

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



23 MAY 23 A9:57

SENATE

S. No. 2229

RECEIVED BY: _____

Introduced by **SENATOR CYNTHIA A. VILLAR**

**AN ACT
ESTABLISHING THE PHILIPPINE ENTREPRENEURS ACADEMY AND
APPROPRIATING FUNDS THEREFOR**

EXPLANATORY NOTE

Section 1, Article XII of the 1987 Philippine Constitution expresses the objectives of our national economy: an equitable distribution of opportunities, income, and wealth; a sustained increase in the production of goods and services to benefit the populace; and the expansion of productivity as a fundamental approach to enhancing the quality of life for all, with a particular focus on the underprivileged.

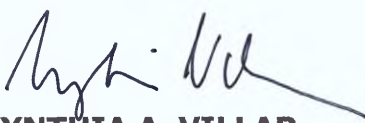
The Philippine economy is thriving and has huge potentials for growth, especially in bolstering entrepreneurship and job creation. The Micro, Small, and Medium Enterprises (MSMEs) sector, serves as the cornerstone of the Philippine economy, playing a crucial role in employment generation. As reported by the Philippine Statistics Authority (PSA) in 2020, out of the total 957,620 business enterprises operating in the country, a staggering 952,969 (99.51 percent) are MSMEs. The statistics further indicate that micro enterprises constitute 88.77 percent, small enterprises account for 10.25 percent, and medium enterprises make up 0.49 percent of total establishments. The pandemic has triggered a significant rise in home-based businesses, resellers, and both first-time and serial entrepreneurs. Despite these figures, the nation has yet to maximize the MSMEs' potential fully for national productivity growth and job creation.

This bill advocates for the establishment of the Philippine Entrepreneurs Academy, envisioned to offer undergraduate and graduate degree programs designed to refine and strengthen the core competencies of budding Filipino entrepreneurs.

Establishing the Philippine Entrepreneurs Academy represents an instrumental step toward cultivating a robust entrepreneurial ecosystem in our country. By arming aspiring entrepreneurs with essential skills, knowledge, and resources, we can embolden them to drive economic growth, create employment opportunities, and contribute significantly to national development.

The proposed Philippine Entrepreneurs Academy harbors the potential to catalyze a paradigm shift among young individuals, inspiring them to explore self-employment as a viable alternative to traditional employment. It can also stimulate the inception of impactful businesses, from high-value enterprises to MSMEs, thereby strengthening the nation's economic fabric.

In view of the foregoing, I recommend the approval of this bill.


CYNTHIA A. VILLAR

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



23 MAY 23 A9:57

SENATE

S. No. 2229

RECEIVED BY

Introduced by **SENATOR CYNTHIA A. VILLAR**

AN ACT
ESTABLISHING THE PHILIPPINE ENTREPRENEURS ACADEMY AND
APPROPRIATING FUNDS THEREFOR

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 “Philippine
2 Entrepreneurs Academy Act.”

3 Sec. 2. *Establishment.* - There is hereby established a learning institution,
4 under the supervision of the Commission on Higher Education (CHED), to be known
5 as the “Philippine Entrepreneurs Academy”, hereinafter referred to as the Academy.

6 Sec. 3. *General Mandate.* – The Academy shall provide undergraduate and
7 graduate degree programs, short-term technical-vocational nondegree courses and
8 modular trainings that will enhance the core competencies of individuals on
9 entrepreneurship. It shall cater to technical-vocational, college and graduate
10 students. It shall promote the relevance of entrepreneurship to job generation and
11 its significant role to the sustainable economic growth of the country.

12 The Academy shall formalize and integrate, under a school system, the
13 nonformal entrepreneurship programs and short-term technical-vocational courses of
14 the Technical Education and Skills Development Authority (TESDA), Department of
15 Trade and Industry (DTI), Department of Science and Technology (DOST), and
16 other government agencies. It shall administer education and consultancy, and

1 supervise publication on entrepreneurship. It shall also conduct scientific and policy-
2 oriented research and training.

3 The Academy shall comply with the requirements and standards of the CHED
4 and the provisions of Republic Act No. 8292, otherwise known as the "Higher
5 Education Modernization Act of 1997", and other pertinent laws on higher education.

