TESDA CIRCULAR

SUBJECT: **Implementing Guidelines on the Skills Training for Family Enterprise Development (STFED)**		Page No. 1 of 5 pages No. 035, Series of 2018
Date Issued: May 03, 2018	Effectivity: **As indicated**	Supersedes:

In the interest of service and to provide directions on the skills training for Family Enterprise Development, the following guideline is hereby adopted:

I. BACKGROUND / RATIONALE

Aligned with the current administration's 10-Point Socio-Economic Agenda, particularly on *promoting rural and value chain development toward increasing agricultural and rural enterprise productivity and rural tourism*, and on *investing in human capital development*, TESDA came up with its 17-point Reform and Development Agenda.

One of the Reform and Development Agenda of TESDA is the implementation of 'Special Skills Training for Entrepreneurs and Family Enterprises'. This is also in line with TESDA's direction towards '*TVET for Social Equity*'.

The family is considered not only a social but also an economic institution. One of the interventions identified to help families become socially responsive and economically empowered units is to provide them with skills training, entrepreneurship development and values enhancement, thus the ***Skills Training for Family Enterprise Development (STFED) Program.***

STFED is a holistic approach to enable families to become productive economic units, thereby contributing to the economic development of their communities. It was conceptualized as a convergence program, to be implemented in collaboration with different religious organizations, other government agencies that provide and promote entrepreneurship and livelihood assistance, government financial institutions and non-government organizations (NGOs) that support micro and small family-owned enterprise development. For purposes of pilot implementation, TESDA initiated the program with the Catholic Bishops' Conference of the Philippines (CBCP) Provincial Basic Ecclesial Communities (BECs).

II. GOALS AND OBJECTIVES

Generally, the overarching goal of the STFED is to achieve inclusive socio-economic growth in the communities. It is a convergence program that will bring institutions together to help create family entrepreneurial endeavors flourish on a sustainable manner; with the nurturing support from partners and stakeholders to help them deliver goods and services focused on community development.

Specifically the following are the objectives of the program:

1. Promote the training programs of TESDA and make them more accessible to the Filipino families.
2. Provide skills training to at least 10 family enterprises per province beginning CY 2018 and which shall be increased to at least 1 family per municipality until CY 2022.
3. Provide assistance in the establishment or enhancement of family enterprises through linkages with religious organizations, NGOs, and NGAs towards the development of sustainable family enterprises.

III. TARGET BENEFICIARIES

Families with existing enterprise or those who want to venture on business that are specifically:

1. Endorsed by different religious organizations like the Catholic Bishops' Conference of the Philippines (CBCP) Provincial Basic Ecclesial Communities (BECs), Islamic Daáwah of the Philippines, and other organizations of the same kind.
2. Belong to the Internally Displaced Peoples (IDPs), Indigenous Peoples.(IPs) and other marginalized sectors endorsed by the appropriate organizations or entities

The Family Enterprise may be defined as an economic venture (enterprise group) in which two or more members of a family (family group) have an interest and a commitment to the continuation of the enterprise. For this guideline, the Family Enterprise will focus on the family where two or more members endorsed by the religious organizations; and families of other targeted beneficiaries as enumerated above, will avail the skills training program from TESDA and shall be assisted together with other NGAs and NGOs that support micro and small family-owned enterprise development.

IV. IMPLEMENTATION ARRANGEMENTS

Responsibilities of the Office of the Deputy Director General for TESD Operations

1. Prepare the program guidelines, manual, and brochure.
2. Provide overall guidance on the implementation of the STFED.
3. Monitor the progress of the program.

Responsibilities of the Regional/Provincial Offices

1. Design the program of activities in coordination with partner organizations.
2. Coordinate with the religious organizations for the list of beneficiary families and specific family member beneficiaries.
3. Assign a TESDA program officer who will coordinate, monitor, and report on the implementation of the STFED.

Partner Organizations can be the NGAs such as the DTI for loan availment through the Small Business Corporation; DOLE for the start up tools under the DILEEP; DOST for the product enhancement and CDA for possible forming of cooperatives among the family enterprises.

