freeport - TIPO Gate, Kalayaan Gate, Morong Gate, Kalaklan Gate, Main Gate, Rizal Gate and 14th Gate. TIPO Gate and Kalayaan Gate lead to Manila, Morong Gate to Bataan, Kalaklan Gate to Zambales and Main Gate, Rizal Gate and 14th Gate to Olongapo City.

The new and improved Kalaklan Bridge and Security Plaza was opened in 2011 to motorists and pedestrians. The 90-meter long, 8-meter wide bridge was constructed with a funding of P220 million and is part of SBMA’s efforts to build vital infrastructure for the planned expansion of the Subic Freeport into nearby areas in Olongapo City and Zambales. It can accommodate cargo and trailer trucks and heavy equipment.

A new administrative building will also be built in the area to house the satellite offices of the SBMA treasury, law enforcement and seaport departments and the Bureau of Customs for the convenience of motorists and cargo forwarders.
Tax Exemptions and Incentives

• Tax and Duty Free Importation
  Freeport investors enjoy tax and duty free exemptions on imported raw materials, supplies, capital equipment and other items for consumption within the Freeport.

• Exemption from all Local and National Taxes with only 5% Corporate Tax on Gross Income
  Freeport investors are exempt from all local and national taxes such as value-added taxes, franchise taxes, excise and ad valorem taxes. They pay only a final corporate tax of 5% of their gross income earned.

• Unrestricted Entry of Foreign Investments
  Foreign investors may invest up to 100% equity in almost any economic activity in the Freeport except in those listed in the Foreign investment Negative List (FINL) as published by the Philippine Board of Investment (BOI).

• No Foreign Exchange Control
  There is no foreign exchange control within the Freeport. Full repatriation of profit is allowed.

• Visas for Foreign Nationals
  The SBMA processes and directly grants special resident and investor visas. Temporary Work Permits (TWP) and Special Subic-Clark Working Visa (SS-CWV) may be granted to foreign nationals subject to certain requirements. Special Subic-Clark Investor’s Visa (SS-CIV) can be granted to foreign investors with an investment of at least US$250,000.

• Expanded Allowable Deduction and Higher Percentage of Income
  Allowable from Sources within the Customs Territory for Regional Enterprises. Regional enterprises shall enjoy expanded deductions that shall be allowable for the calculation of gross income earned for the required 5% tax payment. Also, regional enterprises may generate revenues from sources within the Customs Territory up to 50% of its total revenues.
The SBMA’s Labor Department maintains a large pool of English-speaking and well-educated workers and professionals, guaranteeing an abundant supply of quality manpower for Freeport locators. Subic’s labor force predominantly comes from the neighboring city of Olongapo, and the nearby provinces of Zambales and Bataan.

Trained and educated with the required technical and management skills, Subic workers are proficient in English, highly motivated and observe professional ethics in the workplace. Subic’s wage rate is highly competitive compared to that of other Asian countries while the human resource is highly flexible and has proven to be capable of being trained for the supervisory and managerial positions in a short period of time.

Employers of Filipinos have repeatedly praised their dedication, performance and adaptiveness to different cultures and managerial styles. Filipinos are also known for their warmth and hospitality. They make people feel welcomed with their friendliness and accommodating manner.
The SBMA Health and Safety Group offers quality outpatient and 24-hour emergency health care services. It has three (3) medical outlets inside the zone – the SBMA Dispensary at Dewey Ave. and in Cubi, and the New Terminal Clinic at the Subic Bay International Airport. The group also conducts preventive health programs, training courses and health surveillance to employees through annual physical examinations and pre-employment examinations.

