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(In Substitution of Senate Bill Nos. 147, 153, 201, 1032, 1192, 1327 and 1713)

Prepared by the Committee on Youth joint with the Committees on Education, Arts and Culture, Trade, Commerce and Entrepreneurship, and Finance with Senators Villar, P. Cayetano, Angara, Defensor-Santiago and Aquino IV as authors thereof.

**AN ACT TO ACTIVELY PROMOTE ENTREPRENEURSHIP AND
FINANCIAL EDUCATION AMONG FILIPINO YOUTH**

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

1 **Section 1. Short Title.** This Act shall be known as the "Youth Entrepreneurship Act of 2014."

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

- 3 (a) "Higher Education" refers to any post-secondary education may it be a technical
4 vocational or degree program;
- 5 (b) "Alternative Learning Schools" refer to institutions accredited by the Department of
6 Education through the Bureau of Alternative Learning System that cater to those
7 who are not able to undertake formal education;
- 8 (c) "Eligible Entity" refers to
9 1. an institution for formal or informal education or;
10 2. a partnership between an institution for higher education and:
11 i. a non-profit organization with experience and proven track record in
12 quality financial literacy, entrepreneurship or personal finance
13 programs; and/or
14 ii. a local government dedicated to uplifting the lives of its constituents;
15 or
16 iii. learning organization;
- 17 (d) "Department" refers to the Department of Education;
- 18 (e) "Commission" refers to the Commission on Higher Education;
- 19 (f) "TESDA" refers to the Technical Education and Skills Development Authority;

- 1 (g) "Subjects and competencies" means entrepreneurial courses, which may include,
2 but not be limited to, subjects in financial literacy and accounting, agri-
3 entrepreneurship, agribusiness management, securing capital and borrowing,
4 business plan conception and drafting, management, marketing, design thinking,
5 social entrepreneurship and community organizing;
- 6 (h) "Council" refers to the Micro, Small and Medium Enterprise Development (MSMED)
7 Council under the Department of Trade and Industry;
- 8 (i) "Young Entrepreneurs" means individuals within the age of 18 and 30 years old who
9 are engaged in the design, creation, establishment and/or management of a micro,
10 small or medium enterprise;
- 11 (j) "Learning Community" or "Learning organization" refers to the community
12 association where in the people and institutions, such as the family, the school, the
13 church and businesses are together continually learning how to co-create
14 community enterprises with their children and the youth, in general, towards a
15 sustainable life; and

16 **Section 3. *Promoting Youth Entrepreneurship through Education***

- 17 (a) The Department, in consultation with learning organizations, non-government
18 organizations, local government units, and other concerned groups, shall develop
19 and integrate subjects and competencies in entrepreneurship in the curriculum for
20 primary, secondary and alternative learning school students;
- 21 (b) The Commission and the TESDA shall develop and integrate entrepreneurship
22 subjects and competencies in the curriculum for post-secondary school students;
- 23 (c) The Department, Commission and TESDA, in cooperation with learning
24 organizations, non-government organizations, local government units, and other
25 concerned groups, shall ensure coherence and clear progression in the learning
26 objectives and course design through close coordination with other concerned
27 agencies;
- 28 (d) The Commission, Department and TESDA, in cooperation with learning
29 organizations, non-government organizations, local government units, and other
30 concerned groups, shall study and unify all current efforts of schools and
31 institutions to teach entrepreneurship and financial literacy to students; and
- 32 (e) The Commission, Department and TESDA, in cooperation with learning
33 organizations, non-government organizations, local government units, and other
34 concerned groups, shall study current government efforts in foreign countries as a
35 supplementary source of information.

1 **Section 4. Grants and Loans** - Two (2) types of financing shall be established by this Act as
2 follows:

3 (a) Capacity Building Grants for Entities Teaching Entrepreneurship;

4 1. The Department shall award grants for a term of not more than four (4) years
5 each, on a competitive basis, to eligible entities in order to:

- 6 i. Develop subjects and competencies for primary, secondary and
7 alternative learning school students;
- 8 ii. Train primary, secondary and alternative learning school teachers all
9 over the country to teach subjects and competencies developed;
- 10 iii. Prepare methods, through their consultants, to evaluate the effect of
11 entrepreneurial education and improve the subject and competencies
12 design as necessary; and
- 13 iv. Develop the subjects and competencies for inclusion by the
14 Department in the required training and education for aspiring
15 primary, secondary and alternative learning school teachers.

16 2. The Commission and TESDA shall award grants for a term of not more than
17 four (4) years each, on a competitive basis, to eligible entities in order to:

- 18 i. Develop subjects and competencies for post-secondary school
19 students;
- 20 ii. Train post-secondary school teachers all over the country to teach
21 subjects and competencies developed;
- 22 iii. Prepare methods, through its consultants, to evaluate the effect of
23 entrepreneurial education and improve the subjects and
24 competencies as necessary; and
- 25 iv. Develop the subjects and competencies for inclusion by the
26 Commission and TESDA in the required education for aspiring post-
27 secondary school teachers.