Responsibilities of the Religious Organizations

1. Identify beneficiary families and specific family member beneficiaries who will undergo skills training
2. Responsible for the social preparation (i.e. community issues/problems, needs gap assessment, identification of economic opportunities, formulation of convergence strategy, community organizing);

3. Nurture the selected families on the enterprises that can be developed;
4. Facilitate and coordinate with TESDA on the conduct of various activities to be implemented; and
5. Make available to TESDA records and documents pertinent to the implementation of the program for records and reporting purposes.

V. IMPLEMENTATION MECHANICS

The STFED shall adopt a two-pronged approach: 1) Skills Training for the Creation/Development of Family Enterprises; and 2) Skills Training Enhancement for Family Enterprises.

1. Developing Family Enterprises

1.1 Profiling

- As the Program Initiators, TESDA, with the assistance of CBCP Provincial BEC focal and/ other religious organizations shall coordinate with each other regarding identifying prospective family members who can be selected to be a trainee.
- The family members who will enroll in a training program shall undergo career counselling to determine appropriate course to match with the right institution.

1.2 Skills Training Program, Assessment, and Certification

- The skills training program, assessment, and certification shall be provided free to selected and profiled family members interested in setting up a business.
- The skills training program, assessment, and certification shall be supported through scholarship funds of TESDA and its institutional partners with the same advocacies, available scholarship programs and other financial assistance.

1.3 Family Enterprise Development Facilitation Services

- Family members who have undergone Skills Training shall undergo a four-day Entrepreneurship Development Training program following the ILO EDT module.
- TESDA in coordination with the appropriate entities such as DTI, DOLE, LGUs and financing institutions shall provide orientation and windows for capital infusion either through soft loans and incentive programs for start-ups.
- The Regional and Provincial Offices can assist the family member beneficiaries with the Skills Training for Employment/Entrepreneurship Program (STEEP) of TESDA and DTI where DTI can present employment and entrepreneurship opportunities through its Trabaho, Negosyo at Kabuhayan (TNK) program to the certified graduates of the TESDA's Skills Training for Employment Program (STEP). A Memorandum with TESDA and DTI is attached for reference.

2. Enhancing Family Enterprises (FEs)

2.1 TESDA, with CBCP's BECs and other religious groups, shall closely coordinate and partner with the local DOLE, DTI, SMED Councils, LGUs, Business Chambers, Accredited Financing Institutions and other government agencies and stakeholders in targeting the micro family enterprise to be assisted.

2.2 The FEs to be selected should have the commitment to participate in the program. The regions shall set its own target by province based on needs and available capacity and resources.

2.3 Profiling and Training Needs Assessment

- Training Needs Assessment shall be conducted after the family enterprises have been identified or profiled, and commitments are generated. A TNA instrument shall be used if the nature of the family enterprise is not covered by the existing Training Regulations.

2.4 Training Design/Plan and Implementation thru Skills Upgrading/ Retooling

- The training design/plan shall be based on the results of the TNA. TESDA shall assist in the preparation of Training Design/Plan which shall indicate the targeted learning outcomes, the competencies to be acquired or upgraded. TESDA shall ensure that the training programs shall be conducted in accordance with the training plan.

2.5 Competency Assessment and Certification

- Competency assessment shall be conducted after the training for programs covered by Training Regulations to ensure quality of training
- Free assessment shall be provided through the Competency Assessment and Certification of Workers (CACW) program.

2.6 Value-Adding and Mentoring Services

- Family members who have undergone Skills Training shall undergo a four-day Entrepreneurship Development Training program following the ILO EDT module. Said program shall include entrepreneurial skills such as rolling capital, record keeping, marketing vision, etc.

- TESDA in coordination with the appropriate entities such as DTI, LGUs and financing institutions shall provide orientation and windows for capital infusion either through soft loans and incentive programs.

- The Regional and Provincial Offices can assist the family member beneficiaries with the Skills Training for Employment/Entrepreneurship Program (STEEP) of TESDA and

DTI where DTI can present employment and entrepreneurship opportunities through its Trabaho, Negosyo at Kabuhayan (TNK) and the Pondo sa Pagbabago at Pag-asenso (P3) Programs to the certified graduates of TESDA.

VI. Administrative and Financial Procedures

1. Funding for training will come from the TWSP/STEP with a budget estimate of 10,000 per training per family member. However, the amount may vary depending on the course that will be taken by the beneficiaries.