In addition, there are private medical institutions in the Freeport. Baypointe Hospital & Medical Center (BHMC) is a state-of-the-art hospital staffed with medical specialists from Region III, Metro Manila major hospitals and nearby areas. It offers basic services (primary & specialty medical care physicians, industrial & occupational health services, pharmacy, rehabilitation medicine, pathology, emergency facilities, dialysis center, intensive care units, operating room & delivery room complex and pediatric care unit) as well as laboratory and diagnostic. The George Dewey Medical and Wellness Center (GDWMC) is a $20-million world-class medical facility. Owned by the George Dewey Medical College, it offers both out-patient and surgery services to customers in the Subic Bay area and the rest of Luzon. It sits on a 12-hectare facility on top of a hill right in the middle of a forest. Some of the medical and health-related services it offers are cardiac surgery, joint and hip replacement, reconstructive surgery, corneal transplant, refractive surgery and multi-focals, dental implants, stem cell rejuvenation, sleep disorder therapy, transplant surgery, laboratory analysis, pain management and fertility clinic. While Borough Medical Care Institute is an outpatient healthcare and ambulatory surgical facility and The Triboa MedTech, Inc. provides tertiary-level diagnostic services.
Subic is fast becoming a venue for learning institutions. The Subic Bay campus of The Brent International School System is a private, co-educational school that prepares primary and secondary students for universities around the world. SPED or the Special Education for the Gifted Children is an elementary school for the mentally gifted and exceptionally talented and skilled children. The Regional Science High School for Region III specializes in both science and math. Other schools offering pre-elementary and elementary education are Casa Kalayaan Learning Center, Inc., Child Care and Enrichment Center, Quiz Bee Learning Center, Inc., Subic Montessori School, Inc. and Juventus Learning System. FIRST School of SBFZ offers preschool to high school education.

There are likewise several institutions offering graduate programs, undergraduate programs and skills courses—Comteq Computer & Business College, Lyceum of Subic Bay, Inc. and Mondriaan Aura College. George Dewey Medical College and Subic Bay Medical Center, Inc. offer medical, nursing and other allied courses. The International School of Sustainable Tourism (ISST) offers various tourism courses. The International Development and Environmental Shipping School (IDES) established an IDESS Maritime Centre Subic which offers tanker, navigation and safety courses. The University of the Philippines Extension Program in Olongapo (UPEPO) meanwhile offers the Master of Management (MM) program with specializations in business management, educational management, and public management. There are also several English language learning centers and aviation schools in the Freeport. The adjoining city of Olongapo also has a number of colleges.

SBMA, in line with its goal to promote workforce development among public and private entities, is providing incentives to schools inside the Freeport to help them upgrade and improve the skills of Subic workforce and enable them to meet industry requirements. SBMA is also pursuing anchor educational institutions to establish in Subic.
Peace and order is efficiently maintained in the Freeport. The SBMA Law Enforcement Department (LED) effectively and consistently enforces traffic rules and regulations, and maintains a perimeter defense through regular mobile and canine patrols in and around the area. As part of its Law Enforcement and physical security functions, the LED also keeps a special ranger patrol network to safeguard the zone’s forests from exploitation. LED has the following organization set-up:

- SWAT
- K-9
- Motorcycle Police
- Traffic Police
- Harbour Patrol
- Mounted Police
- Bike Patrol
- Forest Rangers
- Divers
Subic Bay itself is a thriving mixture of high-tech light industrial development and relaxed leisure complexes, set in a duty-free haven. You’ll find all the leisure facilities you could possibly want within the Freeport and neighboring city, including world class hotels, casinos, restaurants, beautiful beaches, diving, watersports, golf course, jungle and ecological tours, equestrian center, duty-free shopping and soon its first shopping mall.

Subic Bay offers the best variety of tourism and recreational attractions - luxurious hotels, marina, yacht club, beaches, golf course, eco-tourism, watersports, car and go-kart racing, cycling, motocross, duty-free shopping, casinos, restaurants, videoke bars and other amusement facilities.

It is also home to the biggest convention area in Central Luzon—the Subic Bay Exhibition and Convention Center (SBExCC), with a total floor area of 12,000 sq. m. SBExCC can accommodate events such as product launching, marketing events, concerts/ extravaganzas, bazaars, indoor sport events and others. Within SBExCC are two conference halls. Plenary 1 and Plenary 2 can accommodate a maximum of 3,000 and 5,000 persons, respectively.

