

Operations Guidebook

for Micro, Small and Medium Enterprise
Development (MSMED) Councils



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CONTENTS

Acronyms and Abbreviations	4
Introduction.....	6
Background and Rationale.....	6
Objectives of the Guidebook	7
Creation of Provincial MSMEDCs	8
Definition of Terms	8
Structure and Composition of the MSMED Councils.....	11
National MSMED Council.....	11
Regional MSME Development Body	12
Provincial/City MSMED Council	13
Executive Committee	15
Special Committees	15
Council Secretariat.....	15
Roles and Functions of the MSMED Council	17
Matrix of MSMEDC Roles at All Levels.....	17
MSMED Council Action Planning	27
Meetings of the MSMED Councils.....	28
Frequency and Duration of Meetings.....	28
Attendees.....	28
Quorum.....	28
Meeting Preparation Checklist	29
Meeting Agenda.....	29
Notice of Meeting	29
Meeting Proper	29
Meeting Documentation.....	30
Resource Generation.....	31

MSMED Council Fund	31
National MSMED Council Fund	33
Other Fund Sources for Provincial/City MSMED Councils	33
Data Generation and Reporting	34
MSMED Plan Accomplishment Report	34
Flow and Schedule of Reporting	36
Standard Forms for Provincial MSMED Council Meetings and Operations	38
Roles and Functions of the MSMED Council Secretariat	39
Helpful Hints for MSMED Council Secretariat	44
Preparing and Updating the Capacity Development Agenda	44
Helpful Hints for Provincial MSMED Council Secretariat	45
Annexes	48
Annex 1 - Meeting Preparation Checklist	49
Annex 2 - Notice of Meeting	51
Annex 3 - Meeting Agenda	52
Annex 4 - Minutes of Meeting	54
Annex 5 - Meeting Evaluation Report	56
Annex 6 - Council Resolution Template	58
Annex 7 - Template for Policy Proposal	60
Annex 8 - Referendum Sheet	62
Annex 9 - Executive Order (Creating or Reactivating the Provincial MSMED Council)	63
Annex 10 - MSMED Council Action Plan Template and SAMPLE PLAN (Bohol)	71

ACRONYMS AND ABBREVIATIONS

AO	Administrative Order
BFAR	Bureau of Fisheries and Aquatic Resources
BPI	Bureau of Plant Industry
BMSMED	Bureau of Micro, Small and Medium Enterprise Development
CARP	Comprehensive Agrarian Reform Program
CCI	Chamber of Commerce and Industry
DA	Department of Agriculture
DAO	Department Administrative Order
DAR	Department of Agrarian Reform
DBM	Department of Budget and Management
DBP	Development Bank of the Philippines
DENR	Department of Environment and Natural Resources
DILG	Department of the Interior and Local Government
DOLE	Department of Labor and Employment
DOST	Department of Science and Technology
DOT	Department of Tourism
DSWD	Department of Social Welfare and Development
DTI	Department of Trade and Industry
FDA	Food and Drug Administration
GFI	Government Financing Institution
KM	Knowledge Management
LBP	Land Bank of the Philippines
LCE	Local Chief Executive
LGU	Local Government Unit
MC	Memorandum Circular
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises

MTPDP	Medium Term Philippine Development Plan
NEDA	National Economic and Development Authority
NGA	National Government Agencies
NGO	Non-Government Organization
PAFC	Provincial Agriculture and Fishery Council
PAO	Provincial Agriculture Office
PCA	Philippine Coconut Authority
PIA	Philippine Information Agency
PO	Peoples Organization
PPDO	Provincial Planning and Development Office
RA	Republic Act
RODG	Regional Operations and Development Group
SBGFC	Small Business Guarantee and Finance Corporation
SMEs	Small and Medium Enterprises
SP	Sangguniang Panlalawigan
TESDA	Technical Education and Skills Development Authority

INTRODUCTION

This section describes the background and rationale for the formulation of the MSMED Council Operations Guidebook, its objectives, as well as some common terminologies that need to be defined to ensure standardized and uniform use and understanding of this publication.

BACKGROUND AND RATIONALE

MSMEs account for 99.6% of businesses in the Philippines, providing 61% of employment nationwide. Thus, MSMEs are considered the backbone and the engine of the Philippine economy.

Recognizing MSMEs' potential for more employment and economic growth that can provide a self-sufficient industrial foundation for the country, the national government through Congress enacted RA 6977 as amended by RA 8289 and further amended by RA 9501 now known as the Magna Carta for Micro, Small and Medium Enterprises or MSMEs, to promote, support, strengthen and encourage the growth and development of MSMEs in all productive sectors of the economy, including agri-based enterprises.

The Magna Carta for MSMEs and its Implementing Rules and Regulations (IRR) provide for the formulation of a six-year SME Development Plan and the strengthening of National and Local Micro, Small and Medium Enterprise Development Councils to carry out the policies and goals of RA 9501.

Section 7 (Micro, Small and Medium Enterprise Development (MSMED) Council) of RA 9501 provides that: *"The Council shall be the primary agency responsible for the promotion, growth and development of MSMEs in the country by way of facilitating and closely coordinating national efforts to promote the viability and growth of MSMEs including assisting relevant*

agencies in the tapping of local and foreign funds as well as promoting the use of existing programs and seeking ways to maximize the use of labor resources.”

For the Provincial MSMED Council to efficiently and effectively deliver its mandates, standardized systems and procedures must be in place to direct its operations. An Operations Guidebook can provide the Council members as well as the Council Secretariat with a helpful manual towards effectively managing and supporting the programs and activities of the PMSMED Council.

OBJECTIVES OF THE GUIDEBOOK

Generally, this OPERATIONS GUIDEBOOK will serve as a ready reference on the procedures, processes and mechanics necessary for the smooth operations of the affairs and activities of the MSMED Councils. Because meetings are the lifeblood of the PMSMED Councils, this OPERATIONS GUIDEBOOK likewise contains standard forms and templates to ensure Council meetings are well-prepared, adequately managed and efficiently conducted to produce expected results and desirable outcomes.

More specifically, this Guidebook aims to:

- Standardize processes and procedures in the provision of technical and administrative support to the MSMED Councils.
- Detail the technical and administrative support provided by the MSMED Council Secretariat to their MSMED Councils.
- Provide a compendium of templates and forms that can be used by the MSMED Secretariats in coordinating meetings as well as productively organizing the affairs of their MSMED Councils.
- Come up with a simplified monitoring form to capture the status of SMED Plan implementation at the national and sub-national levels

CREATION OF PROVINCIAL MSMEDCS

Section 5d of RA 6977 (Decentralization) provides that: *“the State shall accelerate the decentralization processes by establishing regional and provincial offices in order to enhance and attain greater efficiency in the provision of services to the countryside and the implementation of this Act, in coordination with local government units.”*

To this end, government agencies shall effect a substantial delegation of authority to regional and provincial offices to make decisions to make the work of local MSMED councils effective and efficient.

In 1997, Provincial Small and Medium Enterprise Development Councils (PSMEDCs) were established to allow replication of the National MSMEDC’s functions at the provincial level. Thus the PSMEDC shall be primarily responsible for the promotion, growth, and development of MSMEs at the provincial levels. It shall be Chaired by an elected representative from the private sector and Co-Chaired by the Provincial Governor or City Mayor.

The regions as well have the option to establish or recognize their own Regional MSME Development Body. For instance, the Economic Development Committee of the Regional Development Councils or a specially designated MSME body may be formally recognized and tasked to address regional MSME concerns as part of its functions.

DEFINITION OF TERMS

The efficient use of this Operations Guidebook is premised on awareness and understanding of the following:

Republic Act No. 9501 – “An Act to promote Entrepreneurship by strengthening development assistance programs to Micro, Small, and Medium Scale Enterprises, amending for the purpose RA No. 6977, as

Amended, otherwise known as the Magna Carta for Small Enterprise and for other purposes.”

Republic Act No. 8289 – “An Act to strengthen the promotion and development of assistance to SME’s, amending for that purpose RA 6977, otherwise known as Magna Carta for Small Enterprises, and for other purposes.”

Republic Act 6977- “An Act to promote, develop and assist SMEs through the creation of SMED Council and the Rationalization of Government Assistance Programs and Agencies concerned with the development of SMEs and other purposes.”

Executive Order No. 793 – “...Expanding the Composition of SMEDC into MSMEDC.”

