



DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES  
KAGAWARAN NG KAPALIGIRAN AT LIKAS NA YAMAN



**MEMORANDUM**

**FOR :**           **The Directors**  
Policy and Planning Service  
Legal Affairs Service  
Climate Change Service  
Foreign Assisted and Special Projects Service

**The Bureau Directors**  
Environmental Management Bureau  
Land Management Bureau  
Forest Management Bureau  
Biodiversity Management Bureau  
Ecosystems Research and Development Bureau

**The Officer-In-Charge**  
Mines and Geosciences Bureau

**All Regional Executive Directors**

**FROM :**       **The Director**  
Legislative Liaison Office

**SUBJECT :**     **REQUEST FOR COMMENTS ON HOUSE BILL 10476 OR "AN ACT PROMOTING AND ADVANCING SUSTAINABLE LIVELIHOOD AND ENTREPRENEURSHIP BY INTEGRATING, ENHANCING, AND INSTITUTIONALIZING FINANCING AND OTHER PROGRAMS FOR LIVELIHOOD SUPPORT FOR MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs), APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES" FROM THE COMMITTEE ON MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT OF THE HOUSE OF REPRESENTATIVES**

**DATE :**       **27 September 2024**

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In reference to the electronic mail received by our Office the Committee on Micro, Small and Medium Enterprises Development of the House of Representatives is seeking for the Department's comments/position on House Bill No. 10476 or:

MEMO NO. 2024 - 872

**"AN ACT PROMOTING AND ADVANCING SUSTAINABLE LIVELIHOOD AND ENTREPRENEURSHIP BY INTEGRATING, ENHANCING, AND INSTITUTIONALIZING FINANCING AND OTHER PROGRAMS FOR LIVELIHOOD SUPPORT FOR MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs), APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES"** by Representatives Ralph Wendel P. Tulfo, Jocelyn P. Tulfo, and Erwin T. Tulfo.

In this regard, may we respectfully request for **comments** on the abovementioned House bill, as requested by the Committee. Kindly send them on or before Wednesday, 02 October 2024, at 5 PM via email at [denrilo@denr.gov.ph](mailto:denrilo@denr.gov.ph).

Attached herewith are the Letter-Request, and the House bill for your reference.

  
**ROMIROSE B. PADIN**

cc: Undersecretary for Special Concerns and Legislative Affairs



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**COMMITTEE ON MICRO, SMALL & MEDIUM ENTERPRISE DEVELOPMENT**

CTSS 1, Committee Affairs Department, 3/F R. V. Mitra Bldg, House of Representatives, Constitution Hills, Quezon City  
Telephone No. +632 8951-1936; +632 8931-0789; or 8931-5001 local 7193; Email address: [committee.msmedevelopment@house.gov.ph](mailto:committee.msmedevelopment@house.gov.ph)

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September 24, 2024

**Secretary Maria Antonia Yulo Loyzaga**  
Department of Environment and Natural Resources  
DENR Building, Visayas Avenue  
Diliman, Quezon City  
[osec@denr.gov.ph](mailto:osec@denr.gov.ph)  
[ohesa@denr.gov.ph](mailto:ohesa@denr.gov.ph)

*Dear Secretary Loyzaga:*

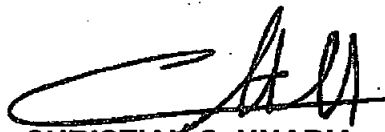
May we refer to you for comments the attached **House Bill No. 10476**, introduced by Reps. Ralph Wendel P. Tulfo, Jocelyn P. Tulfo and Erwin T. Tulfo, entitled: "An Act Promoting and Advancing Sustainable Livelihood and Entrepreneurship by Integrating, Enhancing, and Institutionalizing Financing and Other Programs for Livelihood Support for Micro, Small, and Medium Enterprises (MSMEs), Appropriating Funds Therefor, and for Other Purposes".

We will appreciate receiving your views and comments thereon within five (5) working days from receipt hereof. Please submit the same to the Committee Secretariat, Committee on Micro, Small and Medium Enterprise Development, through email at [committee.msmedevelopment@house.gov.ph](mailto:committee.msmedevelopment@house.gov.ph).