6 *Sec. 4. Curricular Offerings.* – The Academy shall offer undergraduate and
7 graduate degree programs and short-term diploma or certificate courses on
8 entrepreneurship, including entrepreneurship development in the fields of
9 agriculture, trade, technology, and the manufacturing sector. The curriculum and
10 modules of the programs shall be designed and developed following the
11 competency-based curriculum model and in accordance with the mandate of this
12 Act.

13 *Sec. 5. School Site.* – The Academy shall initially establish its main campus in
14 Metro Manila. As the need arises, the Academy is authorized to establish additional
15 campuses in other strategic locations nationwide to broaden its reach and
16 accessibility.

17 *Sec. 6. Governing Board.* – The governing board of the Academy shall be the
18 Board of Trustees, hereinafter referred to as the Board, which shall be chaired and
19 co-chaired by the Chairperson of the CHED, and the President of the Academy,
20 respectively, with the following as members:

21 (a) Chairperson of the Committee on Higher, Technical, and Vocational
22 Education of the Senate;

23 (b) Chairperson of the Committee on Higher and Technical Education of the
24 House of Representatives;

25 (c) Director General of TESDA;

26 (d) Director General of the National Economic and Development Authority
27 (NEDA);

28 (e) Secretary of the DOST;

- 1 (f) Secretary of the DTI;
- 2 (g) President of the federation of faculty associations of the Academy;
- 3 (h) President of the federation of student councils of the Academy;
- 4 (i) President of the federation of alumni associations of the Academy; and
- 5 (j) Two (2) prominent citizens from the private sector who have distinguished
- 6 themselves in their professions or fields of specialization.

7 The members of the Board shall not receive any compensation or
8 remuneration for their services as such, but may be reimbursed for actual and
9 necessary expenses incurred in discharging the business of the Academy.

10 *Sec. 7. Powers and Duties of the Board.* – The Board shall be the highest
11 policymaking body of the Academy. In addition to its general powers of
12 administration and the exercise of all the powers granted to the Board of a
13 corporation under existing laws, the Board shall have the following specific powers
14 and duties:

- 15 a) Promulgate and implement policies in accordance with the declared State
16 policies and pertinent provisions of the Philippine Constitution on
17 education, as well as policies, standards and thrusts of the CHED under
18 Republic Act No. 7722, otherwise known as the “Higher Education Act of
19 1994”;
- 20 b) Adopt rules and regulations not contrary to law, as may be necessary to
21 carry out the purposes and functions of the Academy, and to effectively
22 discharge its responsibilities;
- 23 c) Receive assistance from any legitimate source to augment the internal
24 sources of funds, as may be provided, for the support of the Academy in
25 the manner it may determine, in its discretion, to carry out the purposes
26 and functions of the Academy;
- 27 d) Constitute the Board, as herein defined;

- 1 e) Appoint the President, and as many Vice-Presidents as may be necessary
2 to assist the President in the administration of the affairs of the Academy;
- 3 f) Review periodically the administrative procedures and programs of the
4 Academy;
- 5 g) Receive, in kind and in trust, legacies, gifts and donations of real and
6 personal properties of all kinds, and to administer and dispose the same
7 when necessary for the benefit of the Academy, subject to limitations,
8 discretions and instructions of the donors, if any;
- 9 h) Fix the tuition fees and other school charges such as matriculation fees,
10 graduation fees, laboratory fees, and other miscellaneous fees as the
11 Board may deem proper to impose after due consultations with the
12 involved sectors: *Provided*, That these fees shall not be prohibitive or
13 unreasonable as to deviate from the purpose for which the Academy was
14 created based on the guidelines of the CHED;

15 Such fees and charges, including government subsidies and other incomes
16 generated by the Academy, shall constitute its regular fund and shall be deposited in
17 any authorized government depository bank, and all interests that shall accrue
18 therefrom shall form part of the same fund for the use of the Academy.

19 Any provision of existing law, rule and regulation to the contrary
20 notwithstanding, any income generated by the Academy from tuition fees and other
21 charges, as well as from the operation of auxiliary services and land grants, shall be
22 retained by the Academy, and may be disbursed by the Board for instruction,
23 research, extension services, or other programs and projects of the Academy:
24 *Provided*, That all fiduciary fees shall be disbursed for the specific purposes for
25 which they were collected.