Micro, Small and Medium Enterprises (MSMEs) shall be defined as any business activity or enterprise engaged in industry, agribusiness and/or services, whether single proprietorship, cooperative, partnership or corporation whose total assets inclusive of those arising in loans but exclusive of the land on which the particular business entity’s office, plant and equipment are situated, must have value falling under the following categories; Micro- not more than P 3M; Small- P3,000,001 to P 15,000,000; Medium- P15,000,001 to P 100,000.

MSMED Council - The Council created by RA 9501 whose primary function is to promote growth and development of small and medium enterprises in the countryside by way of facilitating and closely coordinate national efforts to promote the viability and growth of small and medium enterprises, including assisting relevant agencies in the tapping of local and foreign funds for small and medium enterprises development, as well as promoting the use of existing programs, as well as seeking ways to maximize the use of labor resources.

Local MSMED Council – are Councils established at the local level, i.e. Regional/Provincial/City MSMED Councils.

MSMED Council Secretariat - refers to the DTI personnel assigned to provide technical and administrative support to the MSMED Council.

Business Environment (BE) - A dynamic practice and culture of governance that fosters the establishment, development, sustainability and competitiveness of socially responsible and environment friendly SME's.

Access to Finance (A2F) - Sustained availability of reasonably priced, socially responsible and environment friendly financial products, services, and support programs, that are designed for MSMEs and that MSMEs can conveniently and readily access.

Access to Markets (A2M) - Sustained ability of MSMEs to be competitive in selling their products and services to existing and new markets, both domestic and international, under a climate of fair, free, socially-responsible and environment-friendly trade practices.

Productivity and Efficiency (P & E) - The production and delivery of competitive, standards-compliant, socially-responsible and environment-friendly products and services that generate optimum economic returns.

STRUCTURE AND COMPOSITION OF THE MSMED COUNCILS

This section covers a discussion on the structure and composition of MSMED Councils at various levels (national, regional, provincial/city), executive committees, special committees and their respective terms of office. Also described briefly in this section are the Councils' Secretariats.

NATIONAL MSMED COUNCIL

Section 7-A (Composition) of RA 9501 provides that "The Council shall be headed by the Secretary of Trade and Industry as Chairman, and may elect from among themselves a Vice-Chairman to preside over the Council meetings in the absence of the Chairman. The members shall be the following:

- *Secretary of Agriculture;*
- *Secretary of the Interior and Local Government;*
- *Secretary of Science and Technology;*
- *Secretary of Tourism;*
- *Chairman of Small Business Corporation;*
- *Three (3) representatives from the MSME sector to represent Luzon, Visayas, and Mindanao;*
- *One representative from the labor sector to be nominated by accredited labor groups;*
- *A representative from the private banking sector: to serve alternately among the Chamber of Thrift Banks; the Rural Bankers Association of the Philippines; and the Banker's Association of the Philippines (BAP)..."*

EO 793 provides that "... the membership of the MSMED shall be expanded to include the heads of primary agencies involved in micro, small and

medium finance activities of the national government, such as but not limited to the following:

- *Cooperative Development Authority;*
- *National Livelihood and Development Corporation;*
- *People’s Credit and Finance Corporation;*
- *University of the Philippines Institute for Small Scale Industries;”*

Rule 7 (MSMED Council) of Department Administrative Order No.9 Series of 2008 (Rules and Regulations to Implement RA 6977, as amended by RA 8289, and further amended as RA 9501 otherwise known as the Magna Carta for MSMEs) provides that: *“Identified agencies with mandated responsibilities under RA 6977, as amended, shall be invited to be permanent resource persons in the MSMEDC meetings. These are the following:*

- *National Economic and Development Authority;*
- *Bangko Sentral ng Pilipinas;*
- *Representatives of the Chair and Co-Chair of the Congressional Oversight Committee for MSMED (COC-MSMED)...”*

REGIONAL MSME DEVELOPMENT BODY

Consistent with the Magna Carta’s policy of decentralization, the region may establish a regional MSME Development Council. Alternatively, any equivalent body (e.g. Economic Development Committee of the Regional Development Council) that can represent or address the interests of MSMEs at the regional level may be formally recognized as the Regional MSME Development Body.

PROVINCIAL/CITY MSMED COUNCIL

The composition of the Provincial/City MSMED Council, which can either be a Provincial or a City MSMED Council, varies according to local needs. It is desirable, however, that the composition of the PMSMEDC is patterned after the National MSMED Council.

The SMED Council approved the Terms of Reference of the Provincial/City SMED Councils structured as follows:

Chair - The Local Chief Executive, i.e. Governor or Mayor

Co-Chair - A representative from an active business / industry organization to be elected by the members of the Council

Vice-Chair - A representative from an active business / industry organization to be elected by the members of the Council

It is important to note that the leadership of the Provincial/City MSMED Council is on a “co-chair” basis to clearly demonstrate private-public partnership in the promotion and development of MSMEs.

Memberships from governmental agencies include the following:

1. National Government Agencies
 - Department of Agriculture
 - Department of Environment and Natural Resources
 - Department of Science and Technology
 - Department of Labor and Employment
 - Department of Agrarian Reform
 - Department of Interior and Local Government
 - Department of Trade and Industry
 - Department of Tourism

- Cooperative Development Authority
 - Philippine Coconut Authority
 - Technical Education and Skills Development Authority
 - Land Bank of the Philippines
 - Other offices/agencies as appropriate
2. Local Government Units (Provincial/City)
- Provincial/City Planning and Development Office
 - Provincial/City Agriculture Office
 - Provincial/City Tourism Office
 - Provincial/City Local Economic Development/ Investment Promotions Office/Center
 - Other offices/units as appropriate

Members from the private sector shall be the recognized industry leaders in the following sectors:

- Agriculture
- Tourism
- Fisheries
- Labor
- Academe, preferably those with relevant links to business
- Manufacturing
- Export
- Banks and other financial intermediaries
- Trade and Services
- Other organizations or sectors as may be appropriate

The Councils may call upon the participation of any national or local government agency, association of local government officials or private sector organization in its deliberations especially when such agency or private sector organization is directly or indirectly concerned with and/or

affecting the growth and development of MSMEs in any particular area or manner.

It is understood that representatives of member - governmental offices or business organizations to the Council shall be the head of the governmental office/unit or business organization. A duly authorized permanent alternate who is second in rank to the main Council member-representative can take the place and may attend and participate in deliberations in behalf of the regular member.

In this regard, membership to the Council can be classified as (a) regular members and (b) alternate members.

EXECUTIVE COMMITTEE

The Council may create an Executive Committee of five (5) members elected by the Council from among themselves or their designated permanent representatives with at least two (2) members representing the private sector, and with authority to act for and on behalf of the Council during intervals of council meetings, and within the specific authority granted by the Council.

SPECIAL COMMITTEES

In addition, the Council may also create committees relevant to the promotion and development of MSMEs in the locality. The Committee Chair shall be elected by the Council. Committee members may come from within or outside the council.

COUNCIL SECRETARIAT

Section 8 (Designation of the Bureau of Micro, Small and Medium Enterprise Development as Council Secretariat) of RA 9501 provides that the Bureau of

Micro, Small and Medium Enterprise Development (BMSMED) is hereby designated to act as the Secretariat of the National MSMEDC.

The Department of Trade and Industry Provincial Office shall act as the Council Secretariat for local MSMEDCs. The Council may also tap the services of the private sector to assist in the secretariat work.

In the case of the Regional SME Development Bodies, other appropriate government agencies (e.g. DTI, NEDA, etc.) may be tapped to provide secretariat support.

ROLES AND FUNCTIONS OF THE MSMED COUNCIL

Section 7-b (Powers and Functions) of RA 9501 lays down the powers and functions of the MSMED Council. The National MSMEDC has approved through a resolution the Matrix of Powers and Functions of the National/Regional/Provincial MSMED Councils which further delineates the duties and functions of the government and private sector members of the Council.

