



HOUSE OF REPRESENTATIVES

H. No. 4123

BY REPRESENTATIVES YAP (S.), SALVACION, PAQUIZ, SY-ALVARADO,
PADILLA, PIAMONTE, ALEJANO, DELA CRUZ AND GATCHALIAN (W.),
PER COMMITTEE REPORT NO. 147

AN ACT PROMOTING THE DEVELOPMENT OF ENTREPRENEURSHIP
SKILLS AMONG GOVERNMENT EMPLOYEES TO INSPIRE
INNOVATIVENESS AND TO ENSURE THEIR PRODUCTIVITY
EVEN BEYOND GOVERNMENT SERVICE

*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 “Government
2 Employees’ Entrepreneurship Development Act”.

3 SEC. 2. *Declaration of Policy.* – It shall be the policy of the State to
4 enhance the human and intellectual capital of the government and to ensure a
5 healthy and productive life for government employees after they shall have
6 been retired from public service. The State shall afford post-service assistance
7 to allow retirees to further discover, evaluate and exploit ideas and
8 opportunities which may be translated into business ventures.

9 SEC. 3. *Objectives.* – This Act aims to:

10 (a) Ensure the continuous flow of innovative and development-oriented
11 government programs and projects for entrepreneurial development; and

1 (b) Ensure the creative utilization of highly competitive and resourceful
2 government employees whether in service or post-service.

3 SEC. 4. *Establishment of Entrepreneurial Training Programs.* – All
4 government offices and agencies shall prepare a post-service Government
5 Service Entrepreneurship Development Program (GSEDP) for their employees
6 based on guidelines prescribed by the Civil Service Commission (CSC). The
7 GSEDP shall be designed in such a manner as to help employees learn what
8 they need to know to develop ideas and actualize them into successful
9 businesses and how to increase entrepreneurial opportunities in their respective
10 municipalities, provinces and regions. The GSEDP shall introduce employees
11 to technology transfer systems, entrepreneurial educational programs and
12 entrepreneurial networks.

13 SEC. 5. *Establishment of Cooperatives and Savings and Loan*
14 *Associations.* – All government agencies shall promote and support the
15 establishment of cooperatives with the assistance of the Cooperative
16 Development Authority (CDA) and of savings and loan associations, by
17 recognizing, protecting and upholding the rights of employees to organize
18 cooperatives and savings and loan associations in their respective offices to
19 generate financial resources and develop employees' entrepreneurial skills.
20 Cooperatives and savings and loan associations shall be encouraged to retain
21 the membership of employees even after retirement from public service.
22 Government employees' cooperatives shall be given preferential rights to
23 operate revenue-generating activities in available government-owned sites and
24 facilities: *Provided,* That these activities shall not interfere with the
25 performance of the employees' regular duties and functions.

26 SEC. 6. *Networking with Government Financial Institutions.* – The
27 heads of all government agencies, including government-owned or -controlled
28 corporations concerned, shall coordinate with existing government financial

1 institutions (GFIs) to provide sources of financing for the entrepreneurial
 2 projects of its employees. Experts from the GFIs shall be called upon to
 3 conduct lectures, workshops and live case studies of successful entrepreneurs.
 4 Participants shall be taught to identify and evaluate opportunities for new
 5 ventures and to understand how the capital investment process works. All
 6 GFIs shall set aside funds for this purpose.

7 *SEC. 7. Creation of a Coordinating Council on Government*
 8 *Employees' Entrepreneurship Development Program.* – A Coordinating
 9 Council on Government Employees' Entrepreneurship Development Program,
 10 hereinafter referred to as the Council, is hereby created which shall be headed
 11 by the Chairperson of the CSC and composed of, but not limited to, the heads
 12 of office of the following:

- 13 (a) The Department of Trade and Industry (DTI);
- 14 (b) The Department of Budget and Management (DBM);
- 15 (c) The Commission on Audit (COA);
- 16 (d) The Government Service Insurance System (GSIS);
- 17 (e) The Cooperative Development Authority (CDA);
- 18 (f) The Technical Education and Skills Development Authority
- 19 (TESDA);
- 20 (g) The Technology and Livelihood Resource Center (TLRC);
- 21 (h) The Bureau of Small and Medium Enterprise Development; and
- 22 (i) Four (4) representatives from the public sector unions representing
- 23 the four (4) subsectors, namely:
 - 24 (1) The national government;
 - 25 (2) The local government units;
 - 26 (3) The government-owned or -controlled corporations; and
 - 27 (4) The state universities and colleges.

1 The Council shall be tasked to prepare a comprehensive plan to develop
2 entrepreneurial capabilities, managerial expertise, financial planning and
3 technical skills and fund sources, as well as to monitor the implementation of
4 the program.

5 SEC. 8. *Post-service Assistance.* – All government agencies shall
6 extend post-service assistance to their respective retirees and shall include this
7 as part of their human resources development plan. They shall develop a
8 post-service assistance program to backstop aspiring entrepreneurs in the
9 development and implementation of their ideas. The program shall cover the
10 entire gamut of the venture creation process from idea generation to building
11 viable businesses, with emphasis on the nurturing roles of the GFIs, and
12 highlighting successful entrepreneurs as models.

13 SEC. 9. *Implementing Rules and Regulations.* – The CSC, in
14 coordination with the members of the Council, shall promulgate the rules and
15 regulations needed to implement the provisions of this Act within thirty (30)
16 days after its effectivity.

17 SEC. 10. *Separability Clause.* – If any section or provision of this Act
18 shall be declared invalid or unconstitutional, such shall not invalidate any other
19 section or provision of this Act.

20 SEC. 11. *Repealing Clause.* – All laws, presidential decrees, executive
21 orders and other executive issuances or parts thereof which are inconsistent
22 with this Act are hereby repealed or modified accordingly.

23 SEC. 12. *Effectivity.* – This Act shall take effect fifteen (15) days after
24 its publication in the *Official Gazette* or in any newspaper of general
25 circulation.

Approved,