28 (b) Project Grants and Loans for Young Entrepreneurs-

29 1. The Department, Commission and TESDA shall provide assistance, in forms of
30 grants and loans, for deserving young entrepreneurs who are pursuing a
31 project/study that tackles entrepreneurship. This financing may be provided
32 directly or through a link up with a fund-giving agency. Standards in choosing
33 a project/study that would qualify for financial support and the mode of
34 disbursement of the fund would be included in the implementing rules and
35 regulations;

- 1 2. The Department, Commission and TESDA, in cooperation with learning
2 organizations, non-government organizations, local government units, and
3 other concerned groups, shall also provide an avenue for banks, foundations,
4 private corporations and individuals, foreign or local, who are interested in
5 funding or providing support to post-secondary school students or graduates
6 for the incubation of an enterprise project;
- 7 3. The Department of Trade and Industry (DTI) and the Council shall be
8 responsible for integrating youth entrepreneurship promotion into the
9 national policies and programs in support of micro, small and medium
10 enterprise development. Programs shall include finance and information
11 services, and training and marketing support for young entrepreneurs;
- 12 4. All government agencies and government financial institutions shall allocate
13 twenty five percent (25 %) of all its existing or prospective MSME programs
14 for young entrepreneurs; and
- 15 5. There shall be established a Youth Entrepreneurship Guarantee and Surety
16 Fund (YEGSF) to provide guarantee cover to participating financial
17 institutions and other parties in extending financing to young entrepreneurs.

18 **Section 5. Available Assistance, Training and Support. –**

- 19 (a) The Department, Commission and TESDA, in cooperation with learning
20 organizations, non-government organizations, local government units, and other
21 concerned groups, shall provide information on available government and non-
22 government assistance and training programs which may be availed by students for
23 further training and possible entrepreneurial and financial ventures. This may be
24 done through their website, agency announcements and other forms of
25 communication;
- 26 (b) The Department, Commission and TESDA, in cooperation with learning
27 organizations, non-government organizations, local government units, and other
28 concerned groups, shall develop mentoring and coaching programs for young
29 entrepreneurs in coordination with eligible entities to facilitate sharing of technical
30 knowledge and skills/technology transfer;
- 31 (c) The Department, Commission and TESDA, in cooperation with learning
32 organizations, non-government organizations, local government units, and other
33 concerned groups, shall set up enterprise incubation laboratories and creative
34 spaces in schools and communities in coordination with eligible entities to encourage
35 enterprise creation and development; and

1 (d) The Land Bank of the Philippines shall take the lead in developing programs for
2 agriculture-related entrepreneurship activities in coordination with the Department,
3 the Commission, TESDA, learning organizations, non-government organizations,
4 local government units, and other concerned groups.

5
6 **Section 6. Report.** - The Department, Commission and TESDA, in cooperation with learning
7 organizations, non-government organizations, local government units, and other concerned
8 groups, shall provide the appropriate committees in the Senate and House of Representatives
9 with an annual implementation status report and an overall assessment of the subjects,
10 competencies, teaching methods and mentoring programs.

11 **Section 7. National Program to Promote Youth Entrepreneurship Development –**

12 (a) The Council shall include in its MSMED Plan the development of a program and
13 strategy for promoting youth entrepreneurship;

14 (b) The Council shall be responsible for facilitating national programs to encourage
15 youth entrepreneurship as part of a broader strategy to promote the viability and
16 growth of enterprises in the country;

17 (c) The composition of the Council shall include a youth representative, deputized by
18 the National Youth Commission, with the following duties:

19 a. Represent the youth sector and their concerns regarding entrepreneurship;

20 b. Coordinate with the Department of Education, the Commission for Higher
21 Education, TESDA, learning organizations and other eligible entities and
22 concerned groups on the education, mentoring and support programs
23 provided by this Act; and

24 c. Identify possible funding mechanisms to support young entrepreneurs in the
25 incubation and start-up of enterprise projects.

26
27 **Section 8. Appropriations.** - The amount necessary for the implementation of this Act shall be
28 charged to the budget allocated to the Department of Education, The Commission on Higher
29 Education, the Technical Education and Skills Development Authority, and Department of Trade
30 and Industry from the General Appropriations Act.

31
32 **Section 9. Implementing Rules and Regulations** - The Department of Education, Commission on
33 Higher Education, Technical Education and Skills Development Authority, and Department of

1 Trade and Industry shall promulgate- rules and regulations-necessary for the proper
2 implementation thereof within sixty (60) days from the effectivity of this Act.

3

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

6

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

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

Approved,