MATRIX OF MSMEDC ROLES AT ALL LEVELS

REPUBLIC ACT 9501	National MSMED Council			Regional*/ Provincial MSMED Council		
	Nat'l MSMED Council	MSME Sector Rep	Gov't Sector	Reg'l / Prov'l MSMED Council	Private Sector Rep	Gov't Sector Rep
"SEC. 7-B. Powers and Functions. — The MSMED Council shall have the following powers, duties and functions:						
"a) To help establish the needed environment and opportunities conducive to the growth and development of the MSME sector;	✓		✓	✓		✓
"b) To recommend to the President and the Congress all policy matters affecting MSMEs;	✓	✓*	✓*	✓*	✓*	✓*
"c) To coordinate and integrate various government and private sector activities relating to MSME development;	✓			✓		

REPUBLIC ACT 9501	National MSMED Council			Regional*/ Provincial MSMED Council		
	Nat'l MSMED Council	MSME Sector Rep	Gov't Sector	Reg'l / Prov'l MSMED Council	Private Sector Rep	Gov't Sector Rep
"d) To review existing policies of government agencies that would affect the growth and development of MSMEs and recommend changes to the President and Congress through the Committee on Economic Affairs of the Senate and the Committee on Small Business and Entrepreneurship Development of the House of Representatives, whenever deemed necessary. This shall include efforts to simplify rules and regulations, as well as review of the applicability and relevance of procedural and documentary requirements in the registration, financing, and other activities relevant to MSMEs the result shall be included in the annual report to be submitted to Congress;	✓	✓*	✓*	✓*	✓*	✓*
"e) To monitor and determine the progress of various agencies geared towards the development of the sector. This shall include overseeing, in coordination with local government units and the Department of Interior and Local Government as well as private sector groups/associations, the development among MSMEs;	✓	✓	✓	✓	✓	✓

REPUBLIC ACT 9501	National MSMED Council			Regional*/ Provincial MSMED Council		
	Nat'l MSMED Council	MSME Sector Rep	Gov't Sector	Reg'l / Prov'l MSMED Council	Private Sector Rep	Gov't Sector Rep
"f) To promulgate implementing guidelines, programs, and operating principles as may be deemed proper and necessary in the light of government policies and objectives of this Act;	✓		✓	✓		✓
"g) To provide the appropriate policy and coordinative framework in assisting relevant government agencies, in coordination with the NEDA and the Coordinating Council for the Philippine Assistance Program, as may be necessary, in the tapping of local and foreign funds for MSME development;	✓		✓	✓		✓
"h) To promote the productivity and viability of MSMEs by way of directing and/or assisting relevant government agencies and institutions at the national, regional and provincial levels towards the:						
"1) Provision of business training courses, technical training for technicians and skilled laborers and continuing skills upgrading programs;		✓	✓		✓	✓
"2) Provision of labor-management guidance, assistance and improvement of the working conditions of employees in MSMEs;		✓	✓	✓	✓	✓

REPUBLIC ACT 9501	National MSMED Council			Regional*/ Provincial MSMED Council		
	Nat'l MSMED Council	MSME Sector Rep	Gov't Sector	Reg'l / Prov'l MSMED Council	Private Sector Rep	Gov't Sector Rep
"3) Provision of guidance and assistance regarding product quality/product development and product diversification;		✓	✓	✓	✓	✓
"4) Provision of guidance and assistance for the adoption of improved production techniques and commercialization of appropriate technologies for the product development and for increased utilization of indigenous raw materials;		✓	✓	✓	✓	✓
"5) Provision of assistance in marketing and distribution of products of MSMEs through local supply-demand information, industry and provincial profiles, overseas marketing promotion, domestic market linkaging and the establishment of common service facilities such as common and/or cooperative bonded warehouse, grains storage, agro-processing and drying facilities, ice plants, refrigerated storage, cooperative trucking facilities, etc;		✓	✓		✓	✓

REPUBLIC ACT 9501	National MSMED Council			Regional*/ Provincial MSMED Council		
	Nat'l MSMED Council	MSME Sector Rep	Gov't Sector	Reg'l / Prov'l MSMED Council	Private Sector Rep	Gov't Sector Rep
<p>"6) Intensification of assistance and guidance to enable greater access to credit through a simplified multi-agency financing program; to encourage development of other modes of financing such as leasing and venture capital activities; to provide effective credit guarantee systems, and encourage the formation of credit guarantee associations, including setting up of credit records and information systems and to decentralize loan approval mechanisms;</p>		√	√			
<p>"7) Provision of concessional interest rates, lower financing fees, which may include incentives for prompt credit payments, arrangements tying amortizations to business cash flows, effective substitution of government guarantee cover on loans for the borrower's lack of collateral;</p>	√	√	√	√	√	√

REPUBLIC ACT 9501	National MSMED Council			Regional*/ Provincial MSMED Council		
	Nat'l MSMED Council	MSME Sector Rep	Gov't Sector	Reg'l / Prov'l MSMED Council	Private Sector Rep	Gov't Sector Rep
"8) Provision of bankruptcy preventive measures through the setting up of a mutual relief system for distressed enterprises, and the establishment of measures such as insurance against extraordinary disasters;	✓	✓	✓	✓	✓	✓
"9) Intensification of information dissemination campaigns and entrepreneurship education activities;	✓	✓	✓	✓	✓	✓
"10) Availment of and easier access to tax credits and other tax and duty incentives as provided by the Omnibus Investment Code and other laws;	✓	✓	✓	✓	✓	✓
"11) Provision of support for product experimentation and research and development activities as well as access to information on commercialized technologies; and		✓	✓		✓	✓
"12) Through appropriate government agencies:						
"a) Provide more infrastructure facilities and public utilities to support operations of MSMEs;	✓	✓	✓	✓	✓	✓

REPUBLIC ACT 9501	National MSMED Council			Regional*/ Provincial MSMED Council		
	Nat'l MSMED Council	MSME Sector Rep	Gov't Sector	Reg'l / Prov'l MSMED Council	Private Sector Rep	Gov't Sector Rep
"b) Establish, operate, and administer a small business incubation program in coordination with academic institutions, Department of Science and Technology and other appropriate government entities that will provide space for start-up and expanding firms, shared use of equipment and work areas, daily management support services essential to high-quality commercial operations, technical assistance and other services to develop innovative and deserving MSMEs;	✓	✓	✓	✓	✓	✓
"c) Conduct a nationwide information campaign with the Philippine Information Agency that shall inform the public of all programs and services, government and nongovernment, available to MSMEs;	✓	✓	✓	✓	✓	✓
"d) Provide local and international network and linkages for MSME development;	✓	✓	✓	✓	✓	✓

REPUBLIC ACT 9501	National MSMED Council			Regional*/ Provincial MSMED Council		
	Nat'l MSMED Council	MSME Sector Rep	Gov't Sector	Reg'l / Prov'l MSMED Council	Private Sector Rep	Gov't Sector Rep
"e) Compile and integrate statistical databank on Philippine MSMEs;	✓		✓	✓		✓
"f) Set-up new MSME centers and revitalize already established MSME centers to provide MSMEs in the regions easier access to services such as, but not limited to, the following:		✓	✓	✓	✓	✓
"i. Accept and act on all registration applications of MSMEs;			✓			✓
"ii. Streamline registration process and facilitate speedy registration for the establishment of business enterprises in the country;		✓	✓	✓	✓	✓
"iii. Provide all information and referral services it shall deem necessary or essential to the development and promotion of MSMEs;	✓	✓	✓	✓	✓	✓
"iv. Conduct other programs or projects for entrepreneurial development in their respective areas; and	✓	✓	✓	✓	✓	✓

REPUBLIC ACT 9501	National MSMED Council			Regional*/ Provincial MSMED Council		
	Nat'l MSMED Council	MSME Sector Rep	Gov't Sector	Reg'l / Prov'l MSMED Council	Private Sector Rep	Gov't Sector Rep
<p>“v. Provide courses and development programs, training, advice, consultation on business conceptualization and feasibility, financing, management, capacity building, human resources, marketing, and such other services to support the needs of MSMEs;</p>		✓	✓	✓	✓	✓
<p>“g) To submit to the President and the Congress through the Oversight Committee as defined under this Act, a yearly report on the status of MSMEs in the country, including the progress and impact of all relevant government policies, programs and legislation as well as private sector activities;</p>	✓					

REPUBLIC ACT 9501	National MSMED Council			Regional*/ Provincial MSMED Council		
	Nat'l MSMED Council	MSME Sector Rep	Gov't Sector	Reg'l / Prov'l MSMED Council	Private Sector Rep	Gov't Sector Rep
"h) To coordinate, monitor and assess the implementation of the MSMEDP, and when necessary, institute appropriate adjustments thereon in the light of changing conditions in both domestic and international environment; and	√			√		
"i) Generally, to exercise all powers and functions necessary for the objectives and purposes of this Act."	√	√	√	√	√	√

Legend:

* - for regions with Regional SME Development Body

√* - to recommend to the National MSMED Council

MSMED COUNCIL ACTION PLANNING

Section 6 (Micro Small and Medium Enterprise Development Plan) of RA 9501 provides that: *“The President shall approve a six-year micro, small and medium enterprise development plan prepared by the Department of Trade and Industry and which shall form part of the Medium Term Philippine Development Plan (MTPDP). It shall be formulated in consultation with the private sector, validated and updated semestrally. Such plan shall include a component on a micro credit financing scheme.”*

The National/Regional/Provincial/City MSMED Councils shall take the lead in the preparation of the MSMED Plan. The Provincial MSMED Plans shall be prepared based on the National MSMED Plan Framework and the Provincial realities. To steer and monitor the implementation of the Provincial MSMED Plans by concerned government agencies, a PMSMED Council Action Plan shall be prepared listing the activities (based on MSMED Council roles and functions). Please refer to Annex 10.

