SENATE OFFICE OF THE SECRETARY

13TH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

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**SENATE** 

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s. No. 506

INTRODUCED BY HON. MANUEL B. VILLAR JR.

## **EXPLANATORY NOTE**

Small and medium businesses today already suffer from a host of start-up problems. Financing and management skills, for instance, are only present in the few successful ones.

This bill seeks to remedy one problem in business start-ups, by making it easier for entrepreneurs and prospective entrepreneurs to fulfill the documentary requirements of starting a business enterprise. This it does by mandating all government agencies taking a hand in business start-ups to situate themselves through a branch or satellite office in the so-called Business One-Stop-Shop or BOSS Center.

The BOSS center concept has already been operationalized by some Local Government Unit (LGU) like Las Piñas and some areas of the country. What this bill seeks is to institutionalize this practice through mandate of law.

Approval of this measure would truly help a lot of our entrepreneurs and prospective entrepreneurs enter the so-called formal economy.

MANUEL B. VILLAR, JR.

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## AN ACT ESTABLISHING BUSINESS ONE-STOP SHOP (BOSS) CENTERS FOR SMALL AND MEDIUM ENTERPRISES IN ALL REGIONAL AND PROVINCIAL CENTERS IN THE COUNTRY

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

SECTION 1. Title. - This Act shall be known and cited as the Business One-Stop Shop (BOSS) Center Act of 2004.

SEC. 2. Declaration of Policy. - The State recognizes the crucial role of small and medium enterprises in employment generation, wealth creation, technological advancement and entrepreneurship development is the country. Pursuant thereto, the State shall establish the institutional framework to make the economic environment conducive to business by raising government efficiency and effectiveness in the delivery of services to small and medium enterprises (SMEs) throughout the country. In addition, it shall provide the necessary and strategic information and research assistance to expedite the process of business formation and encourage the growth of entrepreneurship.

In the task of supporting small and medium enterprises, the State recognizes the pivotal role of the private sector by making them a partner in entrepreneurial development.

- SEC. 3. Creation of Business One-Stop Shop (BOSS) Centers for Small and Medium Enterprises. In accordance with the foregoing policy, there shall be established, under the supervision of the Small and Medium Enterprises Development (SMED) Council, Business One-Stop Shop (BOSS) Centers hereinafter referred to as BOSS Centers, in all regional and provincial centers of the country. Each BOSS Center, however, shall enjoy institutional autonomy and may be organized as a corporation, partnership, or non-stock, nonprofit corporation under applicable laws and regulations. The BOSS Center shall provide entrepreneurs and aspiring entrepreneurs with all the basic and essential information in establishing and running a business. It shall house all the necessary government agencies for registration up to the last requirement needed in setting up a business, thereby facilitating the processing of all documentary requirements for the establishment of a business enterprise in the country.
- SEC. 4. Governing Principles. BOSS Centers shall be organized under the following principles:
- 1. Each BOSS Center shall be established and operated as a self-sustaining entity with full government support at the local and national levels, subject to applicable laws and regulations;
- 2. To be self-sustaining, each BOSS Center-shall be allowed to charge reasonable fees for its services.
- SEC. 5. Additional Functions of the SMED Council. Aside from its mandated functions, the SMED Council, shall have the following additional functions:

- 1. Act as the coordinating body for the participating agencies in the BOSS Center;
- 2. The SMED Council shall formulate a criteria for selection and prioritization of the establishment of each BOSS Center, taking into consideration existing businesses and similar centers in the area;
- 3. Prepare quarterly status reports of major issues that shall be made available to all interested parties;
- 4. Promulgate such rules and regulations necessary for the effective implementation of this Act;
- 5. Prepare pre-feasibility studies of existing as well as possible as possible industries in the Philippines that can help entrepreneurs decide on what business to venture into;
- 6. Monitor and collate economic, technical, and industry research output of all government agencies that has reference to business enterprises, as well as to investors in the country; and
- 7. Generally, to exercise all powers and functions necessary to achieve the objectives and purposes by this Act.
- SEC. 6. Functions of the BOSS Centers. Each BOSS Center shall function as a one-stop shop center offering the following services:
  - 1. Accept and act on all registration applications of SMEs;
- 2. Provide all information and referral services it shall deem useful, necessary, or essential to small and medium entrepreneurs and prospective entrepreneurs;
- 3. Establish a databank which shall be the source of all information necessary for project monitoring, research and policy studies, and information dissemination campaigns;
  - 4. Act as a coordinating center for activities and programs for SMEs;
  - 5. Provide local and international networks and linkages for SME development;
- 6. Supply information and services in training, financing, marketing and technology transfer to SMEs; and
  - 7. Conduct other programs or projects for entrepreneurial development in the country.
- SEC. 7. Composition of each BOSS Center. The following government agencies are mandated to detail representatives of appropriate rank, and sufficient authority and capacity to give information assistance as well as having discretion to act on pertinent applications at each BOSS Center:
  - 1) Local Government Unit (LGU) in areas concerned;
  - 2) Department of Trade and Industry (DTI);
  - 3) Securities and Exchange Commission (SEC);
  - 4) Bureau of Internal Revenue (BIR)
  - 5) Department of Labor and Employment (DOLE);
  - 6) Social Security System (SSS), and
  - 7) Cooperatives Development Authority (CDA).

When necessary, the SMED Council may require the detail of appropriate personnel of

Government personnel assigned or detailed at each BOSS Center shall receive reasonable honoraria, subject to existing laws and regulations.

- SEC. 8. BOSS Secretariat. A Secretariat shall be organized by the corporate entity organized to manage each BOSS Center. The Secretariat shall have the following duties and functions:
  - 1) Facilitate and administer the day-to-day operations of the BOSS center;
  - 2) Act as information officers on matters relevant to the interests of SMEs;
  - 3) Act as coordinator for activities of the BOSS centers;
  - 4) Render a yearly report and accounting; of funds to the SMED Council; and
  - 5) Perform other duties and functions assigned to it by the SMED Council.
- SEC. 9. Issuance of Implementing Rules send Regulations. Within ninety (90) days from the approval of this Act, the SMED Council in consultation with appropriate agencies, including; the representative of Special Committee on the Generation of a Million Small Enterprises of the House of Representatives, shall promulgate the rules and regulations to implement tile provisions of this Act. Such rules and regulations shall take effect fifteen (I5) days after its publication in a newspaper of general circulation.
- SEC. 10. Pilot Project. To test the feasibility of its corporate structure, institutional linkages and arrangements, as well as funding; needs and requirements, the SMED Council is authorized to initiate a pilot BOSS Center project in partnership with private sector groups, industries or associations, or other government agencies or offices.
- SEC. 11. Separability Clause. If any provision "of this Act shall be held unconstitutional, the remainder of the Act not otherwise affected shall remain in full force and effect.
- SEC. 12. Repealing Clause. All laws, orders, rules and regulations, or parts thereof, inconsistent with this Act are hereby repealed or modified accordingly.
  - SEC. 13. Effectivity. This Act shall take effect upon its approval.

Approved,