Should you have inquiries on the matter, please call the Committee Secretary Sarip Ellen A. Ampatuan-Cancio at mobile number 0917-6204077, Ray Jimeno at 0920-6911417 or Christine Maglalang at 0917-5404833.

Thank you very much.

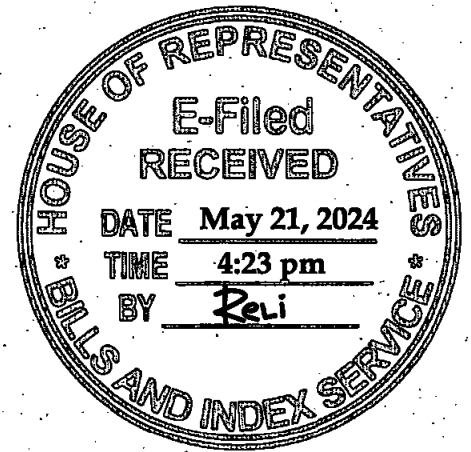
Very truly yours,

  
**CHRISTIAN S. UNABIA**  
Chairperson

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City, Metro Manila

NINETEENTH CONGRESS  
Second Regular Session

House Bill No. 10476



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INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO,  
JOCELYN P. TULFO, AND ERWIN T. TULFO

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**AN ACT PROMOTING AND ADVANCING SUSTAINABLE LIVELIHOOD  
AND ENTREPRENEURSHIP BY INTEGRATING, ENHANCING, AND  
INSTITUTIONALIZING FINANCING AND OTHER PROGRAMS FOR  
LIVELIHOOD SUPPORT FOR MICRO, SMALL, AND MEDIUM ENTERPRISES  
(MSMEs), APPROPRIATING FUNDS THEREFOR, AND FOR OTHER  
PURPOSES**

**EXPLANATORY NOTE**

Micro, Small and Medium Enterprises (MSMEs) play important roles to economic and social development and are fundamental towards achieving long-run and sustainable economic growth.<sup>1</sup>

According to the 2022 List of Establishments (LE) of the Philippine Statistics Authority (PSA), out of 1,109,684 business enterprises operating in the country, 99.59% or a total of 1,105,143 were MSMEs. There were 1,004,195 micro enterprises, 96,464 small enterprises, and 4,484 medium enterprises in the Philippines that year.<sup>2</sup>

The top industry sectors in MSMEs include: (1) wholesale and retail trade, and repair of motor vehicles and motorcycles; (2) accommodation and food service activities; (3) manufacturing; (4) personal services for wellness, and other service activities; and (5) financial and insurance activities. Collectively, these MSMEs have generated a total of 5,607,748 jobs or 65.10% of the country's total employment.<sup>3</sup>

Section 2 of Republic Act No. 6977, as amended by Republic Act No. 9501 otherwise known as the "Magna Carta for Micro, Small and Medium Enterprises

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<sup>1</sup> "Development of Micro, Small, and Medium Enterprises in ASEAN (MSME)", *Association of Southeast Asian Nations*, Accessed 6 May 2024, <https://asean.org/our-communities/economic-community/resilient-and-inclusive-asean/development-of-micro-small-and-medium-enterprises-in-asean-msme/>.


<sup>2</sup> "2022 Philippine MSME Statistics", *Department of Trade and Industry*, Accessed 6 May 2024, <https://www.dti.gov.ph/resources/msme-statistics/>.


<sup>3</sup> *Ibid.*


(MSMEs)", declares that it is the policy of the State to promote, support, strengthen and encourage the growth and development of small and medium enterprises in all productive sectors of the economy. Likewise, the said law provides that the State shall undertake to spur the growth and development of small and medium enterprises throughout the country and attain countryside industrialization by complementing and supplementing financing programs for MSMEs and doing away with stringent and burdensome collateral requirements that small entrepreneurs invariably find extreme difficulty complying with.