2. Payment of Training and Assessment Cost and Entrepreneurship POs shall adhere to the relevant provisions of the TESDA Circular No. 3, s. 2018 in the payment of training and assessment costs and entrepreneurship

VII. MONITORING AND EVALUATION

The ODDG for TESDO shall be responsible for the overall coordination, implementation, monitoring, evaluation, and reporting on the progress of this program.

GUILING "GENE" A. MAMONDIONG
Director General/Secretary

References:
1. Memorandum of Agreement with the Department of Trade and Industry (DTI)
2. Memorandum of Agreement with the CBCP
3. DOLE Department Order No. 173 Series of 2017

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement (MOA) made and entered into by:

The **TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY**, a national government agency with principal address at East Service Road, South Superhighway, Taguig City, duly represented herein by its Director General/Secretary, **GUILING A. MAMONDIONG**, herein referred to as **FIRST PARTY**.

and

The **DEPARTMENT OF TRADE AND INDUSTRY**, a national government agency with principal address at 361 Sen. Gil J. Puyat Avenue, Makati City, duly represented herein by its Secretary, **RAMON M. LOPEZ**, herein referred to as **SECOND PARTY**.

WITNESSETH

WHEREAS, the **FIRST PARTY** is a national government agency created through Republic Act No. 7796, otherwise known as the "Technical Education and Skills Development Act of 1994", mandated by law, to provide relevant, accessible, high quality and efficient technical education and skills development in support of the development of high quality Filipino middle level manpower responsive to and in accordance with Philippine development goals and priorities;

WHEREAS, the **FIRST PARTY** supports partnership arrangements and recognizes the active participation of various stakeholders in technical education and skills development;

WHEREAS, the **SECOND PARTY** is the primary coordinative, promotive, facilitative and regulatory arm of the Philippine Government in the area of trade, industry and investment;

WHEREAS, the **SECOND PARTY** is responsible for realizing the country's goal of globally competitive and innovative industry and services sectors that contribute to inclusive growth and employment generation.

WHEREAS, the **SECOND PARTY** carries into this partnership strategies that will provide faster delivery of Micro, Small and Medium Enterprises (MSME) assistance measures, streamlined business permits and licensing systems, streamlined and simplified loan processes, enhance labor capacities, and encourage and support entrepreneurship as part of its MSME Development Plan 2017-2022.

WHEREAS, the **SECOND PARTY** is to present employment and entrepreneurship opportunities, through its Trabaho, Negosyo at Kabuhayan (TNK) Program, to the certified graduates of the FIRST PARTY's Skills Training for Employment Program (STEP).

NOW THEREFORE, for and in consideration of the foregoing, the **FIRST PARTY** and the **SECOND PARTY** have agreed to forge a partnership and work together to realize the thrust of the national government in coming up with training programs to generate employment and entrepreneurship within the country.

Article I. Project Title

SECTION 1. Project Title. The Project shall be entitled **Skills Training for Employment/Entrepreneurship Program (STEEP)**

Article II. Objectives

SECTION 1. Overall Objective of the Project. In line with TESDA's Two-Pronged Strategy on Poverty Reduction, the project aims to provide interventions through skills development by providing access to training on entrepreneurship to graduates of TESDA program for self or wage employment to uplift their economic status.

Article III. Obligations of Both Parties

SECTION 1. Obligations of the **FIRST PARTY**. The **FIRST PARTY** hereby agrees to undertake the following responsibilities and obligations:

a) Provide list of certified graduates of Special Training for Employment Program (STEP) and other similar scholarship programs;
b) Assist in the conduct of the entrepreneurship training; and
c) Monitor and evaluate the implementation of the project and provide recommendations to further enhance the Project.

SECTION 2. Obligations of the **SECOND PARTY**. The **SECOND PARTY** agrees to undertake the following responsibilities and obligations:

a) Assess and select beneficiaries from TESDA's certified STEP graduates using an instrument that shall pre-qualify the graduates;
b) Provide entrepreneurship training to selected beneficiaries, subject to the usual accounting and auditing rules and regulations;
c) Assist the selected beneficiaries in the availment of the micro financing facilities;
d) Provide the selected beneficiaries access to start-up capital for micro

enterprises;

e) Facilitate business registration to beneficiaries who wish to engage in business/sole proprietorship;
f) Monitor and evaluate the progress of the selected beneficiaries and provide recommendations to further enhance the Project

Article IV. Cost

Each Party shall bear its own costs and expenses incurred in carrying out each of their respective undertakings and obligations required by this Agreement.