External business development service providers can be tapped to moderate the planning sessions of the Provincial MSMED Councils.

MEETINGS OF THE MSMED COUNCILS

This section describes in detail how meetings are organized, conducted and facilitated and documented. Included in this section is information on the frequency of meetings, duration of meetings, meeting attendees, attaining a meeting quorum, preparation checklist for organizing a Council meeting, meeting agenda, notice of meetings, the meeting proper and meeting documentation.

FREQUENCY AND DURATION OF MEETINGS

The Council shall meet at least once every quarter. The Executive Committee shall meet whenever required and which may be more frequent than the Council meetings. The special committees shall also meet when necessary to resolve issues at hand.

The meeting duration shall be determined by the extent of the agenda or matters to be discussed. Short meetings are encouraged.

ATTENDEES

The council meeting shall be attended by the official representative of the member agency/institution or their permanent alternates.

QUORUM

The presiding officer shall declare a simple majority (50 percent + 1) as a quorum.

MEETING PREPARATION CHECKLIST

The secretariat shall accomplish the checklist of tasks to be undertaken. *(Refer to Annex I- Meeting Preparation Checklist).*

MEETING AGENDA

The Secretariat shall prepare the meeting agenda by generating MSME- related issues and concerns from the council members, particularly the private sector representatives.*(Refer to Annex 3 – Meeting Agenda)*

NOTICE OF MEETING

The Secretariat shall prepare the notice of meeting using the Official Council stationery with letterhead which shall be signed by the chairperson. The notice of meeting shall include a proposed meeting agenda. Said notice should be sent out at least 5 working days before the scheduled meeting. This will give enough time for the members to calendar their activities. The Secretariat will confirm the members' attendance three days after the notice was sent. *(Refer to Annex 2 – Notice of Meeting)*

Minutes of the previous meeting shall be sent one week after the conduct of Council meetings. A copy of the minutes shall again be included in the meeting kit of Council members.

MEETING PROPER

The Secretariat shall be at the meeting venue well ahead of schedule to check the logistics needed for the meeting (i.e., venue set-up, functionality of the public address system, proper set up

and functionality of LCD projectors, availability of whiteboards and pens, adequacy of meeting kits, and meals, among others).

Individual folders containing materials for the meeting shall be given to the members upon their arrival. The secretariat shall ensure that all agenda items are discussed prior to adjournment.

MEETING DOCUMENTATION

The Secretariat shall take down minutes of the meeting and record the proceedings. (*Refer to Annex 4 – Minutes of Meeting*). Minutes of the meeting should be drafted within 5 days after the Council meeting.

The Secretariat shall keep and maintain an organized filing system and keep custody of all important Council documents (e.g. minutes of meetings, resolutions, legal opinions, resource materials, plans and programs, accomplishments, policies formulated, etc.

RESOURCE GENERATION

One of the challenges of running and operating a MSMED Council is resource generation. This section provides legitimacy to efforts of MSMED Councils to generate resources to effectively carry out its programs. Also some innovative strategies developed by existing local MSMED Councils are highlighted to provide models or samples for other Councils to emulate or adopt.

To operate and manage the affairs of the Council, resources are to be generated and mobilized. A number of options can be considered as sources of funds to operate the Council.

MSMED COUNCIL FUND

Section 15 (Mandatory Allocation of Credit Resources to Mico, Small and Medium Enterprises) of RA 9501 Magna Carta for MSMEs provides that: *“For the period of ten (10) years from the date of the effectivity of this amendatory Act, all lending institutions as defined*

Transforming Capiz MSMED Center into a non-stock corporation.

To be able to access funds amounting to about Php3M from official development assistance (ODA) program that is the Philippines-Australia Community Assistance Program (PACAP), the Capiz Provincial MSMED Council transformed its implementing arm, the Capiz MSME Center, into a non-stock corporation and registered it with the Securities and Exchange Commission (SEC). Presently, the Center’s operational budget is being shouldered by the Provincial LGU, with the Capiz MSMED Council supervising its operation. It is manned by 3 personnel, namely, a full time Manager, an encoder and an apprentice. The Center is able to extend maximum assistance to MSMEs in the province. This set up opens more opportunities to generate resources.

under Bangko Sentral ng Pilipinas rules, whether public or private, shall set aside at least eight percent (8%) for Micro and Small Enterprises and at least two percent (2%) for Medium Enterprises of their total loan portfolio based on their balance sheet as of the end of the previous quarter, and make it available for MSME credit as herein contemplated”.

Section 20 (Penal Clause) of the Act further provides that: *“...Penalties on non-compliance of the foregoing provision shall be directed to the development of the MSME sector. Ninety percent (90%) of the penalties collected should go to the MSMED Council Fund, while the remaining ten percent (10%) should be given to the BSP to cover for administrative expenses.”*

Once available, part of the MSMED Council Fund may be allocated to the Regional/Provincial/City MSMED Councils, subject to the usual government accounting and auditing rules and regulations.

LGU Supported SMED Center in Iloilo Province

The Iloilo MSMED Council puts up a SMED Center, in close coordination with the Provincial Government of Iloilo. With funds from the Provincial Government and technical assistance from the Department of Trade and Industry Provincial Office, the SMED Center is able to hold annual trade fairs, fund support and assistance to MSMEs and has become a vibrant convergence point for all support and assistance to MSMEs in the locality. With the LGU fully supporting the SMED Center, which is run and managed by the Iloilo MSMED Council, resources are easily drawn from both public and private sectors for MSMEs.

NATIONAL MSMED COUNCIL FUND

Section 9 (Appropriations) of RA9501 provides that: *“To finance its activities and operational expenses, the National MSMED Council shall have a separate annual appropriation approved by the Department of Trade and Industry (DTI) which shall be provided in the General Appropriations Act.”* The Provincial/City MSMED Councils may draw from these funds for its local operations and activities.

OTHER FUND SOURCES FOR PROVINCIAL/CITY MSMED COUNCILS

There is a wealth of opportunity for Provincial/City MSMED Councils to have their programs and activities funded. These MSMEDCs are encouraged to be creative and resourceful in tapping local monetary and in-kind resources from:

- Local Government Units
- National Government Agencies
- Trade and Industry Associations
- Private sector organizations
- Foundations
- Civil society groups
- Academic institutions, particularly those that offer courses on entrepreneurship and MSME promotion and development
- Development Partners
- Senate and House of Representatives (Priority and Development Assistance Fund)

DATA GENERATION AND REPORTING

This section provides details on the process of generating and reporting data. Also described in this section are the types of data and information sets to be generated as well as the reporting flow and schedule.

MSMED PLAN ACCOMPLISHMENT REPORT

A standard and simplified monitoring form (SMED Plan Accomplishment Report) shall be accomplished by the Council members to be submitted to the Secretariat for consolidation on a quarterly basis. The form shall be provided by the Secretariat in order to capture the data generated per program. (Please refer to the attached form.)

Data to be gathered include (These information/data need to be further defined -- for more clarity depending on the requirements by the data user.)

Employment

This data refers to the number of workers employed per industry sector, categorized as full time and part-time employees.

***Investment
(not included as
indicator in the
accomplishment
report)***

This pertains to information on types and amounts of investments generated per industry sector.

