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

A RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE LIVELIHOOD AND ENTERPRISE DEVELOPMENT PROGRAMS OF GOVERNMENT AGENCIES FOR THE PURPOSE OF ENABLING CLOSER COORDINATION AND CONVERGENCE TOWARDS MORE EFFICIENT SERVICE AND SUPPORT FOR PHILIPPINE ENTERPRISES

WHEREAS, under the 1987 Philippine Constitution, the Philippine government is mandated to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that support the provision of adequate social services, the promotion of full employment, a rising standard of living, and an improved quality of life for all;

WHEREAS, the Constitution further recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments;

WHEREAS, Micro, Small and Medium Enterprises (MSMES) constitute 99.6% of all businesses in the country, employing 4,930,851 people or 64.9% of total employment in the country as of 2012.¹ If given the needed support, this sector is considered a key engine for generating jobs and livelihood particularly in the rural areas, where the largest number of poor are situated. Because of this, massive, broad-based enterprise development has been recognized as a core strategy for reducing poverty and achieving more inclusive growth in the country;

WHEREAS, with the Magna Carta for MSMEs, the BMBE Act of 2002, and the Go Negosyo Act, there is a clear legal mandate and framework for enterprise development and the promotion of sustainable livelihood and entrepreneurship in the Philippines. The three laws clearly define the crucial role of government in providing support to MSMEs particularly by facilitating ease of doing business and providing access to inclusive financing, capacity building, and marketing assistance. These laws recognize the role of national government agencies and local government units in enabling strategic funds, programs and projects to create livelihoods and promote businesses. It also recognizes the role of government financial institutions in providing responsive financing programs and credit enhancements;

WHEREAS, the Magna Carta for MSMEs calls for cooperation among government agencies and the coordination of government efforts towards the fulfillment of shared objectives in support of the MSME sector. Under the law, all appropriate offices particularly those under the Departments of Trade and Industry, Finance, Budget and Management, Agriculture, Agrarian Reform, Environment and Natural Resources, Labor and Employment, Transportation and Communications, Public Works and Highways, Science and Technology, Interior and Local Government and Tourism as well as the National Economic and Development Authority, Philippine Information Agency and the

¹ <http://www.adb.org/publications/asia-sme-finance-monitor-2014>

Bangko Sentral ng Pilipinas, through their national, regional and provincial offices shall, to the best of their efforts and in coordination with local government units, provide the necessary support and assistance to MSMEs;

WHEREAS, the General Appropriations Act (GAA) for 2016 provides for the implementation of programs and projects of various agencies to improve livelihoods, enhance entrepreneurial capabilities, facilitate inclusive value chains, and generate employment. Budgeted programs include the Negosyo Centers, Shared Service Facilities and SME trainings under the Department of Trade and Industry; the Sustainable Livelihood Program under the Department of Social Welfare and Development; productivity improvement and technology upgrading programs under the Department of Science and Technology; and support projects for farmer-entrepreneurs under the Department of Agriculture; among others; among others;

WHEREAS, deliberate coordination and convergence of efforts and strategies among concerned government agencies and institutions, as envisioned by the Magna Carta for MSMEs, will be key to ensuring the efficient and effective use of public resources and the greatest impact of government programs on target communities. The different government agencies, together with local government units, the private sector and development partners, must identify, plan and work towards common objectives and shared target outcomes to ensure that government interventions are able to uplift the country's enterprise sector;

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved to direct the appropriate Senate Committees to conduct an inquiry, in aid of legislation, on the livelihood and enterprise development programs of government agencies for the purpose of enabling closer coordination and convergence towards more efficient service and support for Philippine enterprises.

Adopted,

A handwritten signature in black ink, appearing to read "Bam Aquino". The signature is written in a cursive, flowing style.