The **FIRST PARTY** shall bear no cost in the implementation of the Entrepreneurship Program.

The **SECOND PARTY** shall draw the funding needed to implement the Program from its Negosyo Centers where the training will be respectively held, subject to availability of funds and other applicable budgeting and accounting rules and regulations.

Article V. Project Duration

This Memorandum of Agreement shall take effect on the date of signing by both Parties hereto and shall continue to exist for a period of one (1) year from said date with the option for renewal mutually agreed upon by the Parties.

Article VI. Amendments

This Agreement may be revised, amended or modified only through a written instrument duly executed and signed by all parties hereto and executed with the same formality as this agreement.

Article VII. Effectivity and Termination

This Memorandum of Agreement shall take effect on the date the Parties set their signatures on this document and shall be in full force and effect unless sooner terminated by mutual consent of all parties, provided a three-month (3) notice by the initiating party shall have been fully served to the other party.

The termination of this Agreement shall be without prejudice to the rights of the parties which may have accrued prior to such termination.

Article VIII. Entire Agreement

This Agreement, including attachments hereto, constitutes the entire Agreement between the **FIRST PARTY** and **SECOND PARTY** concerning the subject matter

hereof, and supersedes all prior communications or Agreements, written or oral, and is intended to be a complete and exclusive statement of the terms and conditions between the Parties.

Article IX. Severability

If any term or provision of this Agreement should be declared illegal or invalid by a court of competent jurisdiction, the remaining terms and provisions of this Agreement shall remain unimpaired and in full force.

Article X. Confidentiality and Data Privacy

During the term of this Agreement and after termination, the Parties shall not disclose any proprietary and confidential information relating to programs and activities of this Agreement, including all data that may be received or gathered in the performance of the obligations of the Parties without prior written consent of the others.

The Parties shall, in the performance of their respective obligations under this Agreement, ensure the privacy and security of any and all confidential, privileged, personal and/or sensitive personal information that the Parties may have access to, and shall store, use, process and dispose the said privileged and/or personal information in accordance with existing laws, rules and regulations of the Parties.

Article XI. Dispute Resolution

In case of dispute arising out of or related to this Agreement (including, without limitation, to questions of interpretation, application or implementation of these provisions), the same shall be settled amicably by mutual consultations within sixty (60) days after written notice thereof has been given by the complaining party. In case the parties fail to amicably settle their dispute the same shall be resolved in the manner prescribed under Chapter 14, Book IV of the Administrative Code of 1987

IN WITNESS WHEREOF, the parties affixed their respective signatures this
IN WITNESS WHEREOF, the parties affixed their respective signatures this
7th day of August, 2017 in Makati City, Philippines.

TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY

GUILING "GENE" A. MAMONDIONG
Director General/Secretary

DEPARTMENT OF TRADE AND INDUSTRY

RAMON M. LOPEZ
Secretary

WITNESSESS

REBECCA J. CALZADO
Deputy Director General
Partnership and Linkages

ZENAIDA C. MAGLAYA
Undersecretary
Regional Operations Group

ALVIN S. FELICIANO
Deputy Director General
TESD Operations

JERRY T. CLAVESILLAS
Director
Bureau of Small and Medium Enterprise Development

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES

City of TAGUIG

Before me, a Notary public for and in the City of TAGUIG, this AUG 1 5 2017 day of _____ 2017 personally appeared:

Name	Government Issued ID No.	Date and Place of Issue
GUILING " GENE" A. MAMONDIONG	DE 0013562	DFA Manila 8/24/2016
RAMON M. LOPEZ	D0004814A	Manila 7/22/2017

Known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free and voluntary act and deed and of the entity they respectively represented.

This instrument, referring to a MOA, consist of six (6) pages including this page wherein the acknowledgment is written, and has been signed on each and every page thereof by the parties and their instrumental witnesses.

WITNESSETH MY HAND AND SEAL on the date and the place above-stated.