This proposed legislative measure seeks to promote and advance sustainable livelihood and entrepreneurship by integrating, enhancing, and institutionalizing financing and other programs for livelihood support for MSMEs. There is hereby established a "Pangkabuhayan Council", to be appropriated with a "Pangkabuhayan Fund", to develop the country's sustainable livelihood and entrepreneurship goals, priorities, and long-term national strategy. In addition, a "Sustainable Livelihood and Entrepreneurial Development Center" in every rural municipality in the country shall also be established, whose priority shall be the most economically depressed areas with the highest percentage of disadvantaged and needy citizens. Furthermore, there shall be a mandatory allocation from public and private lending institutions for MSME credit or livelihood support programs.

In view of the foregoing, the urgent passing of this bill is earnestly sought.

  
**RALPH WENDEL P. TULFO**  
*Representative*  
*2<sup>nd</sup> District of Quezon City*

  
**JOCELYN P. TULFO**  
*Representative*  
*ACT-CIS Partylist*

  
**ERWIN T. TULFO**  
*Representative*  
*ACT-CIS Partylist*

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

**NINETEENTH CONGRESS**  
*Second Regular Session*

House Bill No. 10476

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**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO,  
JOCELYN P. TULFO, AND ERWIN T. TULFO**

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1     **AN ACT PROMOTING AND ADVANCING SUSTAINABLE LIVELIHOOD**  
2     **AND ENTREPRENEURSHIP BY INTEGRATING, ENHANCING, AND**  
3     **INSTITUTIONALIZING FINANCING AND OTHER PROGRAMS FOR**  
4     **LIVELIHOOD SUPPORT FOR MICRO, SMALL, AND MEDIUM ENTERPRISES**  
5     **(MSMEs), APPROPRIATING FUNDS THEREFOR, AND FOR OTHER**  
6     **PURPOSES**

7  
8     *Be it enacted by the Senate and the House of Representatives of the Philippines in Congress*  
9     *assembled:*

10  
11     **SECTION 1. *Short Title.*** – This Act shall be known as the “Pangkabuhayan Act of  
12     2024”.

13  
14     **SEC. 2. *Declaration of Policy.*** – It is hereby declared the policy of the State that the  
15     diffusion and more equitable distribution of opportunities, income, and wealth shall be  
16     the goals of the national economic development programs. Likewise, expanding  
17     productivity, coupled with a sustained increase in the number of goods and services  
18     produced for the direct benefit of the people is the key to empowerment, poverty  
19     reduction, and enhancement of the quality of life for all, especially the underprivileged.

20  
21     Consistent with the aforementioned policy, the State shall:

22  
23     (a) Promote, strengthen, and encourage sustainable livelihoods, entrepreneurship,  
24     and the growth and development of Micro, Small, and Medium Enterprises

1 (MSMEs) in all productive sectors of the economy, particularly rural, agri-based  
2 enterprises, research and development, invention, innovation, cultural and  
3 creative industries, and other careers that contribute to environmental and  
4 cultural preservation;

5 (b) Consolidate MSME laws, social laws, and livelihood and poverty alleviation  
6 programs to promote sustainable production, develop skills and capabilities,  
7 provide access to financial support and resource management, increase access to  
8 information, market access, and value chain development, and create  
9 opportunities for economic empowerment and increased incomes;

10 (c) Adopt livelihood, entrepreneurial, and/or MSME development and support that  
11 is holistic, comprehensive, integrated, people-centered, responsive, and  
12 participatory, in lessening the socioeconomic and environmental impacts of  
13 disasters including epidemics and climate change, and promoting the  
14 involvement and participation of all sectors and all stakeholders concerned, at all  
15 levels, especially the local community;

16 (d) Institutionalize the policies, structures, coordination mechanisms, and programs  
17 with continuing budget appropriation from national down to local levels towards  
18 building economic empowerment and improved incomes;

19 (e) Simplify and minimize procedural rules and documentary requirements in the  
20 act of registration, availing of financing, or accessing government services;

21 (f) Complement and supplement financing programs to remove stringent and  
22 burdensome collateral requirements;

23 (g) Engage the participation of the beneficiaries, especially the poor and vulnerable,  
24 in the design, development, and implementation of sustainable livelihood  
25 policies or programs;

26 (h) Engage the participation of civil society organizations (CSOs) and the private  
27 sector in the government's livelihood development and support for MSMEs  
28 programs towards complementation of resources and effective delivery of  
29 services to the citizenry; and