<i>Domestic and Export sales</i>	Refers to actual volume of sales, receipts and revenues generated by MSMEs in various industry sectors in domestic and export markets
<i>Number of newly created MSMEs</i>	This refers to newly established MSMEs per industry sector.
<i>Number of MSMEs assisted</i>	This refers to the number of registered and potential MSMEs provided assistance primarily by the Council through its member agencies, and secondarily by other institutions and business development providers.
<i>MSME borrowers</i>	This refers to the number of MSMEs borrowers that have availed of loans or financial assistance from formal sources.
<i>Loans Approved</i>	This refers to the amount of loans approved per industry sector.
<i>Loans Released</i>	This refers to the total amount of loans released to MSMEs.

FLOW AND SCHEDULE OF REPORTING

The Provincial MSMEDC Secretariat shall follow up submission of reports of the MSMED Council members. All the members shall accomplish reports using the required format and submit the same to the Provincial MSMEDC Secretariat for consolidation and submission.



Figure 1 Process Flow

Figure 1 shows that the local MSMED Council Secretariat shall receive and consolidate the reports from its members. It shall thereafter submit the same to the Regional MSMEDC Secretariat or DTI Regional Office for consolidation and onward submission to the National MSMEDC Secretariat.

		1st Semester	2nd Semester
PROVINCIAL	1. Consolidates the report from all members	Last working day of each month	Last working day of each month
	2. Submits consolidated reports to the Regional MSMEDC	15 May	15 November

		1st Semester	2nd Semester
REGIONAL	3. Receives report from Provincial MSMEDCs.	15 May	15 November
	4. Consolidates Provincial reports and submit to the National MSMEDC.	30 May	30 November
NATIONAL	5. Receives reports from the regional MSMEDC.	15 June	15 December
	6. Consolidates all Regional reports.	30 June	30 December
	7. Submits consolidated report to National MSMED Council, Office of the President, Senate and Congress.	15 July	15 January (of the following year)

Figure 2 Schedule of Reporting

STANDARD FORMS FOR PROVINCIAL MSMED COUNCIL MEETINGS AND OPERATIONS

To facilitate the operations and meetings of the Provincial MSMED Council, the following forms and templates are standardized for use across provinces:

- Meeting Preparations Checklist
- Notice of Meeting
- Meeting Agenda
- Minutes of Meeting
- Resolution Template
- Executive Order
- Policy Proposal
- Referendum Sheet
- Meeting Evaluation Report
- MSMED Council Profile
- MSMED Council Action Plan

All these forms can be found in the Annex. All these templates can be modified to include the logo of the Provincial Governments.

ROLES AND FUNCTIONS OF THE MSMED COUNCIL SECRETARIAT

Section 8 (Designation of the Bureau of Micro, Small, and Medium Enterprise Development as the Council Secretariat) RA 9501 provides that: *“The Bureau of Micro, Small, and Medium Enterprise Development is hereby designated to act as the Council Secretariat and shall have the following duties and functions:*

- *To prepare, in coordination with local government units and/or associations of local government officials, and recommend annual as well as medium-term small and medium enterprise development plans for approval of the Council;*
- *To coordinate the preparation of position papers and action papers and background materials for discussion or approval of the Council meetings;*
- *To assist the Council in coordinating and monitoring small and medium enterprise policies and programs and activities of all government agencies with respect to micro, small and medium enterprises;*
- *To prepare, collate and integrate all inputs to the Council’s yearly report on the status of medium enterprises in the country;*
- *To submit periodic reports to the Council on the progress and accomplishment of its work programs; and,*
- *To perform ad hoc functions as authorized by the Council.”*

Aside from the foregoing the MSMEDC (National / Regional / Provincial / City) Secretariats shall perform the following administrative functions:

1. To coordinate and facilitate the conduct of regular MSMED Council meetings.

a. Pre-Meeting

- Prepare meeting preparation check list
- Prepare notice of meetings using standard forms
- Distribute notice of meetings with Acknowledgement Receipt
- Confirm attendance of participants
- Prepare meeting agenda which are generated from the member agencies
- Prepare meeting kits (writing pads, pens, minutes of previous meeting, draft Council resolutions, presentation materials, and other relevant documents)
- Prepare supplies and equipment (projector, laptop, LCD, tape recorder and batteries, camera, etc.)
- Prepare presentation materials for the meetings
- Arrange venue (DTI conference room, LGU, round-robin among member agencies, private venues) and catering for the meetings
- Prepare attendance sheet using standard forms

b. Meeting Proper

- Ensure all participants fill up and sign Attendance Sheet
- Determine quorum

- Facilitate opening formalities (Invocation and National Anthem, Acknowledgement of Participants)
- Read the minutes of the previous meeting for comments, corrections, clarifications, and approval
- Document proceedings
- Ensure that the meeting is focused on the Agenda
- Ensure that the issues of the previous meeting that were not resolved should be presented during the meeting

c. Post-Meeting

- Prepare the Minutes of the meeting at least within 5 working days after the meeting
- Follow up issues and concerns arising during the meeting
- Files documents (Attendance Sheet, Minutes of Meeting, Resolutions, etc)
- Prepare liquidation papers, if any
- Prepare End of Activity Reports, Terminal Report

2. To prepare minutes of the meeting and ensure that proceedings are well documented.

- Prepare the notes taken down during the previous meeting
- Prepare the minutes using standard forms/templates
- Review and proofread the draft minutes
- Print draft for PD review
- Incorporate correction, comments, and suggestions

- Finalize first draft
 - Print second draft after revision
 - Forward to PD for approval
 - Print and reproduce final minutes fro signature/
conforme
 - Distribute copies during PMSMEDC meeting
3. To coordinate with committees for the preparation of position papers for discussion and approval by the Council.
 4. To prepare resolutions, position papers, MOUs, MOAs, MOCs
 - Review the minutes of the meeting
 - Prepare resolutions/ position papers/ MOUs/MOAs/ MOCs using the appropriate standard forms
 - Review and proof read the draft resolution, etc
 - Print draft for PDs review, comments
 - Finalize draft
 - Get signature of PSMEDC Chairman
 - Forward/submit the duly signed resolution, etc to appropriate agencies
 5. To assist the Council and be actively involved in the monitoring the MSMED Plan implementation.
 6. To facilitate the conduct of action planning workshops and assist the Provincial/City MSMED Council in the identification of programs, projects, activities (PPAs) that can be included in the Provincial MSMED Plan, aligned with local development plans and harmonized with the National MSMED Plan.

7. To assist in generating and mobilizing resources for the operations of the Council and the implementation of Council plans and programs.
8. To keep and maintain active files and documentation of Council meetings, resolutions, policies, programs and plan and progress reports for easy access and reference by all.
9. To provide efficient flow of communication among the Council leaders and members and between the Provincial MSMED Council and the community at large, ensuring that the Council programs and plans as well as accomplishments are known by the public and that the MSMED Council project a positive image to local communities and stakeholders.

HELPFUL HINTS FOR MSMED COUNCIL SECRETARIAT

PREPARING AND UPDATING THE CAPACITY DEVELOPMENT AGENDA

The MSMED Council plays a key role in promoting a culture of continuous learning and excellence among its members. Continuing capacity development is a major task that the MSMED Council endeavours to do. In like manner, the MSMED Secretariat needs capacity development agenda which may include the following:

- Conduct competency needs assessment. This shall be based on the roles and functions of the MSMED Council.
- Identify competency/skills gaps.
- Develop a three to five year capacity development plan.
- Develop annual implementation plans with budget allocations and sources of funds.
- Identify business development providers / resource persons / learning facilitators.
- Implement identified and prioritized capacity development program.
- Ensure re-entry action plans for each Capacity Development activity for learning application into the workplace/agency organization.
- Conduct evaluation after each completed capacity development program.
- Review and assess annual capacity development plans for possible re-planning.

HELPFUL HINTS FOR PROVINCIAL MSMED COUNCIL SECRETARIAT

Trainer/Facilitator Skills Development

- Make every meeting eventful and meaningful to participants. In this way, they keep coming back expectant of what could be interesting in the next meeting. Eventfulness can be carried out by introducing ice-breakers, putting more variety in the conduct of the meeting, i.e. introducing more graphic and visual presentation like video clips; or getting appropriate resource person relevant to the meeting agenda.
- Use participatory and consultative approaches in conducting meetings.
- Make sure handouts and meeting folders are prepared way ahead of time to allow Council members to read the agenda and discussion points so they can participate when the meeting comes.
- Be tech savvy; employ multi-media and other computer-based presentations for more innovative and creative presentations and data-sharing
- Assist Chair/Vice-Chair, especially on agenda coverage
- Have available data ready related to the agenda to be discussed
- Integrate KM in their work. (include KM in acronyms)

Networking and Linkage Building

- Assess potential resources and local links, i.e. private sector champions, chambers, trade associations, etc.
- Identify key resources that can be tapped.