Doc. No. 281

Page No. 57

Book No. I

Series No. 2017

ATTY. LEONARDO S. GODINEZ
Notary Public for Taguig City Until Dec. 31, 2018
IBP No. 1048751 / 10-6-2016 Rizal
PTR No. 2506500 / 01-03-2017 Pasig
MCLE V-01-2007; Appt. No. 66
San Juan St. Central Bicutan, Taguig City

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement (MOA) made and entered into by:

The **TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY**, a government agency with principal address at East Service Road, South Superhighway, Taguig City, duly represented herein by its Secretary/Director General, **GUILING A. MAMONDIONG**, herein referred to as **FIRST PARTY**.

and

The **CATHOLIC BISHOPS' CONFERENCE OF THE PHILIPPINES** with principal address at 470 General Luna Street, Intramuros, Manila, duly represented herein by its President, **MOST REV. SOCRATES B. VILLEGAS, D.D.** herein referred to as **SECOND PARTY**.

WITNESSETH

WHEREAS, the **FIRST PARTY** is a government agency created through RA 7796 otherwise known as the "Technical Education and Skills Development Act of 1994" mandated by law, to provide relevant, accessible, high quality and efficient technical education and skills development in support of the development of high quality Filipino middle level manpower responsive to and in accordance with Philippine development goals and priorities;

WHEREAS, the **FIRST PARTY** supports partnership arrangements and recognizes the active participation of various stakeholders in technical education and skills development;

WHEREAS, the **SECOND PARTY** is the permanent organizational assembly of the Bishops of the Philippines exercising together certain pastoral offices for the Christian faithful of their territory through apostolic plans, programs and projects suited to the circumstances of time and place in accordance with law for the promotion of the greater good offered by the Church to all people;

WHEREAS, the **SECOND PARTY** promotes the spirit of solidarity in the Philippine Church; the formulation of joint pastoral policies and programs; the active engagement of the Philippine Church as a body in the pastoral thrusts of the universal Church; and the assumption of responsibilities as evangelizer in its relationship with all peoples in the country, especially the civil authority;

WHEREAS, the development of the **family**, not only as a social institution but also as an economic institution is among TESDA's priorities;

NOW THEREFORE, for and in consideration of the foregoing, the parties hereby agree as follows:

Article I. Project Title

SECTION 1. Project Title. The Project shall be entitled "*Skills Development towards Family Enterprises*"

Article II. Objectives

SECTION 1. Overall Objective of the Project. In line with TESDA's Two-Pronged Strategy on Poverty Reduction, the project aims to provide interventions through skills development by providing access to training to promote entrepreneurship among families to uplift their economic status.

Article III. Obligations of Both Parties

SECTION 1. Obligations of the FIRST PARTY. The FIRST PARTY hereby agrees to undertake the following responsibilities and obligations:

1. Provide skills training to qualified family members under the Training for Work Scholarship Program (TWSP), subject to availability of funds;
2. Identify/qualify the Technical Vocational Institutions (TVIs) where the beneficiaries will be trained;
3. Accept or reject, in accordance with the existing standards and guidelines issued by TESDA, any and all candidates endorsed by the CBCP;
4. Facilitate the conduct of skills training to qualified beneficiaries;
5. Monitor the implementation of the project; and
6. Administer competency assessment for training programs with assessment tools and award National Certificate (NC) or Certificate of Competency (COC) to beneficiaries who pass the competency assessment.

SECTION 2. Obligations of the SECOND PARTY. The SECOND PARTY agrees to undertake the following responsibilities and obligations:

1. Identify and endorse the beneficiaries who will undergo skills training drawn from CBCP's Basic Ecclesial Communities;
2. Responsible for the social preparation (i.e. community issues/problems, needs gap assessment, identification of economic opportunities, formulation of convergence strategy, community organizing);
3. Nurture the selected families on the enterprise that can be developed;
4. Facilitate and coordinate with TESDA on the conduct of various activities to be implemented; and
5. Make available to TESDA records and documents pertinent to the implementation of the program for records and reporting purposes of TESDA.

Article IV. Project Duration

This Memorandum of Agreement shall take effect on the date of signing by both Parties hereto and shall continue to exist for a period of one (1) year from said date with the option for renewal.

Article V. Joint Memorandum Order

A Joint Memorandum Order setting forth the relevant details and which shall form part of this Agreement shall be issued by the parties within thirty (30) days from the date of execution of this Agreement.