- 1 (i) Assure a balanced and sustainable development through the establishment of a  
2 feedback and evaluation mechanism that will monitor socio-economic  
3 contributions as well as bottlenecks and environmental effects.  
4

5 **SEC. 3. *Scope.*** – This Act provides for the development of policies and plans and the  
6 implementation of actions and measures pertaining to all aspects of sustainable  
7 livelihood development and support and the growth and development of MSMEs.  
8

9 **SEC. 4. *The Pangkabuhayan Council.*** – The Pangkabuhayan Council is hereby  
10 established to develop the country's sustainable livelihood and entrepreneurship goals,  
11 priorities, and long-term national strategy. The Council shall seek mainstream  
12 principles that are integrated, people-centered, participatory, responsive, and  
13 sustainable in the development, implementation, and assessment of sustainable  
14 livelihood and entrepreneurial programs and strategies.  
15

16 **SEC. 5. *Composition of the Pangkabuhayan Council.*** – The Council shall be  
17 composed of the following members:  
18

- 19 (a) President of the Philippines as the Chairperson;  
20 (b) Secretary of the Department of Trade and Industry (DTI) as the Vice-  
21 Chairperson;  
22 (c) Director-General of the National Economic and Development Authority  
23 (NEDA);  
24 (d) Secretary of the Department of Agriculture (DA);  
25 (e) Secretary of the Department of Environment and Natural Resources (DENR);  
26 (f) Secretary of the Department of Labor and Employment (DOLE);  
27 (g) Secretary of the Department of Tourism (DOT);  
28 (h) Secretary of the Department of Social Welfare and Development (DSWD);  
29 (i) Secretary of the Department of Science and Technology (DOST);  
30 (j) Chairperson of the Commission on Higher Education (CHED);  
31 (k) Secretary of the Department of Budget and Management (DBM);



- 1 (l) Secretary of the Department of Education (DepEd);  
2 (m) Secretary of the Department of Interior and Local Government (DILG);  
3 (n) Director-General of the Intellectual Property Office of the Philippines  
4 (IPOPIL); and  
5 (o) Seven (7) Executive Members to be appointed by the President.

6  
7 The Executive Members shall be appointed from the ranks of business,  
8 entrepreneurs, academe, and the scientific community, at least one (1) of whom shall be  
9 a woman. There shall be at least one (1) representative from the MSME sector. Those to  
10 be appointed from the academe and the scientific community shall have at least seven  
11 (7) years of experience in the field of science and technology, research and development,  
12 or innovation.

13  
14 The President may designate the Executive Secretary to attend on his behalf and  
15 preside over the meetings of the Pangkabuhayan Council. The Department Secretaries  
16 and other members may not designate alternate representatives other than their  
17 respective undersecretaries to the meetings.

18  
19 The majority of the members shall constitute a quorum.

20  
21 **SEC. 6. Powers and Functions.** - The Pangkabuhayan Council shall have the  
22 following powers and functions:

23  
24 1. The Council shall act as the coordinating and supervising body for all agencies  
25 involved in the establishment and operation of the following programs:

26 (a) DTI's Negosyo Center Program, which is responsible for promoting ease of  
27 doing business and facilitating access to services for MSMEs;

28 (b) DSWD's Sustainable Livelihood Program (SLP), which is a community-based  
29 program that provides income-generating activities to low-income  
30 households;

- 1 (c) DOLE's Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced  
2 Workers (TUPAD) or Cash-for-Work Program, a community-based package  
3 assistance that provides emergency employment for displaced workers,  
4 underemployed, and seasonal workers;
- 5 (d) DOLE's Integrated Livelihood Program-Kabuhayan, which provides  
6 assistance through grants to individuals and groups that can be used to start  
7 a livelihood project, expand or upgrade an existing project, restore or  
8 reestablish existing livelihood projects destroyed due to natural and human-  
9 made disasters, or transform existing livelihood assistance to  
10 community/group enterprises;
- 11 (e) DOST's Small Enterprises Technology Upgrading Program (SETUP), a  
12 nationwide strategy that aims to encourage and assist SMEs to adopt  
13 technology innovations to improve their operations and thus boost their  
14 productivity and competitiveness;
- 15 (f) DTI and Technical Education and Skills Development Authority's (TESDA)  
16 Barangay Kabuhayan, a national program that ensures that all livelihood and  
17 skills training centers offered by the National Government are properly  
18 implemented at the municipal level;
- 19 (g) NEDA, DOST, and DTI's implementation of the Philippine Innovation Act, a  
20 law that seeks to guide the country's innovation goals and is expected to make  
21 the policy environment in the country conducive to more science, technology,  
22 and innovation efforts; and
- 23 (h) DTI's Shared Service Facilities (SSF) Project, a flagship program of the DTI  
24 aimed at improving the productivity and efficiency of small enterprises  
25 through access to better technology.