- Prepare a registry of networks and partners that can be tapped.
- Hold informal council meetings with networks and partners to gain common ground in terms of supporting MSMEs.
- Invite key network leaders and partners to MSMED Council meetings.
- Keep in mind that the media can be a key network or partner in any advocacy work.
- Strengthen linkage with the academe for industry research/inputs

Engaging Local Government Units for greater “buy-in” and ownership

- Make a courtesy call to local chief executives whenever possible.
- Learn and know more about the development agenda/focus of the local government unit and its economic potential.
- Ensure that MSMED Council initiatives dovetail with the strategic directions of the local government units as contained in local development plans like the PDPFP, CDP and ELA.
- Provide LCEs and relevant LGU departments with updates and reports on MSMED Council activities and accomplishments.
- Be a part of LGU structures like PDC, TWGs and others.
- Encourage LGUs to have counterpart offices/departments that will also get involved with MSME development.
- Inspire LGUs to co-share SECRETARIAT work for the Council.

- Council should be known to the public to forward the MSME development
- Strengthen the role of LGUs and the private sector in the Council to steer SME economic development in the local level.

ANNEXES

ANNEX 1 - MEETING PREPARATION CHECKLIST

Republic of the Philippines

Region _____ Province of _____



MEETING PREPARATION CHECKLIST

Task/Activities	Time Frame (when to be completed or done)	Responsibility Center	Status or Progress
PRE-MEETING PREPARATIONS			
1. Solicitation / Generating Issues and Concerns			
2. Agenda Preparation			
3. List of invitees			
4. Sending notice of meetings with receiving copy			
5. Confirmation List			
6. Arrangement of venue/meals			
7. Equipments to be used			
8. Reproduction of minutes of previous meeting			
9. Preparation of Matrix of Previous Meeting Issues and Actions Taken			
10. Meeting Kits – Minutes, hand-outs and other materials included in the agenda			

Task/Activities	Time Frame (when to be completed or done)	Responsibility Center	Status or Progress
11. Preparation of attendance sheets and certificates of appearance			
MEETING PROPER			
12. Meeting preliminaries			
13. Acknowledgement of participants and declaration of quorum			
14. Attendance sheets signed			
15. Reading/approval of minutes of previous meeting			
16. Documentation of minutes and proceedings of meeting			
17. Meeting Evaluation			
POST MEETING			
18. De briefing with DTI Focal Secretariat and other DTI Team Members			
19. Preparation of Draft Minutes of Meeting	One week after the meeting.		
20. Liquidation of expenses			
21. Monitor and follow up on actions taken on issues and agreement made in the previous meeting.			

ANNEX 2 - NOTICE OF MEETING

Chairperson

Co-Chairperson

Members:

DBP

DOST

DILG

DENR

Private Sector

NGA

LABOR SECTOR

BANKING
SECTOR

PRIVATE
SECTOR

PRIVATE
SECTOR

DTI – Secretariat
/Focal Person

Republic of the Philippines

Region _____

Province of _____

28 March 2011



NOTICE OF MEETING

We would like to inform you that the next PMSMED Council Meeting will be held on _____ at _____ and will promptly start at _____.

Attached for your ready reference is the proposed agenda for the meeting.

Kindly confirm your or your authorized representative's attendance with _____ at Telephone Number _____ or the following email address _____.

Thank you.

Chairperson

Provincial Micro, Small and Medium Enterprise Development Council (PMSMED - C)

*Department of Trade and Industry
Province of _____ |
Telephone / Fax | Email*

ANNEX 3 - MEETING AGENDA

Republic of the Philippines

Region _____ Province of _____



6th Regular PMSMED Council Meeting
Eugenia Hall, Cebu Parklane International Hotel
August 15, 200 2:00 – 4:00pm

MEETING AGENDA

TIME	AGENDA ITEM	PERSON/s RESPONSIBLE
3:00PM	Declaration of Quorum Invocation/Opening Prayer	Presiding Officer / Secretariat
3:10	1. Call to Order 2. Reading and Approval of the Previous Minutes 3. Issues Arising from the Previous Minutes 4. Presentation and Approval of Agenda	Chair, Provincial MSMED Council Presiding Officer
3:30	5. Private Sector Concerns/Discussion of Possible Resolutions (Issues/Citations/Best Practices) a. Manufacturing (5 min) b. Service Sector (5 min) c. Financing Sector (5 min) d. Academe Sector (5 min) e. Labor Sector (5 min) f. Other Private Sectors (5 min)	MSME Sector Representatives
4:00	6. Government Sector Presentations a. Host Agency (5 min) b. Other Agencies (10 min)	Government Sector Representatives

TIME	AGENDA ITEM	PERSON/s RESPONSIBLE
4:15	7. Presentation and Submission of Accomplishment Reports	Government or Private Sector Representatives or WG Chair
4:30	8. Media Exposure Plans	Presiding Officer
4:40	9. Other Matters	Presiding Officer
4:50	10. Wrap Up/Synthesis a. Look Ahead to the Next Meeting b. Identify Host/Venue/Schedule	Presiding Officer
5:00	11. Adjournment	Presiding Officer

ANNEX 4 - MINUTES OF MEETING

1 Republic of the Philippines

2 Region _____

3 Province of _____



4 **MINUTES of the _th REGULAR MEETING**
5 **OF THE Provincial MSMED COUNCIL**
6 **HELD ON _____ AT _____**

7 **1. Attendance**

8 a. Present:

9 i. Government Sectors

10 1. _____

11 2. _____

12 ii. Private Sectors

13 1. _____

14 2. _____

15 iii. Others Present

16 1. _____

17 2. _____

18 iv. Secretariat

19 b. Absent:

20 **2. Call to Order**

21 **3. Review and Approval of the Previous Minutes**

22 a. Using sub sets

23 **4. Matters arising from the previous minutes**

24 a. Using sub-sets

25 **5. Agenda Proper** (This can be clustered according to the
26 sub-topics discussed during the meeting for easy reading.
27 This portion of the meeting documentation can also

28 include a summary of conclusions/resolve, actions to be
29 taken, timeline and responsible persons.) If there are
30 resolutions passed in the meeting, this should be
31 numbered like Resolution No. 001, Series of 2009.

32 **6. Meeting Evaluation** (This will be a summary of the results
33 of the evaluation form filled and other observations.)

34 **7. Adjournment** (Include time when adjournment was made,
35 who moved and seconded for the adjournment.)
36

Prepared by:

Approved by:

Secretariat

Chair, PMSMED
Council

ANNEX 5 - MEETING EVALUATION REPORT

Republic of the Philippines

Region _____

Province of _____







Meeting Evaluation Report





Activity : _____

Date : _____

Venue : _____

I. How do you describe the meeting today? (Please Check)

Categories				
A. Process				
Facilitation				
Members' participation				
Duration				
B. Content				
Relevance of agenda				

Categories				
Sufficiency of discussion of agenda				
Availability of needed materials				
C. Logistics				
Venue				
Equipments				
Food				

II. Other Comments/ Suggestions: Suggestions for future meetings.

ANNEX 6 - COUNCIL RESOLUTION TEMPLATE

Republic of the Philippines

Region _____

Province of _____



(Excerpts from the minutes of the _____MSMED Meeting

Held on _____ at _____. Where the following are present:

Members Present: _____ (list present members)

Resolution No. _____Series. _____

T I T L E / S U B J E C T
(ALL IN CAPITAL LETTERS)

Whereas, Basis/ Background

Whereas, Rationale

Whereas, Objectives

THEREFORE, _____ **ON** _____ **MOTION** **OF**
duly seconded by

_____ **BE IT RESOLVED AS IT IS HEREBY
RESOLVED** that TITLE/ SUBJECTS

RESOLVED FINALLY that copies of this resolution will be provided
to _____.

Adapted unanimously this ____day of _____at
_____.

I hereby certify to the correctness of the foregoing excerpt.

