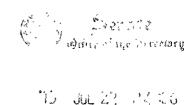
SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session))



SENATE Senate Bill No.1032



Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

EXPLANATORY NOTE

"At a time when society's biggest issue is youth unemployment, businesses and governments must work together to help young people develop an entrepreneurial mindset. That means fostering a culture which supports young people to take risks, set up businesses, create jobs and become masters of their own destiny. Whether it's through finance, mentoring, incentives or training, we must all play our part so that this generation can achieve its full potential. The time to act is now."

This is a quote from an Ernst & Young report called "Avoiding a Lost Generation," produced in June 2013 for the G20 Young Entrepreneurs' Alliance Summit. But it could very well reflect the imperatives for the youth of the Philippines. At a time when our youth population forms a large percentage of our total population, and when many of the unemployed belong to the youth sector, both the government and the private sector must work together to empower young Filipinos to be productive members of society. Aside from boosting job generation and gainful employment, our government must create the structures and the mechanisms to enable youth entrepreneurship as a pillar of inclusive growth.

In order to help create this environment, we propose the passage of the "Youth Entrepreneurship Bill", which seeks to integrate entrepreneurship into our secondary and tertiary education curricula; facilitate grants both for the teaching and the practice of entrepreneurship; and develop a national youth entrepreneurship program to provide support to young entrepreneurs.

This Bill seeks the cooperation of different departments such as the Department of Education (DepEd), the Commission on Higher Education (CHED), and the Technical Education and Skills Development Authority (TESDA). Aside from developing and integrating enterpreneurship courses in the curriculum for secondary and post-secondary school students, they shall also be tasked to facilitate the provision of grants to ensure that our schools, teachers, and teaching partners have the capacity to teach these courses. Grants shall also be made available to support students who are pursuing studies and projects related to enterpreneurship.

Further, this Bill tasks the MSME Development Council to develop a National Youth Enterpreneurship Program that will provide young enterpreneurs with strategic support in terms of access to financing, capital, incubation, as well as technology and skills transfer services The MSME Development Council and the Small Business Corporation shall provide preferential allocation for the youth in connection with available credit funds.

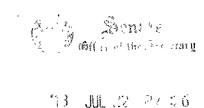
This Youth Entrepreneurship Bill is focused on the youth entrepreneur, is inclusive, and is geared toward all types of entrepreneurial talent belonging to underrepresented populations and communities. This Bill aims for sustainability and will be designed for long-term

implementation. If we make this a priority measure and pass this Bill, we can envision a future led by young Filipinos who have initiative, who are motivated and driven, and who have the best skills to succeed in creating businesses, providing jobs, and making inclusive growth a reality.

Senator Paolo Benigno "Bam A. Aquino IV

SIXTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

))



s. B. No. 1032



Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

AN ACT TO ACTIVELY PROMOTE ENTREPRENEURSHIP AMONG FILIPINO YOUTH

Section 1. Short Title. This Act shall be known as the "Youth Entrepreneurship Bill."

Section 2. Definition. As used in this Act, the following terms are referred to as follows:

- (a) "Eligible Entity" refers to -
 - 1. an institution for higher education or;
 - 2. a partnership consisting of an institution for higher education; and
 - a. a non-profit organization with experience and proven track record in quality financial literacy, entrepreneurship or personal finance programs; and/or
 - b. a local government dedicated to uplifting the lives of its constituents;
- (b) "Department" refers to the Department of Education;
- (c) "Commission" refers to the Commission on Higher Education;
- (d) "Courses" means entrepreneurial courses, which may include courses in financial literacy and accounting, securing capital and borrowing, business plan conception and drafting, management, marketing, design thinking, social entrepreneurship and community organizing;
- (e) "Council" refers to the Micro, Small and Medium Enteprise Development Council under the Department of Trade and Industry;
- (f) "SB Corporation" refers to the Small Business Guarantee and Finance Corporation;
- (g) "Young Entrepreneurs" means individuals within the age of 18 and 30 years old who are engaged in the design, creation, establishment and/or management of a micro, small or medium enterprise.