26  
27 This shall include overseeing, in coordination with local government units and  
28 the DILG as well as private sector groups/associations, the developments  
29 among MSMEs as well as the individual beneficiaries.

1 2. The Council shall promote and advance sustainable livelihood and  
2 entrepreneurship by integrating the aforementioned programs through the  
3 Council.

4 3. The Council shall monitor and assess the progress of the program beneficiaries,  
5 which report shall be submitted to the Congress.

6 4. The Council shall review the programs' existing policies and recommend changes  
7 or improvements therein to the President and Congress.

8  
9 This shall include efforts to simplify rules and regulations, as well as a review of  
10 the applicability and relevance of procedural and documentary requirements in  
11 the registration, financing, and other activities relevant to MSMEs and individual  
12 beneficiaries, the result of which shall also be included in the annual report to be  
13 submitted to Congress.

14 5. The Council shall submit to the Congress an annual report of its assessment on  
15 the efficacy of the program, the status of its implementation including, but not  
16 limited to, progress reports, challenges, and recommendations, review of the  
17 policies involved, research, and other reports integral to the implementation of  
18 this Act.

19 6. The Council shall promulgate implementing guidelines, programs, and  
20 operating principles as may be deemed proper and necessary in the light of  
21 government policies and objectives of this Act.

22 7. The Council shall publish Compliance Guidelines, streamlining and simplifying  
23 the rules and regulations on procedural and documentary requirements for  
24 registration, financing, and other activities relevant to the implementation of the  
25 specified programs.

26  
27 The Compliance Guidelines shall be written in plain language or the local  
28 language. The publication of each Compliance Guidelines shall include the  
29 posting of the guide in a conspicuous location on the website of the concerned

1 agencies, and distribution of the guide to known industry contacts, such as small  
2 entities, associations, or industry leaders affected by the rule.

3  
4 The Council shall publish and disseminate the Compliance Guidelines within  
5 ninety (90) days from the date of the issuance.

6 8. The Council shall conduct research to support women's entrepreneurship,  
7 including entrepreneurial behavior, barriers, participation and cessation rates,  
8 discriminatory practices, and contribution to the national economy and growth;

9 9. The Council shall provide policy direction towards recognizing women's  
10 propensity and talent in entrepreneurship as well as establish linkages that will  
11 enable more opportunities for women to engage in entrepreneurship; and

12 10. The Council shall develop, in coordination with the DepEd, TESDA, and CHED,  
13 a course curriculum or training program in entrepreneurship that will promote  
14 entrepreneurial culture and competence.

15  
16 Entrepreneurship shall be integrated into the curriculum of educational and  
17 training institutions at all levels.

18  
19 **SEC. 7. Establishment of Sustainable Livelihood and Entrepreneurial Development**  
20 **Centers.** - A Sustainable Livelihood and Entrepreneurial Development Center,  
21 hereinafter referred to as the "SLED", shall be established in every rural municipality  
22 in the country in accordance with such program established and determined by the  
23 DILG, taking into account the socio-economic profile, literacy, employment conditions,  
24 health status of the residents, the opportunities therein available, the presence of  
25 support mechanics/structures and skills craftsmanship training activities in the  
26 community, and such other factors indicative of the need for the SLED: *Provided*, That  
27 priority shall be given to the most economically depressed areas with the highest  
28 percentage of disadvantaged and needy citizens.

1 Initially and within a period of one (1) year from the date of the effectivity of this Act,  
2 at least one (1) Pilot Center shall be established in each of the fifteen (15) regions of the  
3 country, including the Bangsamoro Autonomous Region in Muslim Mindanao  
4 (BARMM) and Cordillera Autonomous Region (CAR).

