TENATE OFFICE OF THE SECRETARY

FOURTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

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SENATE

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S. B. No. <u>609</u>

Introduced by Senator JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

Small and medium scale enterprises compose a large percentage of the operating businesses in our country today. However, when compared with large corporations, they are on the disadvantaged side because of the stiff competition capital, resources, products and other services.

This bill proposes the establishment of one-stop shops that will cater to the needs of small and medium enterprises from their registration up to their operations. The Business One-Stop Shop (BOSS) Centers will also provide supplementary services such as information and referrals needed for a firm, project monitoring research and policy studies and information dissemination campaigns.

In view of the importance of small and medium scale enterprises and of their contribution to our economy, the passage of this bill is recommended.

JINGGOV EJERCITO ESTRADA Senator

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AN ACT

ESTABLISHING ONE-STOP SHOP (BOSS) CENTERS FOR SMALL AND MEDIUM ENTERPRISES IN ALL REGIONAL AND PROVINCIAL CENTERS IN THE COUNTRY

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

SECTION 1. Title. - This Act shall be known and cited as the "Business One-Stop Shop (BOSS) center Act of 2007."

SEC. 2. Declaration of Policy. - The state recognizes the crucial role of small and medium enterprises in employment generation, wealth, creation, technological advancement and entrepreneurship development in the country, and the necessity to establish the institutional framework to make economic environment conducive to business by raising government effectiveness in the delivery of services to small and medium enterprises (SME's) through out the country as well as provide the necessary and strategic information and research assistance to expedite the process of business formation and courage the growth of entrepreneurship.

SEC. 3. Creation of Business One - Stop Shop (BOSS) Center for Small and Medium Enterprises. - In accordance with the foregoing policy, there shall be established under the supervision of the Small and Medium Enterprises Development (SMED) Council, Business One Stop Shop (BOSS) Centers, in all regional and provincial centers of the country.

The BOSS Center may also be organized as a corporation, partnership, or non-stock, non-profit corporation under applicable laws and regulations.

SEC. 4. Governing Principles. - BOSS Centers shall be organized, established and operated as a self-sustaining entity, and allowed to charge reasonable fees for the services, with institutional autonomy and full government support at the local and national level, subject to pertinent provisions of applicable law and regulation.

SEC. 5. Additional functions of the SMED Council. – Aside from its mandated functions, the SMED Council shall have the following additional functions:

1) Act as the coordinating body for the participating agencies in the BOSS Center;

2) The SMED Council shall formulate criteria for selection and prioritization of the establishment of each BOSS center, taking into consideration existing businesses and similar centers in the area;

3) Prepare quarterly status reports of major issues that shall be made available to all interested parties;

4) Promulgate such rules and regulations necessary for the effective implementation of this Act;

5) Prepare feasibility studies of existing as well as possible industries in the Philippines that can help entrepreneurs decide on what business to venture into;

6) Monitor and collate economic, technical and industry research output of all government agencies that has reference to business enterprise, as well as to investors in the country, and

7) Generally, exercise all powers and functions necessary to achieve the objectives and purposes of this Act.

SEC. 6. Functions of the BOSS Centers. - Each BOSS Center shall function as a one-stop-shop center offering the following services:

1) Accept and act on all registration applications of SMEs;

2) Provide entrepreneur and aspiring entrepreneurs with all the necessary government agencies for registration up to the last requirement needed in setting up a business, thereby facilitating the processing of all documentary requirements for the establishment of a business enterprises in the country;

3) Provide information and referral services it shall deem useful necessary, on essential to small and medium entrepreneurs and prospective entrepreneurs;

4) Establishing a databank which shall be a source of all information necessary for project monitoring, research and policy studies and information dissemination campaigns;

5) Act as coordinating center for activities and programs for SME;

6) Provide local and international networks and linkages for SME development;

7) Supply information and services in training, financing, marketing and technology transfer to SMEs, and

8) Conduct other programs or projects for entrepreneurial development in the country.

SEC. 7. Composition of the BOSS Center. - The following government agencies are mandated to detail representatives of appropriate rank and sufficient authority and capacity to give information assistance as well as having discretion to act on pertinent applications at each BOSS Center

1) Local Government Unit in areas concerned;

- 2) Department of Trade and Industry (DTI);
- 3) Securities and Exchange Commission (SEC);
- 4) Bureau of Internal Revenue (BIR);
- 5) Department of Labor and Employment (DOLE);
- 6) Social Security System (SSS);
- 7) Cooperative Development Authority (CDA)

When necessary, the SMED Council may require the detail of appropriate personnel of other government agencies which may support the purposes and objectives of this Act. Government personnel assigned or detailed at each BOSS center shall receive reasonable honoraria, subject to existing laws and regulations.

SEC. 8. BOSS Secretariat. – A Secretariat shall be organized by the corporate entity organized to manage each BOSS center. The Secretariat shall have the following duties and functions:

- 1) Facilitate and administer the day-to-day operations of the BOSS center;
- 2) Act as information officers on mattes relevant to the interest of SMEs;
- 3) Act as coordinator for activities of the BOSS center;
- 4) Render a yearly report and accounting of funds to the SMED Council; and
- 5) Perform other duties and functions assigned to it by SMED Council.

SEC. 9. Issuance of Implementing Rules and Regulations. - Within ninety (90) days from the approval of this Act, the SMED Council in consultations with the appropriate agencies shall promulgate the rules and regulations to implement the provision of this Act. Such rules and regulations shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

SEC. 10. Pilot Project. - To test the feasibility of its corporate, structure, institutional linkages and arrangements as well as funding needs and requirements, the SMED Council is authorized to initiate pilot BOSS Center projects in partnership with private sector groups, industries or associations or other government agencies or offices.

SEC. 11. Funding Sources. - BOSS Centers shall be qualified recipients of funding from the Department of Trade and Industry, the Cooperative Development Authority, from Congressional Initiatives Country Development Funds and other government fund through line agencies to undertake activities similar to those of the BOSS Centers.

SEC. 12. Separability Clause. - If any provision of this Act is declared invalid or unconstitutional; the remaining provision not affected thereby shall continue to be in full force and effect.

SEC. 13. Repealing Clause. - All laws, orders, rules and regulations. Or parts thereof, inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 14. Effectivity. - This Act shall take effect upon its approval.

Approved,