Section 3. Promoting Youth Entrepreneurship through Education

36 37

1 2

3 4 5

6

7 8

9 10

11

12

13 14

15 16

17

18 19

20 21 22

23

24

25

26 27

28 29 30

31

32 33

34

35

1	 (a) The Department shall develop and integrate courses in electriculum for secondary school students;
2 3	cufficulation secondary school stadents,
4	(b) The Commission in cooperation with the Technical Educa
	Development Authority (TESDA) shall develop and integra
5	courses in the curriculum for post-secondary school stude
6	courses in the curriculum for post-secondary school studi
7	
8	(c) The Department and Commission shall ensure coherence
9	the learning objectives and course design through close of
10	concerned agencies;
11	and an
12	Section 4. Grants – Two (2) types of grants shall be established by the
13	(-) Committee Devilding Committee for Finiting Togging Entropyone
14	(a) Capacity Building Grants for Entities Teaching Entreprene
15	1. The Department shall award grants for a term of
16	 The Department shall award grants for a term of reach, on a competitive basis, to eligible entities in
17	each, on a competitive basis, to eligible entities in
18	Douglan courses for secondary school
19	a. Develop courses for secondary school
20	b. Train secondary school teachers all over
21	courses developed;
22	courses developed,
23 24	c. Prepare methods to evaluate the effec
25	education and improve the course des
26	education and improve the course des
27	d. Develop the courses for inclusion by th
28	required training and education for as
29	teachers,
30	333
31	2. The Commission shall award grants for a term of a
32	each, on a competitive basis, to eligible entities in
33	
34	a. Develop subjects for post-secondary so
35	
36	b. Train post-secondary school teachers a
37	courses developed;
38	
39	c. Prepare methods to evaluate the effec
40	education and improve the courses as
41	
42	e. Develop the courses for inclusion by th
43	required education for aspiring post-se
44	
45	(b) Project Grants for Young Entrepreneurs
46	
47	 The Commission shall provide grant assistance for
48	entrepreneurs who are pursuing a project/study t
49	entrepreneurship. This grant may come in a cash
50	or a link up with another grant or scholarship givi
51	choosing a project/study that would deserve a gra
52	the implementing rules and regulations;

ntrepreneurship in the

- ation and Skills ate entrepreneurship ents:
- and clear progression in coordination with other

is Act as follows:

- urship;
 - not more than four (4) years order to
 - students;
 - er the country to teach
 - t of entrepreneurial ign as necessary; and
 - ne Department in the piring secondary school
 - not more than four (4) years order to
 - chool students;
 - all over the country to teach
 - t of entrepreneurial necessary; and
 - ne Commission in the econdary school teachers.
 - r deserving young hat tackles grant from the Commission ng agency. Standards in ant would be included in

16

17

11

12

21 22

29

30

38 39

40

34

35

44

45 46

47 48 49

50

51 52

53

2. The Commission shall also provide an avenue for private corporations and individuals who are interested in funding or providing support to postsecondary school students or graduates for the incubation of an enteprise project.

Section 5. Available Assistance and Training. -

- (a) The Department and the Commission shall provide information on available government and non-government assistance and training programs which may be availed by students for further training and possible entrepreneurial and financial ventures. This may be done through their website, agency announcements and other forms of communication;
- (b) The Department and the Commission shall develop mentoring and coaching programs for young entrepreneurs in coordination with eligible entities to facilitate sharing of technical knowledge and skills/technology transfer;
- (c) The Department and Commission shall set up enterprise incubation laboratories and creative spaces in schools in coordination with eligibile entitites to encourage enterprise creation and development.

Section 6. Report. – The Department and the Commission shall provide the appropriate committees in the Senate and House of Representatives with an annual status report on the implementation and an overall assessment of the curricula and teaching and mentoring programs.

Section 7. National Program to Promote Youth Entepreneurship Development

- (a) The Council shall include in its MSMED Plan the development of a program and strategy for promoting youth entrepreneurship;
- (b) The Council shall be responsible for facilitating national programs to encourage youth entrepreneurship as part of a broader strategy to promote the viability and growth of enterprises in the country;
- (c) The composition of the Council shall include a youth representative with the following duties:
 - 1. Represent the youth sector and their concerns regarding entrepreneurship;
 - 2. Coordinate with the Department of Education, the Commission for Higher Education, TESDA, and other eligible entitites on the education, mentoring and support programs provided by this Act; and
 - 3. Identify possible funding mechanisms to support young entrepreneurs in the incubation and start up of enterprise projects.
- (d) The SB Corporation shall be responsible for integrating youth entepreneurship promotion into the national policies and programs in support of micro, small and medium enterprise development. Programs shall include finance and information services, training and marketing support for young entrepreneurs;

14

19 20 21

18

22 23 24

25 26

27 28 29

30

6 7

9

10

private or public, shall allocate to micro and small and medium enterprises established by young entrepreneurs at least Ten Percent (10%) of the total loan portfolio that is alotted for micro, small and medium enterprises as mandated by law;

Section 8. Appropriations. - The amount necessary for the implementation of this Act shall be charged to the budget allocated to the Department of Education, The Commission on Higher Education, and Department of Trade and Industry from the General Appropriations Act.

(e) The SB Corporation shall also allocate at least Ten Percent (10%) of any Venture Capital and Micro Finance Trust Fund for the purpose of promoting business

micro and small enterprises established by young entrepreneurs;

opportunities for young entrepreneurs. The allocated portion of the Micro Finance Trust Fund shall be used to provide collateral-free fixed and working capital loans for

(f) All lending institutions as defined under Bangko Sentral ng Pilipinas rules, whether

Section 9. Implementing Rules and Regulations – The Department of Eduction, Commission on Higher Education, and Department of Trade and Industry shall promulgate rules and regulations necessary for the proper implementation thereof within sixty (60) days from the effectivity of this Act.

Section 10. Repealing Clause. All laws, decrees, executive orders or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

Section 11. Separability Clause. If any provision of this Act is held invalid or unconstitutional, other provisions not affected shall continue to be in full force and effect.

Section 12. Effectivity. This Act shall take effect fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.