Signature over Printed Name

Head of Secretariat

Approved by:

Council Chair Name and Signature

ANNEX 7 - TEMPLATE FOR POLICY PROPOSAL

Republic of the Philippines

Region _____

Province of _____



Proposed Policy Proposal

on

(Name and title of the proposed policy proposal)

1. **Statement of the Problem**
This is a 1-2 sentence paragraph describing what the problem that would require policy support is.
2. **Background/ Rationale**
This part covers about 2-3 paragraphs giving an overview or summary or justification of the problem and background why this is an issue/problem as well as the benefits or advantages if there is a policy to resolve this problem.)
3. **Issues and Concerns**
The critical Issues surrounding the problem are discussed and considered; supporting data and information to demonstrate the intensity of the problem can also be provided here.

4. Objective/s

This includes the purpose(s) or goal(s) of the proposed policy. Also, this can include description of what should be done or the expected outcomes / benefits or results of the proposed policy.

5. Recommendation

This portion of the Policy Proposal will outline and recommend 2 – 3 best alternatives or options for policy makers to consider in resolving the problem or issue at hand.

6. Agencies/ Persons

This portion includes a listing of the agencies or persons affected by the problem and recommendations on what these agencies or persons need to do.

7. Policy Statement

This includes the plan of Action or the Policy to be adopted.

NAMES / SIGNATURES OF POLICY PROPONENTS BELOW AS WELL AS
DATE OF POLICY PROPOSAL APPROVAL. USE ADDITIONAL PAGES IF
NEEDED

ANNEX 8 - REFERENDUM SHEET

Republic of the Philippines

Region _____

Province of _____



A Referendum on the

Proposed Resolution No. ____, Series of _____

(Please state full title of resolution or matter to be subjected to referendum by PMSMED Council.)

Dear Members of the PMSMED-C:

Kindly affix your signature corresponding to your vote or action taken on the above-mentioned subject matter or resolution which is the subject of this referendum. Please fax or send your vote in a sealed envelope to DTI Provincial Office Fax Number: _____ . Thank you.

MSMED Council Secretariat/Focal Person

Name of Provincial	Actions Taken			
	APPROVED	DISAPPROVED	ABSTAINED	SIGNATURE
MSMED Council Member				

ANNEX 9 - EXECUTIVE ORDER (CREATING OR REACTIVATING THE PROVINCIAL MSMED COUNCIL)

REPUBLIC OF THE PHILIPINES

PROVINCE OF _____

OFFICE OF THE PROVINCIAL GOVERNOR

EXECUTIVE ORDER NO. ____

Series of _____

REORGANIZATION OF THE _____ Micro, Small and Medium Enterprise Development) PMSMED COUNCIL AND CREATION OF WORKING COMMITTEES

WHEREAS, pursuant to Section 21 of the Republic Act (R.A. 9501), an Act to Promote Entrepreneurship by Strengthening Development and Assistance Programs to Micro, Small and Medium Scale Enterprises, amending for the purpose Republic Act No. 6977, as amended, otherwise known as the “Magna Carta for Small Enterprises” and for other purposes.

WHEREAS, recognizing that MSMEs have the potential for more employment generation and economic growth and therefore can help provide a self-sufficient industrial foundation for the country, it is hereby declared the policy of the State to promote, support, strengthen and encourage the growth and development of MSMEs in all productive sectors of the economy particularly rural / agri-based enterprises.

WHEREAS, government efforts shall be coordinated to achieve coherence in objectives. All appropriate offices, particularly those under the Dept. of Trade and Industry, Finance, Budget and Management, Agriculture, Agrarian Reform, Environment and Natural Resources, Labor and Employment, Transportation and Communications, Public Works and Highways, Science and Technology, Interior and Local Government and Tourism as well as the National Economic and Development Authority, Philippine Information Agency and the Bangko Sentral ng Pilipinas, through their national, regional and provincial offices shall, to the best of

their efforts and in coordination with local government units, provide the necessary support and assistance to MSMEs.

WHEREAS, the existing Small and Medium Enterprise Development Council, which was created by RA No. 6977, as amended by RA No. 8289, shall be strengthened to effectively spur the growth and development of MSMEs throughout the country, and to carry out the policy declared in this Act and shall now be known as the MSMED Council under R. A. 9501. The Council shall be attached to the Dept. of Trade and Industry and shall be constituted within sixty (60) days after the approval of this Act.”

Now therefore, I _____, Provincial Governor of the Province of _____, by virtue of the powers vested in me by law, do hereby order the following:

SECTION 1: That _____an MSMED Council and its Working Committees shall be created composed of the following:

Chairperson	Governor
Vice-Chairperson	Chamber of Commerce/Private Sector
Members	Producers Assn. Inc. Foundation Industry Sectors Trade and Industry Associations NGAs NGOs Banking Institutions

Working Committees

- Business and Investment Enabling Environment Portfolio/Group Manager
 - Portfolio/Group Champion
- Members:**
- DENR
 - PPDO
 - PIA

- Access to Portfolio/Group Members:
 - Market Manager
 - DAR
 - Portfolio/Group
 - OPA
 - Champion
 - Trade Association
 - PIA
 - PIA

- Access to Portfoil/Group Members:
 - Finance Manager
 - Quedancor
 - Portfolio/Group
 - ASU-BAC
 - Champion
 - PIA

- Productivity and Efficiency Portfolio/Group Members:
 - Manager
 - DOLE
 - Portfolio/Group
 - DOST
 - Champion
 - FIDA
 - ATI

SECTION 2.A. Functions and Responsibilities of the _____
PMSMED Council:

1. Promote entrepreneurship
2. Facilitate an enabling environment and opportunities conducive to the growth and development of MSMEs.
3. Harmonize activities of stakeholders in MSME development.
4. Facilitate/ Conduct consultation / dialogue on existing government policies and issues concerning the growth and development of MSMEs.
5. Advocate programs and principles of RA 9501.
6. Link with stakeholders to facilitate conduct of the following:
 - a. business training courses, technical training
 - b. labor management guidance
 - c. guidance and assistance regarding product quality/product development and product diversification
 - d. assistance in marketing and distribution of products of micro, small and medium scale enterprises
 - e. assistance and guidance to enable greater access to credit
 - f. Intensification of info dissemination campaigns and entrepreneurship education activities.
7. Conduct quarterly meetings.
8. Monitor and evaluate activities of _____ MSMEDC and Municipal MSME Desks quarterly.

SECTION 2.B. Functions and Responsibilities of the Working Committees:

Business and Investment Enabling Environment (BIEE): Implement and Monitor Programs, Projects, and Activities related to BIEE

Access to Market (A2M): Implement and Monitor Programs, Projects, and Activities related to A2M

Access to Finance (A2F): Implement and Monitor Programs, Projects, and Activities related to A2F

Productivity and Efficiency (P&E): Implement and Monitor Programs, Projects, and Activities related to P&E

SECTION 3. Funding Requirement

Funding requirement for the operation of the Council and the Working Committees shall be taken from the Provincial Government of _____ and DTI/BMSMED. The Council may access funds from member agencies, other private sectors, and other government institutions geared towards MSME Development.

SECTION 4. Support to the Existing Coordinating Office

To facilitate the smooth implementation of the program, the Provincial Government shall continuously support the existing Office or the _____MSMED Center to ensure that all member agencies and other agencies concerned in the implementation of the program shall have a venue to convene, plan, and ensure smooth delivery of services, as well as monitor and evaluate the programs of the Council through the management of the _____ MSMED Center/Council Coordinator.

SECTION 5. This Executive Order shall take effect immediately.

Done at the _____ this ____ day of
____ 20__.