Article VI. Amendments

This Agreement may be revised, amended or modified only through a written instrument duly executed and signed by all parties hereto and executed with the same formality as this agreement.

Article VII. Effectivity

This Memorandum of Agreement shall take effect on the date the Parties set their signatures on this document and shall be in full force and effect unless sooner terminated by mutual consent of all parties, provided a three-month notice by the initiating party shall have been fully served to other parties.

IN WITNESS WHEREOF, the parties affixed their respective signatures this _____ day of _____, 2017 in Taguig City, Philippines.

TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY

GUILING "GENE" A. MAMONDIONG
Director General/Secretary

CATHOLIC BISHOPS' CONFERENCE OF THE PHILIPPINES

MOST REV. SOCRATES B. VILLEGAS, D.D.
President

WITNESSESS

ALVIN S. FELICIANO
Deputy Director General for
TESD Operations

REV. BP. JOSE A. CABANTAN
Chairman, Committee on Basic
Ecclesial Communities

ATTY. DIOSDADO O. PADILLA
Deputy Director General for
Communities and Local Government Unit Services

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES

City of TAGUIG CITY

Before me, a Notary public for and in the City of TAGUIG CITY, this JUL 07 2017 day of _____ 2017 personally appeared:

Name	Residence Certificate No./Government Issued ID	Date and Place of Issue
GUILING A. MAMONDIONG		
SOCRATES B. VILLEGAS, D.D.		

Known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free and voluntary act and deed and of the entity they respectively represented.

This instrument, referring to a MOA, consist of 4 pages including this page wherein the acknowledgment is written, and has been signed on each and every page thereof by the parties and their instrumental witnesses.

WITNESSETH MY HAND AND SEAL on the date and the place above-stated.

Doc. No. 90

Page No. 18

Book No. XV

Series No. 2017

BASILIO B. POSTEN
Notary Public for Taguig City
Comm. Apt. No. 15, Expiry: 12-31-18
MCLE V-0014221; Roll No. 42381
IBP Lifetime Member No. 07806
PTR A-319-5001/01-03-17/Taguig City
G/F FTI Admin Bldg, FTI Complex, T.C.

DEPARTMENT OF LABOR AND EMPLOYMENT
Administrative Service Central Records Section-GSD
DATE: 14 FEB 2017
TIME: 8:38
RECEIVED BY:

Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
Intramuros, Manila

DEPARTMENT ORDER NO. 173
Series of 2017

REVISED GUIDELINES IN THE IMPLEMENTATION OF THE DEPARTMENT OF LABOR AND EMPLOYMENT INTEGRATED LIVELIHOOD AND EMERGENCY EMPLOYMENT PROGRAMS (DILEEP)

In the interest of the service and pursuant to the goal of inclusive growth through massive job generation and substantial poverty reduction, this Guidelines is hereby issued prescribing the standards and procedures for effective implementation of the DOLE Integrated Livelihood and Emergency Employment Program (DILEEP).

I. PROGRAM, OBJECTIVES, COVERAGE, GUIDING PRINCIPLES, DEFINITION OF TERMS AND MODES AND PHASES OF IMPLEMENTATION

Section 1. Program. - The DOLE Integrated Livelihood and Emergency Employment Program (DILEEP) is the Department's contribution to the government agenda of inclusive growth through massive job generation and poverty reduction.

The DILEEP particularly seeks to contribute to poverty reduction and reduce vulnerability to risks of the poor, vulnerable, and marginalized workers, either through: (1) transitional emergency employment; and (2) promotion of livelihood and entrepreneurship. It has two component programs, namely: (1) DOLE Integrated Livelihood Program (DILP) otherwise known as the ***KABUHAYAN*** Program; and (2) Emergency Employment Program (EEP) otherwise known as the ***Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers (TUPAD)*** Program.

All DOLE existing livelihood programs, i.e., Women Workers Employment and Entrepreneurship Development (WEED); Promotion of Rural Employment through Self-Employment and Entrepreneurship Development (PRESEED); *Tulong Alalay sa Taong May Kapansanan* (TULAY); Workers Income Augmentation Program (WINAP); Livelihood component of the DOLE Adjustment Measures Program (AMP); Working Youth Center (WYC); Youth Entrepreneurship Support (YES), and *Kabuhayan Para sa Magulang ng Batang Manggagawa* (KASAMA) Program, are integrated into the ***KABUHAYAN*** Program.

