

IMPLEMENTING GUIDELINES FOR THE ADMINISTRATION OF THE BMBE DEVELOPMENT FUND UNDER SECTION 10 OF REPUBLIC ACT 9178, OTHERWISE KNOWN AS THE BARANGAY MICRO BUSINESS ENTERPRISES ACT...

DTI ADMINISTRATIVE ORDER NO. 02, S. 2006, February 24, 2006

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/c5292e5abab5/>

The following guidelines, rules and regulations governing the effective and proper administration and utilization of the BMBE Development Fund are hereby prescribed and promulgated for the information, implementation and guidance of all concerned:

SECTION 1. BMBE Development Fund - Pursuant to the provision of the first paragraph of Section 10 of RA 9178, a BMBE Development Fund shall be set up and to be administered by the SMED Council.

SECTION 2. Beneficiaries of the BMBE Development Fund - Pursuant to the provision of the second paragraph of Section 10 of RA 9178, the following government agencies may avail of the BMBE Development Funds so as to execute projects related to technology transfer, production and management training, and marketing assistance to BMBEs:

1. Department of Trade and Industry (DTI)
2. Department of Science and Technology (DOST)
3. University of the Philippines-Institute for Small Scale Industries (UP-ISSI)
4. Cooperative Development Authority (CDA)
5. Technical Education and Skills Development Authority (TESDA)
6. Technology and Livelihood Resource Center (TLRC)

End beneficiaries of the BMBE Development Fund shall be BMBEs as defined under Section 3 of RA 9178.

SECTION 3. Qualified Projects - The following projects related to technology transfer, production and management training, and marketing assistance may qualify for funding under the BMBE Development Fund provided that the same are not funded by the regular budget of the proponent agencies:

1. Entrepreneurship Development
2. Skills Training
3. Business Advisory Services
4. Technology Intervention
5. Technology Incubation/Commercialization
6. Policy Advocacy (activities and studies)
7. Database Development
8. Business Matching Activities
9. Trade Fairs and Missions
10. Other related activities that will benefit BMBEs

SECTION 4. Procedures in Availing of the BMBE Development Fund - The following are the procedures for the availment of the BMBE Development Fund:

1. A beneficiary agency shall submit project proposals to the SMED Council at least six months prior to the calendar year of target implementation.
2. A Technical Working Group (TWG) composed of representatives from BSP, NEDA, SBGFC, DOLE, and a representative from the SME sector, as the head of the team, shall be created by the SMED Council to pre-evaluate project proposals.
3. A point system based on merit shall be employed by the TWG in prioritizing the project proposals which will be funded from the BMBE Development Fund.
4. Project proposals must include the following information: project name, proponent, responsible officials/designation, target beneficiaries, employment to be created, existing funding agencies, deliverables, total project cost, the reason for requesting financial assistance, and the action taken by the concerned agency's project screening committee (Annex "A"[*]).
5. The executing agency and the SMED Council shall enter into a Memorandum of Agreement (MOA) before the transfer of approved project funds can be effected (Annex "B"[*]).

SECTION 5. Reporting System on the Fund Administration - The SMED Council shall prepare annual accomplishment reports that will be submitted to Congress and the Office of the President concerning the utilization of the BMBE Development Fund.

The Small Business Guarantee and Finance Corporation (SB Corporation) as the designated fund manager (per SMEDC Res. No. 7, series of 2004 dated 29 October 2004), shall submit to the SMED Council semi-annual reports (for period covering January -June and July-December) on the utilization and status of the BMBE Development Fund, duly signed by the Chairman of the SB Corporation and the COA Resident Auditor.

The Executing Agencies (DTI, DOST, UP-ISSI, CDA, TESDA, TLRC) shall provide the SMED Council with a quarterly audited report on the utilization of the BMBE Development Fund and status report on the progress of their respective projects (Annex "C"[*]).

SECTION 6. Effectivity - This order shall take effect fifteen (15) days after publication in a newspaper of general circulation.

Accordingly, all parties concerned are hereby informed that copies of Implementing Guidelines and proforma of project brief, MOA, and status report may be secured from the Bureau of Small and Medium Enterprises Development located at the 3/F Oppen Bldg., 249 Sen. Gil Puyat Avenue, Makati City.

SECTION 7. Separability Clause - If any provision or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

Adopted: 24 Feb. 2006

(SGD.) PETER B. FAVILA
Secretary

Recommended by:

(SGD) ZORAYDA AMELIA C. ALONZO
Undersecretary, SMED Group

[*]Text Available at Office of the National Administrative Register, U.P. Law Complex, Diliman, Quezon City.

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