For the sports-minded, the Subic Bay International Sports Center offers complete and upscale indoor and outdoor facilities such as tennis and badminton courts, a basketball court, and baseball and softball field. It is equipped with a tartan oval ideal for track and field events, as well as a boxing stable.

While for those looking for residential units, the Freeport has three housing areas located in Bininctan, Kalayaan and Cubi Point. These serene and well-maintained areas each has its own recreational facilities (jogging and hiking areas, playground, swimming pool, tennis court and convenience store), a security detachment, a fire station and round-the-clock mobile patrol to ensure the safety of lives and properties of its residents and to maintain peace and order.

Ayala Land Inc., the real estate arm of the Ayala Corporation, one of the Philippines' biggest and well-established business conglomerates, has started developing an integrated mixed-use master-planned community which will include a shopping mall, Business Process Outsourcing office building and hotel that will rise in the heart of Subic's Central Business District. Part of the masterplan is the ongoing construction of Harbor Point, the pioneer Ayala Mall in the Freeport.
There is something for everybody in Subic Bay Freeport. In Grande Island, the remnant of the old fortress still exists. The old cannon still stands ready to drive off intruders from Subic Bay. For nature and adventure, there is the Zoobic Safari, where you can see tigers and crocodiles in their natural environment. For things of the sea, there is Ocean Adventure where you can enjoy watching dolphins and sea lions perform to the delight of the audience.
The Subic Bay protected forest and watershed reserve has a unique and complex ecosystem and species of flora and fauna found nowhere else. It encompasses all the known ecosystems from rainforest to grassland, mangrove habitats, marine seagrass, and coral habitats.
There are two hundred Aeta families living in Pastolan Village inside the Subic Bay Freeport. They opted to remain in Subic because the forest is their ancestral land and they are able to survive using the resources of the forest and the adjacent bay.

Being experts of the jungle, they are also tasked by SBMA to act as forest rangers and forest guides.

The Pamulaklakin Forest Trails and the Jungle Environment and Survival Training Camp (JEST) provide them with additional livelihood through jungle survival demonstrations, forest tours and maintenance of the picnic areas.
SBDMC Business Center was set up in order to address the requirements of SBGP locators and potential investors for value-added products and services.

**Business Start-up Services:**
- Company Registration
- Visa Processing
- Temporary Work Permit
- Special Subic-Clark Investor’s Visa
- Special Subic-Clark Working Visa
- Visa for Employee Training to Taiwan
- SEC Processing
- Amendment of Articles of Incorporation and By-Laws
- Increase/Decrease of Authorized Capital Stock
- Fully Paid-Up Capital, Additional Paid-Up Capital
- Transfer of Shares, Change of Directors and/or Officers, Filing of G-S
- Dissolution by Shortening Corporate Term
- Other Government Liason (B.ISS, PNP, NBI, PAG-IBIG, etc.)
- Construction and Engineering Services
- Heavy Equipment and Trucking Rentals
- Security and Protection Services
- Raw Materials and Product Sourcing

**Other Services**
- Property Management and Maintenance (e.g., landscaping)
- Legal, Financial and Accounting Services
- Insurance Services (Life, Non Life, HMO)
- Hotel Reservation, Flight Reservation
- Housing Rentals, Leasing of Residential and Commercial Condominium
- Engineering Services including Preparation of Conceptual Plans
- Preparation of Documents for Building Permit and Occupancy Permit

**TECO APPLIANCES**

**TECO TV**
- 22” LCD TV Full HD
- 24” LED TV Full HD
- 26” LCD TV HD Ready
- 32” LCD TV HD Ready
- 32” LED TV Full HD
- 42” LED TV Full HD

**TECO AIRCON**
- 1 HP Split Type
- 1.5 HP Split Type
- 2 HP Split Type
- 2.5 HP Split Type
- 1 HP Inverter Type
- 1.5 HP Inverter Type
- 2 HP Inverter Type
- 2.5 Inverter Type