Section 2. Objectives. - This Guidelines seeks to ensure that the DILEEP contributes to poverty reduction and reduce the vulnerability to risks of the poor, vulnerable, and marginalized workers by:

A. Ensuring easy access of beneficiaries to ***KABUHAYAN*** and ***TUPAD***;

B. Prescribing clear standards, transparent procedures for availment of and release of funds, reporting and monitoring, and evaluation of the program;

C. Ensuring the accountabilities of the Accredited Co-Partners (ACPs) and beneficiaries and of the Regional Directors for all project funds releases; and

D. Adopting, as applicable, a convergent approach in the delivery of programs and services of government agencies and private organizations to effectively assist and provide complete support to the program.

Section 3. Coverage. - This Guidelines shall govern the implementation of ***KABUHAYAN*** and ***TUPAD Programs*** nationwide.

Section 4. Guiding Principles. - The implementation of the KABUHAYAN and TUPAD Programs shall observe the following:

A. Convergence of Services. To ensure the success of livelihood and emergency employment programs, the convergence approach shall be operationalized through: (1) complementation of resources in the delivery of interventions; and (2) public-private partnerships (PPP).

The DOLE ROs/POs/FOs shall solicit the participation and commitment of respective services of relevant support agencies both government and the private sector. When necessary, a Memorandum of Agreement shall be entered into to formalize this partnership.

A pro-forma Memorandum of Agreement (MOA) for Convergence is attached as ***ANNEX A.***

B. Technology-Driven, Resource-Based and Sustainable Livelihood. To promote the use of latest technologies and readily available raw materials in the area with available market or demand for their products, the implementation of the ***KABUHAYAN*** Program shall be linked for technical support to key government agencies.

C. Full decentralization of approving/signing authority. Except for the centrally- managed DOLE-Adjustment Measures Program (AMP), the Regional Directors shall be the approving and signing authority for all proposed ***KABUHAYAN*** and ***TUPAD*** projects, regardless of the amount. The Regional Directors shall be fully responsible and accountable for all project funds releases, in accordance with existing budgeting, accounting, and auditing rules and regulations, amending Administrative Order No. 328, series of 2011, on Delegation of Authority.

Section 5 Definition of Terms. For the purpose of this Guidelines, the following terms shall mean:

(a) **Accredited Co-Partner** – refers to the program partner, which may be a peoples'/workers' organization, union, association, federation, cooperative, business association, church-based organization, educational institution, or private foundation, that has been accredited by the DOLE to implement programs and projects using government or public funds. Government agencies, including LGUs and SUCs, need not accredit as program partner but would have to comply with the submission of documentary requirements.

(b) **Beneficiary** – refers to individuals or group of individuals or ACPs who are qualified to be recipients of assistance under the DILEEP.

(c) **Convergence** – refers to the act of integrating and collaborating related programs and services of DOLE, other government agencies, business and labor groups, and civil society to effectively assist and support a community enterprise.

(d) **Cooperative** – refers to an autonomous association of persons duly registered with the Cooperative Development Authority (CDA), with a common bond of interest, whose members have voluntarily joined together to achieve their social, economic, and cultural needs and aspirations by making equitable contributions to the capital required, patronizing their products and services, and accepting a fair share of the risks and benefits of the undertaking in accordance with universally-accepted cooperative principles.[1]

(e) **Disaster** – is a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts, which exceeds the ability of the affected community or society to cope using its own resources. Disasters are often described as a result of the combination of: the exposure to a hazard; the conditions of vulnerability that are present; and insufficient capacity or measures to reduce or cope with the potential negative consequences. Disaster impacts may include loss of life, injury, disease and other negative effects on human, physical, mental and social well-being, together with damage to property, destruction of assets, loss of services, social and economic disruption and environmental degradation.[2]

[1] Article 3 of Republic Act No. 9520 (An Act Amending the Cooperative Code of the Philippines)
[2] Section 3 of Republic Act No. 10121 (Philippine Disaster Risk Reduction and Management Act of 2010).