26 If for reason beyond its control, the Academy shall not be able to pursue any
27 project for which funds have been appropriated and allocated under its approved
28 program of expenditures, the Board may authorize the use of said funds for any

1 reasonable purpose which, in its discretion, may be necessary and urgent for the
2 attainment of the objectives and goals of the Academy;

3 i) Adopt and implement a socialized tuition scheme for greater access of
4 poor, but deserving students in accordance with Republic Act No.10931 or
5 the "Universal Access to Quality Tertiary Education Act";

6 j) Authorize the construction or repair of its buildings, machineries,
7 equipment, and other facilities, as well as the purchase and acquisition of
8 real and personal properties, including the necessary supplies, materials,
9 and equipment;

10 k) Appoint, upon the recommendation of the President of the Academy, the
11 deans, executive directors, heads of departments, faculty members, and
12 other officials and employees;

13 l) Prescribe the salaries of faculty members and administrative officials and
14 employees, subject to the provisions of Republic Act No. 11466, otherwise
15 known as the "Salary Standardization Law of 2019", and by such other
16 laws amendatory thereto, which may hereinafter be enacted, and civil
17 service rules and regulations governing hours of service and related
18 concerns, and other pertinent laws;

19 m) Formulate and implement the curricula and institutional programs of the
20 Academy: *Provided*, That they comply with the minimum CHED
21 requirements and guidelines;

22 n) Formulate and promulgate the rules of discipline for the students of the
23 Academy to ensure orderly and effective governance thereof;

24 o) Set policies on admission and graduation of students: *Provided*, That they
25 conform with CHED guidelines;

26 p) Award honorary degrees upon persons in recognition of outstanding
27 contribution in the field of education, public service, arts, science and
28 technology, or any field of specialization within the academic competence

- 1 of the Academy and to authorize the issuance of certificates of completion
2 of non-baccalaureate programs and nontraditional or innovative courses:
3 *Provided*, That these conform with the applicable guidelines of the CHED
4 and TESDA;
- 5 q) Establish research and extension centers of the Academy where such will
6 promote the development of the latter;
- 7 r) Establish professorial chairs in the Academy and provide fellowships for
8 qualified faculty members and scholarships to deserving students;
- 9 s) Enter into any agreements or joint ventures with business and industry for
10 the profitable management of the economic and manpower assets of the
11 Academy, the proceeds from which shall be used for the upgrading of
12 facilities and its development;
- 13 t) Authorize an external management audit of the Academy, to be financed
14 by the CHED, subject to the rules and regulations of the Commission on
15 Audit, and institute reforms, including academic and structural changes,
16 on the basis of the audit results and recommendations;
- 17 u) Import economic, technical, and cultural books and publications;
- 18 v) Develop consortia, academe-industry linkages and other forms of networks
19 with other institutions and agencies, both public and private, local and
20 foreign: *Provided*, That these comply with the applicable guidelines of the
21 CHED in furtherance of the purposes and objectives of the institution as
22 well as develop academic arrangements for institution capacity and
23 capability building with appropriate institutions and agencies, public and
24 private;
- 25 w) Appoint experts and specialists as consultants, or visiting or exchange
26 professors, scholars, researchers, as the case may be: *Provided*, That the
27 appointment shall conform with CHED guidelines;

- 1 x) Set up the adoption of modern and innovative modes of transmitting
2 knowledge, such as the use of information technology, the dual training
3 system, open distance learning, and community laboratory for the
4 promotion of greater access to education;
- 5 y) Outsource, where most advantageous to the institution, the management
6 of non-academic services such as health, food, building, or grounds or
7 property maintenance and similar objectives;
- 8 z) Delegate any of its powers and duties to the President or the other
9 officials of the Academy, as it may deem appropriate, so as to expedite
10 the administration of the affairs of the Academy;
- 11 aa) Extend the term of the President of the Academy beyond the age of
12 retirement, when deemed meritorious due to outstanding performance,
13 but not beyond the age of seventy (70) years old; and
- 14 bb) Promulgate rules and regulations, as may be necessary, to carry out the
15 purposes and functions of the Academy.

16 *Sec. 8. President of the Academy.* – The Academy shall be headed by a
17 President, who shall render full-time service and shall be appointed by the Board
18 upon the recommendation of a duly constituted Search Committee. The President
19 shall also be the chief executive officer of the Academy.