5  
6 In applicable areas, the existing Go Negosyo Centers shall continue to operate as  
7 SLED, subject to the provisions of this Act. The SLED shall be responsible for promoting  
8 ease of doing business and facilitating access to services for MSMEs and entrepreneurs  
9 within its jurisdiction.

10  
11 The SLEDs may be set up under the auspices of the local government units (LGUS),  
12 and/or non-government organizations tapped by DILG to assist in the implementation  
13 of this Act.

14  
15 The SLED shall be assisted by the DOLE by rendering technical assistance and  
16 training to the personnel of the SLED and shall be supported by officials in encouraging  
17 the participation of residents in the programs and trainings offered by the SLED. The  
18 DILG, DOH, DOLE, DA, and other government agencies shall gear their programs to  
19 support the activities and actions envisioned and implemented by the SLED.

20  
21 **SEC. 8. Capitalization and Funding of the Pangkabuhayan Council.** - A  
22 Pangkabuhayan Fund to strengthen livelihood, entrepreneurial, and/or MSME  
23 development and support is hereby established. This Fund, from which grants will be  
24 issued, shall be administered by the Pangkabuhayan Council which shall screen and  
25 approve qualified proposals. Subject to availability of funds, a revolving fund in the  
26 initial amount of One Billion Pesos (PhP1,000,000,000.00) is hereby allocated for the  
27 initial year's implementation of this Act, and such funds necessary for its continuous  
28 and effective implementation shall thereafter be included in the annual General  
29 Appropriations Act.

1 Further, the Pangkabuhayan Council, in coordination with the agencies concerned,  
2 shall explore the possibility of accessing a growing range of bilateral and multilateral  
3 funds in order to be able to assist in the funding of livelihood, entrepreneurial, and/or  
4 MSME programs and initiatives. Public-private partnerships shall also be encouraged  
5 in the development and implementation of programs and initiatives.

6  
7 **SEC. 9. Mandatory Allocation of Credit Resources for Livelihood Support Programs**  
8 **and MSMEs.** - For a period of ten (10) years from the date of the effectivity of this Act,  
9 all lending institutions as defined under Bangko Sentral ng Pilipinas (BSP) rules,  
10 whether public or private, shall set aside at least ten percent (10%) of their total loan  
11 portfolio based on their balance sheet at the end of the previous quarter for MSMEs,  
12 and make it available for MSME credit or livelihood support programs as herein  
13 contemplated. Compliance with this provision shall include:

- 14
- 15 (a) The actual extension of loans to eligible MSMEs or beneficiaries;
  - 16 (b) Wholesale lending to Participating Financial Institutions (PFIs) for on-lending to  
17 MSMEs;
  - 18 (c) Purchase/discount of MSMEs receivables; or
  - 19 (d) Extension of loans to MSME value chain actors who allow MSMEs to participate  
20 in organized or formal value chains. Chain actors include, among others, traders,  
21 suppliers, processors, and aggregators who conduct linked sequences of value-  
22 adding activities involved in bringing a product to final consumers.

23  
24 The BSP and the Securities and Exchange Commission (SEC), in consultation with  
25 the Pangkabuhayan Council, shall formulate rules for the effective implementation of  
26 this provision: *Provided*, That the purchase of government notes, securities, and other  
27 negotiable instruments shall not be deemed compliant with the foregoing provisions:  
28 *Provided, further*, That the BSP and the SEC, in consultation with all stakeholders, shall  
29 establish a meaningful incentive system to encourage compliance with this provision:

1 *Provided, finally,* That the BSP and the SEC shall align their regulations on penalties for  
2 banks and other entities for non-compliance with the provision for mandatory lending.

3  
4 The Pangkabuhayan Council shall set up the appropriate systems to monitor all loan  
5 applications of MSMEs to account for the absorptive capacity of the MSME sector.  
6 Each lending institution shall designate a Chief Compliance Officer who will prepare  
7 and sign the report on compliance and non-compliance with the mandatory credit  
8 allocation, for submission to the BSP, in the case of banks, and the SEC, in the case of  
9 non-bank financial intermediates. The BSP and the SEC shall furnish to the  
10 Pangkabuhayan Council every quarter comprehensive reports on the lending entity's  
11 compliance and non-compliance with the above provisions on the mandatory credit  
12 allocation for MSMEs and beneficiaries, and shall submit an annual report, signed by  
13 an officer with the rank of at least a managing director, on the amounts of the penalties  
14 for non-compliance with the mandatory lending provision of this Act.