Provincial Governor

ANNEX 10 - MSMED COUNCIL ACTION PLAN TEMPLATE AND SAMPLE PLAN (BOHOL)

Republic of the Philippines

Region ____ Province of _____



ACTION PLAN of _____ MSMED Council

Desired Results (based on MSMED Council Roles and Functions)	Activity	Responsible	Collaborator/s	Timeline	Resources/ Budgets	Updates Status /



Proposed 2011 Bohol PMSMED Council Action Plan																			
Results	Activities	Responsible Implementers	Collaborators	2011												2012		Resources	Remarks
				M	A	M	J	J	A	S	O	N	D	J	F				
Overarching Activity Result: An effective Bohol PMSMED Council made operational																			
	Activity Area: Internal Policy	Executive Committee	WG Function: Serves as the internal policy making body of the Council; provides overall direction to the Council and takes action on recommendations forwarded by its Working Groups																
Result 1: Private sector participation in the Bohol PMSMEDC increased	1.1 Identify private sector bodies that represent the priority sectors of the province	PMSMED Council	Secretariat													office supplies, technology support and staff time	Done		
	1.2 Prepare / Issue an Executive Order expanding the membership of the Provincial MSMED Council to include the private sector bodies identified	Provincial Legal Office / Provincial Governor	Secretariat													office supplies, technology support and staff time	Done		
	Activity Area: Internal Policy	Executive Committee	WG Function: Serves as the internal policy making body of the Council; provides overall direction to the Council and takes action on recommendations forwarded by its Working Groups																
Result 2: Bohol PMSMEDC internal steering and operational structures established	2.1 Design the PSMED Council Strategy, Cooperation, Steering Structure, Processes and Learning and Innovation using the Capacity WORKS management model	SMEDSEP	PMSMED Council													workshop and meeting expenses, office supplies, technology support and staff time	Done		

Proposed 2011 Bohol PMSMED Council Action Plan																			
Results	Activities	Responsible Implementers	Collaborators	2011												2012		Resources	Remarks
				M	A	M	J	J	A	S	O	N	D	J	F				
	2.2 Present for approval to the Council General Assembly the Council's proposed management model using Capacity WORKS	PMSMED Co-Chair and Secretariat	PMSMED Council														workshop and meeting expenses, office supplies, technology support and staff time		
	Activity Area: Capacity Development	Capacity Development WG	WG Function: Proposes and ensures implementation of identified capacity development measures for the PSMEDC member agencies to enhance the Council's operational efficiency																
Result 3: Capacity development of Bohol PMSMEDC member agencies sustained	3.1 Identify Capacity Development measures appropriate to the effective functioning of the MSMED Council ExeCom and WGs for example Learning Session on	Capacity Development WG, ExeCom	Secretariat, Ad Hoc Group														workshop and meeting expenses, office supplies, technology support and staff time	Done	
	BIC approaches and global themes	Capacity Development WG, ExeCom	Secretariat, Ad Hoc Group														GIZ	To be scheduled	
	Impact Triad	Capacity Development WG, ExeCom	Secretariat, Ad Hoc Group														GIZ	To be scheduled	
	Policy Proposal Development	Capacity Development WG, ExeCom	Secretariat, Ad Hoc Group														GIZ	To be scheduled	
	Activity Area: Monitoring and Evaluation	Monitoring and Evaluation WG	WG Function: Proposes and implements the monitoring and evaluation system re the implementation of the Provincial MSME Development Plan																

Proposed 2011 Bohol PMSMED Council Action Plan																			
Results	Activities	Responsible Implementers	Collaborators	2011												2012		Resources	Remarks
				M	A	M	J	J	A	S	O	N	D	J	F				
Result 4: Functioning Bohol PMSMEDC M&E mechanism installed	4.1 Design the M&E mechanism for monitoring and evaluating implementation of PMSMED Plan (Sector Development Plans)	M&E WG, SMEDSEP	ExeCom														GIZ, DTI		
	4.2 Implement the M&E mechanism	M&E WG, Member Agencies	ExeCom														Council Member Agency budget		
	4.3 Generate periodic sector reports of accomplishments for timely submission to ExeCom and BMSMED cc all Member Agency representatives via email	M&E WG, Member Agencies, Secretariat	ExeCom														office supplies, technology support and staff time		
	4.4 Secure Minutes of the 3 Sector Council Meetings and furnish copies to the ExeCom Members for possible action agenda	Sector Heads	ExeCom, Secretariat														office supplies, technology support and staff time		
	Activity Area: Knowledge Management	Knowledge Management WG	WG Function: Proposes and implements measures for promoting learning and continuous improvement within the Council																

Proposed 2011 Bohol PMSMED Council Action Plan																			
Results	Activities	Responsible Implementers	Collaborators	2011												2012		Resources	Remarks
				M	A	M	J	J	A	S	O	N	D	J	F				
Result 5: Bohol PMSMEDC continuous learning and improvement processes put in place	5.1 Document at least one good practice of the Council operation	KM WG	ExeCom, Secretariat														office supplies, technology support and staff time		
	5.2 Document at least one success story of the Council operation	KM WG	ExeCom, Secretariat														office supplies, technology support and staff time		
	5.3 Document at least one success story of an exemplar MSME	KM WG	ExeCom, Secretariat														office supplies, technology support and staff time		
	5.4 Contribute in the designing of institutionalized Council processes to incorporate learning objectives	KM WG	ExeCom, Secretariat														office supplies, technology support and staff time		
	5.4 Participate in the MSMEDC National Conference	KM WG	ExeCom, Secretariat														GIZ		
	Activity Area: Public Relations	Public Relations WG	WG Function: Proposes and implements a communication strategy for making the internal and external publics aware of the activities and accomplishments of the Council																
Result 6: Bohol PMSMEDC activities and achievements publicized	6.1 Prepare regularly press releases for submission to trimedia outfits	PR WG	ExeCom, Secretariat, Trimedia														office supplies, technology support and staff time		

Proposed 2011 Bohol PMSMED Council Action Plan																			
Results	Activities	Responsible Implementers	Collaborators	2011												2012		Resources	Remarks
				M	A	M	J	J	A	S	O	N	D	J	F				
	6.2 Provide inputs on Council related activities and concerns in the weekly radio program of the Governor and the BCCI	PR WG	ExeCom, Secretariat, Trimedia														office supplies, technology support and staff time		
	6.3 Conduct trimedia conferences on big Council or PMSMED Plan implementation events / activities	PR WG	ExeCom, Secretariat, Trimedia														Provincial LGU	To be scheduled	
	6.4 Publish full page Council accomplishments in local media preferably every after the conduct of the General Council Assembly	PR WG	ExeCom, Secretariat, Trimedia														Provincial LGU	To be scheduled	
	Activity Area: PMSMED Plan Advocacy	PMSMED Plan Advocacy WG	WG Function: proposes and undertakes measures to ensure implementation of the Provincial MSMED Plan PPAs by the member agencies																
Result 7: Advocacy for Bohol PMSMED Plan PPA implementation pursued	7.1 Conduct a PMSMED Summit to inform MSMEs on the PMSMED Plan and PPAs	PMSMED Plan Advocacy WG	ExeCom, Secretariat, Trimedia														GIZ		
	7.2 Steer, integrate and synergize the implementation of PPAs	PMSMED Plan Advocacy WG, Sector Heads	ExeCom, Secretariat, Trimedia														meeting expenses		
	7.3 Identify necessary sector policy recommendations to the MSME Policy WG	PMSMED Plan Advocacy WG, Sector Heads	ExeCom, Secretariat, Trimedia														office supplies, technology support and staff time		

Proposed 2011 Bohol PMSMED Council Action Plan																		
Results	Activities	Responsible Implementers	Collaborators	2011												2012	Resources	Remarks
				M	A	M	J	J	A	S	O	N	D	J	F			
	Activity Area: MSME Policy	MSME Policy WG	WG Function: proposes and submits to appropriate authorities policy recommendations that will address concerns of the local MSME sectors															
Result 8: Bohol MSMED policy proposals prepared, submitted and addressed	8.1 Generate policy proposals to improve the Business Environment for MSMEs	MSME Policy WG	ExeCom, Secretariat, Trimedia													office supplies, technology support and staff time		
	8.2 Submit to, follow up action taken with appropriate agency / bodies at various levels eg NMSMEDC, Regional EDC and provincial government	MSME Policy WG	ExeCom, Secretariat, Trimedia													office supplies, technology support and staff time		
	8.3 Communicate to the Council ExeCom the status / action taken on submitted project proposals	MSME Policy WG	ExeCom, Secretariat, Trimedia													office supplies, technology support and staff time		
	Activity Area: Resource Mobilization	Resource Mobilization WG	WG Function: Proposes and implements measures to generate or mobilize financial resources for the operation of the Council activities															
Result 9: External resources mobilized for Bohol PMSMEDC operation and activities	9.1 Identify possible sources of funds to support and sustain the Council operation MSMEs and finance joint PPAs to benefit	Resource Mobilization WG	ExeCom, Secretariat, Trimedia													office supplies, technology support and staff time		

Proposed 2011 Bohol PMSMED Council Action Plan																			
Results	Activities	Responsible Implementers	Collaborators	2011												2012		Resources	Remarks
				M	A	M	J	J	A	S	O	N	D	J	F				
	9.2 Make proposals and forge agreements on funding schemes for Council operation and joint PPAs	Resource Mobilization WG	ExeCom, Secretariat, Trimedia														office supplies, technology support and staff time		

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