

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2606



Introduced by Representative Christian S. Unabia

EXPLANATORY NOTE

Republic Act No. 10644, otherwise known as the "Go Negosyo Act" was enacted to promote the ease of doing business and facilitate access to government services for micro, small and medium enterprises (MSMEs) through the Negosyo Centers to be established in all provinces, cities and municipalities nationwide, pursuant to the law.

The functions of the Negosyo Centers are in the areas of: (1) business registration assistance; (2) business advisory services; (3) business information and advocacy; and (4) monitoring and evaluation.

On business advisory services, the Negosyo Centers are tasked to co-organize a mentoring program for prospective and current entrepreneurs and investors, and likewise to conduct other programs or projects for entrepreneurial development in the country.

Since calendar year 2016, the Department of Trade and Industry (DTI) and the Philippine Center for Entrepreneurship (PCE) implemented the Mentor ME Program which is aimed at coaching the mentee-micro and small enterprises on the different aspects of business operations, covering topics on entrepreneurial mindset, product development, marketing, operations management, accounting, taxation, finance, obligations and contracts, human resource management, supply and value chain, and business plan development.

The Mentor ME Program has proven to be successful in helping micro and small entrepreneurs scale up their enterprises, with the end in view of spurring economic activity and generating employment opportunities. To ensure its continuity, there is the need to institutionalize, through legislation, the conduct of the Mentor ME Program, by including it as a function of the Negosyo Centers.

One other proposed amendment to RA 10644 is the institutionalization of the business counsellors who provide the aforementioned functions of the Negosyo Centers, by making them organic employees of the DTI.

The above-mentioned provisions of the proposed Act will be in line with the following priority directions of the Micro, Small and Medium Enterprise Development (MSMED) Plan 2017-2022:

- Capacity building and development of entrepreneurial culture: business mentoring and access to technical advice; and
- Improving coordination and service delivery to MSMEs in the regions through the Negosyo Centers.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


CHRISTIAN S. UNABIA

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AN ACT
INSTITUTIONALIZING THE MENTOR ME PROGRAM FOR MICRO AND SMALL ENTERPRISES AND CLASSIFYING AS ORGANIC EMPLOYEES OF THE DTI THE BUSINESS COUNSELLORS OF THE NEGOSYO CENTERS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 10644, OTHERWISE KNOWN AS THE "GO NEGOSYO ACT"

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 4 of Republic Act No. 10644, otherwise known as the "Go Negosyo Act", shall be amended to read as follows and the subparagraphs renumbered accordingly:

"SEC. 4. Functions of the Negosyo Centers. - Negosyo Centers shall have the following functions:

- (a) xxx
- (b) xxx
- (c) Accept and facilitate all registration application FOR BUSINESS PERMITS, LICENSES, AND OTHER GOVERNMENT REQUIREMENTS of MSMEs;
xxx
- (j) Co-organize with the local chambers of commerce and other business organizations a mentoring program for prospective and current entrepreneurs and investors;
- (K) INSTITUTIONALIZE THE CONDUCT OF THE MENTOR ME PROGRAM, A JOINT UNDERTAKING OF THE DEPARTMENT OF TRADE AND INDUSTRY (DTI) WITH

THE PHILIPPINE CENTER FOR ENTREPRENEURSHIP
(PCE), AIMED AT COACHING THE MENTEE - MICRO AND
SMALL ENTERPRISES (MSEs) ON THE DIFFERENT
ASPECTS OF BUSINESS OPERATIONS;

The succeeding subparagraphs of Section 4 shall be renumbered accordingly.

xxx

SEC. 2. A new section, Section 4-A, is inserted after Section 4 of Republic Act No. 10644, to read as follows:

“SEC. 4-A. THE BUSINESS COUNSELLORS WHICH HAVE BEEN TRAINED TO PROVIDE BUSINESS REGISTRATION ASSISTANCE, BUSINESS ADVISORY SERVICES, AND BUSINESS INFORMATION AND ADVOCACY TO MSMES IN THE NEGOSYO CENTERS SHALL BE INSTITUTIONALIZED AND BE MADE ORGANIC EMPLOYEES OF THE DTI.”

SEC. 3. *Appropriations.* -The amount necessary to carry out the implementation of this Act shall be charged against the current year's appropriations of the DTI. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

Sec. 4. *Implementing Rules and Regulations.* - The DTI shall formulate and promulgate the necessary rules and regulations to implement the provisions of this Act within ninety (90) days from its approval. The implementing rules and regulations issued pursuant to this Section shall take effect thirty (30) days after its publication in a newspaper of general circulation.

SEC. 5. *Separability Clause.* - If any part or section of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

SEC. 6. *Repealing Clause.* - All laws, decrees, proclamations, issuances or ordinances that are contrary to or inconsistent with any provision of this Act are hereby amended, repealed or modified accordingly.

SEC. 7. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,