15  
16 All banks shall provide access to deposit accounts, such as savings, checking, and  
17 debit accounts, to registered MSMEs. Financial technology shall be provided to  
18 MSMEs to ensure their financial inclusion.

19  
20 All lending entities shall report credit information and transactions of MSMEs to a  
21 national credit registry to monitor proper compliance and efficient implementation.

22  
23 For efficient implementation and operation, cooperatives, except cooperative banks  
24 and insurance cooperatives, shall be under the sole supervision and examination of  
25 the Cooperative Development Authority (CDA); all other financial entities,  
26 corporations, and financial intermediaries, such as non-government organizations,  
27 financing companies, non-stock savings and loan associations, microfinance non-  
28 government organizations, and lending investors shall be under the SEC; banks shall  
29 be under the BSP; and insurance companies shall be under the Insurance Commission

1 (IC). For clarity, cooperative banks shall be under the supervision and examination of  
2 the CDA and BSP, while insurance cooperatives shall be under the CDA and IC.

3  
4 Lending institutions that are not qualified to acquire or hold lands of the public  
5 domain in the Philippines shall be permitted to bid and take part in sales of mortgaged  
6 real property in case of judicial or extra-judicial foreclosure, as well as avail of  
7 receivership, enforcement, and other proceedings, solely upon default of a borrower,  
8 and for a period not exceeding five (5) years from actual possession: *Provided*, That in  
9 no event shall title to the property be transferred to such lending institution. If the  
10 lending institution is the winning bidder, it may, during said 5-year period, transfer  
11 its rights to a qualified Philippine national, without prejudice to a borrower's rights  
12 under applicable laws.

13  
14 **SEC. 10. *Recovery Fund.*** - Aside from the existing benefits for MSMEs and eligible  
15 entrepreneurs, the Pangkabuhayan Council shall establish a Recovery Fund for  
16 MSMEs and beneficiaries, to be sourced from the Pangkabuhayan Fund, to provide  
17 MSMEs with aid, relief, and recovery interventions for disasters, calamities,  
18 epidemics, or complex emergencies, such as, but not limited to, the COVID-19  
19 pandemic.

20  
21 **SEC. 11. *Congressional Oversight Committee.*** - To monitor and oversee the  
22 implementation of this Act, there shall be a Congressional Oversight Committee on  
23 Sustainable Livelihood and Entrepreneurship Development (COC-SLED) composed  
24 of the chairpersons of the Senate Committee on Economic Affairs and the House  
25 Committee on Small Business and Entrepreneurship Development as chairperson and  
26 co-chairperson, respectively. The Committee shall be composed of five (5) members  
27 from the Senate and another five (5) members from the House of Representatives,  
28 which shall include the chairpersons of the Senate Committees on Trade and  
29 Commerce, and Banks, Financial Institutions, and Currencies, and the chairpersons of  
30 the House committees on Trade and Industry, Banks and Financial Intermediaries,



1 and Appropriations: *Provided*, That two (2) of the five (5) Senators and two (2) of the  
2 five (5) House members shall be nominated by the respective minority leaders of the  
3 Senate and the House of Representatives.  
4

5 **SEC. 12. *Information Dissemination.*** – The Philippine Information Agency, in  
6 coordination with the DTI and the DILG, shall ensure the proper and adequate  
7 information dissemination of the contents and benefits of this Act to pertinent media  
8 entities and all cities, municipalities, and barangays.  
9

10 **SEC. 13. *Considerations in Setting Priority Areas for Sustainable Livelihood and***  
11 ***Entrepreneurship.*** – In identifying the priority areas for livelihood and entrepreneurship  
12 development, the Pangkabuhayan Council shall, in consultation with the sectors  
13 concerned, consider the following areas:  
14