20 The President shall have a term of four (4) years and shall be eligible for
21 reappointment to another term. Within six (6) months before the expiration of the
22 term of office of the incumbent President of the Academy, the Board shall constitute
23 the Search Committee for the Presidency.

24 The President shall receive such compensation and remuneration in
25 accordance with Republic Act No. 11466 or the "Salary Standardization Law of
26 2019", and by such other laws amendatory thereto, which may hereinafter be
27 enacted, and shall be comparable to that being received by the Presidents of similar
28 educational institutions.

1 The President shall exercise the following powers and duties:

- 2 a) Submit, for the consideration of the Board and the Executive Committee,
3 the policies and measures which are necessary to carry out the purposes
4 of the Academy;
- 5 b) Recommend, coordinate, and administer the programs and projects of the
6 Academy;
- 7 c) Direct and supervise the operations and internal administration of the
8 Academy, and delegate administrative responsibilities in accordance with
9 the rules and regulations of the Academy;
- 10 d) Submit an annual report to the Board setting forth the accomplishments of
11 the Academy during the year, its financial operations and status, and a
12 program and budget for the ensuing year; and
- 13 e) Exercise other powers and discharge other functions, as may be vested by
14 the Board and the Executive Committee.

15 The Board shall designate an Officer-In-Charge (OIC) of the Academy in case
16 of vacancy in the Office of the President by reason of death, compulsory retirement,
17 resignation, removal for cause or incapacity of the President to perform the
18 functions of the office, pending the appointment of a new President: *Provided*, That
19 the OIC shall serve only during the unexpired portion of the term.

20 The powers and duties of the President of the Academy, in addition to those
21 provided in this Act, shall be those usually pertaining to the Office of the President of
22 similar educational institutions, and those delegated by the Board.

23 *Sec. 9. Executive Committee.* – There shall be an Executive Committee
24 consisting of the President of the Academy and four (4) other members to be
25 elected by the Board from its members. Each Members of the Executive Committee,
26 other than the President of the Academy, shall hold office for a term of two (2)
27 years, and shall be eligible for re-election, unless at the time of election, a shorter

1 term is specified. The Board shall elect the Chairperson of the Executive Committee
2 from the membership of the Board.

3 *Sec. 10. Functions of the Executive Committee.* – The Executive Committee
4 shall administer the affairs of the Academy in accordance with such functions,
5 powers and responsibilities as may be delegated by the Board.

6 *Sec. 11. Government Support and Coordination.* – The CHED Chairperson is
7 hereby authorized to call upon any department, bureau, agency or instrumentality of
8 the government for such assistance as may be necessary for the effective
9 implementation of this Act.

10 *Sec. 12. Tax Exemption.* – The importation of economic, technical and cultural
11 books and publications, which are for the economic, technical, vocational, scientific,
12 philosophical, historical or cultural purposes of the Academy, upon certification by
13 the CHED, shall be exempt from customs duties in accordance with the provisions of
14 Republic Act No. 10863, otherwise known as the “Customs Modernization and Tariff
15 Act”.

16 All grants, bequests, endowments, donations and contributions made to the
17 Academy, to be used actually, directly and exclusively by it, shall be exempt from
18 donor’s tax and the same shall be considered as allowable deduction from the gross
19 income in the computation of the income tax of the donor, in accordance with the
20 provisions of the National Internal Revenue Code of 1997, as amended.

21 *Sec. 13. Appropriations.* – The amount necessary to carry out the provisions
22 of this Act shall be included in the annual General Appropriations Act.

23 *Sec. 14. Implementing Rules and Regulations.* – Within ninety (90) days from
24 the effectivity of this Act, the CHED shall, in coordination with the TESDA and the
25 DTI, formulate the necessary rules and regulations to fully implement the provisions
26 of this Act.

1 SEC. 15. *Separability Clause* – If, for any reason, any part or provision of this
2 Act is declared invalid or unconstitutional, the remaining parts or provisions not
3 affected shall remain in full force and effect.

4 Sec. 16. *Repealing Clause* – All laws, presidential decrees, executive orders,
5 proclamations or administrative regulations that are inconsistent with the provisions
6 of this Act are repealed, amended, or modified accordingly.

7 Sec. 17. *Effectivity* – This Act shall take effect fifteen (15) days after its
8 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,