**GIPI HOUSING**

Residential Units (short term/long term lease)
- 1st floor - Living room, den, guest room, maid’s quarter w/ laundry and bath, dining room, kitchen, lanai, porch and carport
- 2nd floor - Master’s bedroom with bathroom, bedrooms 1 & 2, common bathroom, balcony, hallway
Our Valued Locators

PHASE I LOCATORS

ANGLO-ASIA COMMODITIES CORP.
APARRI ELECTRONICS CORP.
AUTOWIDE INTERNATIONAL SUBIC CORP.
BATAAN AUTOMOTIVE REMANUFACTURING CORPORATION
BOVIANITE SE ASIA PTE. LTD.
CAHIO HERMANOS, (SUBIC), INC.
CARWORLD SUBIC INCORPORATED
CHINA BANKING CORPORATION
CHUNG LI MOTOR COMPANY
CHINMEI METAL INC.
COMCOSS ELECTRONIC PHILS. CORP.
COIN CHEMICAL SUBIC INC.
CONTEX CORPORATION
DJ AEROSPACE, INC.
ELTONG SUBIC INC.
GLOBAL DONG YANG FOOD MACHINERY (PHILS) CORPORATION
GRAINS PRO PHILS. INC.
GREEN INTL. INTERNATIONAL VENTURE INC.
HHIC-PHIL. INC.
HOKEI SUBIC CORPORATION
HFS OFFICE PRODUCT CO., LTD., INC.
HSIN FENG SUBIC SUBIC, INC.
JADELINK SUBIC INC.
LIMECH MANUFACTURING AND TRADING CORP.
EDUPALACE, INC.
MICROKINETICS, INC.
MISUNG SUBIC INC.
MMH GLINS INT'L. INC.
M. WASEEM INTERNATIONAL CORPORATION
MSK GROUP WORK INCORPORATED
NACANO TONYEH INTERNATIONAL INC.
NARITA CHEMICAL PHILS., INC.
SUNTECH PACIFIC LOGISTICS CORPORATION
RK SUBIC INC.
HIGH GLORY SUBIC INT'L. LOGISTICS INC.
SAPPHIRE INSTRUMENTS SUBIC BAY, INC.
SHENQKAI CORPORATION

PHASE II LOCATORS

SUBIC 999 CORP.
SUBIC METRO MOVERS GROUP, INC.
SUBICTRAK INTERNATIONAL INC.
SUBIC TECHNICS, INC.
S-CORP PHILIPPINES, INC.
SULTAN AHMED LOOTAH ENTERPRISES CORP.
TAI MEIN SUBIC INTERNATIONAL CORP.
TAIAN (SUBIC) ELECTRIC, INC.
TAIJIMA INTERNATIONAL VENTURES CORP.
TAIIN ABRASIVES CORP.
TAO HANG CORPORATION
TECO ELECTRIC AND MACHINERY CO., LTD.
TONG LUNG (PHILS.) METAL INDUSTRY CO., INC.
VEHICLE INSPECTION & TESTING CORP. (VITEC)
WESTCOAST AUTOMOTIVE CORP.
WISTRON INFOCOMM (PHILIPINES) CORPORATION
WOOU INC.
YI-PHONE SUBIC BAY CORPORATION

PHASE III LOCATORS

SUBIC MATRIX CONCRETE CORPORATION
TRIGON SUBIC
HODIAN METALS INDUSTRIES PHILS. CO. LTD
FREEPORT SKC, INC.
VARCO INTERNATIONAL CORPORATION

HITACHI GROUP
CHIA HUNG, INC.
FANG CHAN INCORPORATED
FIRM PRECISION INDUSTRIAL, INC.
HITACHI AIR CONDITIONING (PHILS) INC.
HSIN KEY WORLD MERCANTILE, INC.
HWAH SHENG, INC.
LEE MING PLASTIC CORP.
LIN GEE, INC.
OUPPLUS PLASTIC INDUSTRIAL, INC.
SHIANG YOUNG RUBBER CO., INC.
TAIWAN VIALIANT MFG. INC.