- 15 (a) Food security and sustainable agriculture;
  - 16 (b) Regenerative systems;
  - 17 (c) Health
  - 18 (d) Secure, clean, and reliable energy;
  - 19 (e) Climate change and disaster resilience;
  - 20 (f) Innovation of traditional knowledge, traditional cultural expressions, and genetic  
21 resources;
  - 22 (g) Digital economy;
  - 23 (h) Sustainable transportation services; and
  - 24 (i) Sustainable tourism, among others.
- 25

26 **SEC. 14. *Whole-of-Government Approach.*** – In order to effectively promote and  
27 advance sustainable livelihood and entrepreneurship across all areas of government  
28 policy, a “whole-of-government approach” shall be adopted. This approach shall  
29 facilitate engagement with business, the research, development, and engineering

1 (RD&E) sector, MSMEs, and the broader community towards ensuring the full and  
2 effective implementation of this Act.

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4 All government agencies concerned, including the following, shall be responsible for  
5 implementing sustainable livelihood and entrepreneurship and, as such, shall observe  
6 the "whole-of-government approach" provided herein:

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- 8 (a) National Economic and Development Authority (NEDA);
  - 9 (b) Department of Science and Technology (DOST);
  - 10 (c) Department of Trade and Industry (DTI);
  - 11 (d) Department of Agriculture (DA);
  - 12 (e) Department of Environment and Natural Resources (DENR);
  - 13 (f) Department of Health (DOH);
  - 14 (g) Department of Energy (DOE);
  - 15 (h) Department of Transportation (DOTr);
  - 16 (i) Department of National Defense (DND);
  - 17 (j) Department of Information and Communications Technology (DICT);
  - 18 (k) Department of Budget and Management (DBM);
  - 19 (l) Department of the Interior and Local Government (DILG);
  - 20 (m) Department of Foreign Affairs (DFA);
  - 21 (n) Department of Education (DepEd);
  - 22 (o) Commission on Higher Education (CHED);
  - 23 (p) Department of Labor and Employment (DOLE); and
  - 24 (q) Intellectual Property Office of the Philippines (IPOPHL).

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26 Government agencies shall make available for public access, a joint web portal, that  
27 will bear information pertinent to livelihood and MSMEs policies, strategies, and  
28 programs, including services, grants, and financial assistance. The agencies shall  
29 likewise ensure that beneficiaries are guided on available services. The web portal shall  
30 also include a database of all ongoing and completed programs implemented.

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It shall have interactive features that will allow the public to access services or file applications online. Inquiries shall be addressed within three (3) days from receipt hereof. The processing of applications shall be streamlined in accordance with the guidelines to be established by the Pangkabuhayan Council. Reforms to this effect shall be reported to the Council within six (6) months from the effectivity of this Act.

The online facility shall provide an acknowledgment receipt and reference number for each transaction for monitoring purposes.

Government agencies concerned shall submit periodic progress reports to the Pangkabuhayan Council on the status of livelihood or entrepreneurial programs. Reporting guidelines shall be prepared by the Council for this purpose.

The enumeration of agencies provided herein is without prejudice to other agencies that the Council may mandate.

**SEC. 15. *Removing Barriers to Livelihood and MSME Support.*** - The Pangkabuhayan Council and its member government agencies shall eliminate regulatory barriers and cut red tape to enable access to livelihood and MSME support programs. Towards this end, the Council shall facilitate consultations with stakeholders to identify and cause the removal of barriers, such as procedural rules and documentary requirements in registration, availing of financing, or accessing government services.

**SEC. 16. *Implementing Rules and Regulations.*** - The Secretary of DTI, in consultation with the appropriate agencies as may be deemed necessary, shall formulate the necessary rules and regulations to implement the provisions of this Act within ninety (90) days after its approval. The rules and regulations issued pursuant to this Section shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

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**SEC. 17. *Separability Clause.*** - If any provision or part of this Act is held unconstitutional or invalid, the other provisions or parts thereof not affected thereby shall continue to be in full force and effect.

**SEC. 18. *Repealing Clause.*** - All laws, executive orders, presidential decrees, rules, and regulations, or parts thereof inconsistent with any provisions of this Act are hereby repealed, amended, or modified accordingly.

**SEC. 19. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

*Approved,*