(f) **Displaced Workers** – refer to workers in the formal and informal sectors who became unemployed, underemployed, or have lost their livelihood as a result of closure of establishment, economic crisis, retrenchment, termination, natural disasters/calamities.

(g) **DOLE Adjustment Measures Program (AMP)** – is a safety net program that provides a package of assistance and other forms of interventions as a means of helping individuals/workers and companies, particularly the distressed, in coping with economic disruptions

(h) **Equipment** – refers to a tangible property that is used to produce a product, provide a service or use to sell, store and deliver merchandise.

(i) **Equity** – refers to the proponent's counterpart which may be in the form of labor, land for the project site, facilities, equipment and the like, to be used in a project. It is a requirement for the proponent to allot an equity which is equivalent to at least 20 percent of the total project cost in order to avail of KABUHAYAN and TUPAD assistance.

(j) **Funds** – refer to government funds entrusted to the Regional Office for the implementation of the DILEEP.

(k) **Government Organization** – refers to national government agencies, local government units, government-owned or controlled corporations, and their subsidiaries.

(l) **Jigs** - A device that does both functions of holding the work and guiding a tool. The most common type of jig is the drill jig, which guides the drill bit for creating holes at desired locations.

(m) **Livelihood or *KABUHAYAN*** – refers to any kind of legitimate economic activity that will serve as a source of viable employment option to generate income among the low-income groups.

(n) **Local Government Unit (LGU)** – refers to those institutional units whose fiscal, legislative and executive authority extends over the smallest geographical areas distinguished for administrative and political purposes.

(o) **Marginalized workers** – refer to workers who have not benefited from education, health, employment, and other opportunities by reasons of poverty, geographical inaccessibility, culture, gender, among others.

(p) **Micro-insurance** – refers to a scheme that provides specific insurance and similar products and services that meet the needs of the low-income sector for risk protection and relief against distress, misfortune, and other contingent events.

(q) **Occupational Safety and Health (OSH)** – refers to the (1) promotion and maintenance of the highest degree of physical, mental, and social well-being of workers in all occupations; (2) prevention among workers of any departures from health caused by working conditions; (3) protection among workers in their employment from risks usually from factors adverse to health; and (4) placement and maintenance of the worker in an occupational environment adapted to his physiological ability.

(r) **People's Organization (PO)** – refers to an independent community and/or a class-based association established to advance specific causes and to protect the interest of specific sectors.

(s) **Personal Protective Equipment (PPE)** – refers to clothing, equipment, or substances designed to be worn by someone to protect them from risks of injury or illness.

(t) **Working Poor** – refers to individuals and families whose income fall below the poverty threshold as defined by the National Economic and Development Authority and/or cannot afford in a sustained manner to provide their minimum basic needs of food, health, education, housing and other essential amenities of life.

(u) **Proponent** – refers to individuals and/or groups who propose and undertake livelihood and/or emergency employment projects, which may either be an ACP or a Beneficiary.

(v) **Raw Materials** – refer to the basic materials of which the product is made of

(w) **Regional Project Management Team (RPMT)** – refers to a team in the DOLE Regional Office which evaluates, deliberates, and endorses project proposals to the Regional Director for approval.

(x) **Self-employed** – refers to individuals who create their own earnings and opportunities in the form of business, contract work or freelance activities

(y) **Special Disbursing Officer (SDO)** – refers to a person who disburses funds and renders accounts in accordance with laws and regulations governing disbursement of public funds. The officer has physical possession or control of the funds.

(z) **Statutory Minimum Wage** – refers to lowest wage rate fixed by law that an employer must pay his/her workers.[3]

[3] National Wages and Productivity Commission Guidelines No. 01, Series of 2007 (Amended Rules of Procedure on Minimum Wage Fixing).

(aa) **Tool** – refers to a handheld device or implement that helps in performing a particular task or function. This includes mechanical tools such as saw, hammer, knife, pliers, molder, trowel, glue gun, rake, shovel, axe and wheelbarrow

(bb) **Tulong Panghanapbuhay sa Ating Displaced/Disadvantaged Workers (TUPAD) Program or Emergency Employment Program (EEP)** – A community-based package of short–term wage employment assistance for displaced and/or underemployed workers.

(cc) **Union** – refers to any labor organization in the private sector organized for collective bargaining and for other legitimate purposes.[4]

(dd) **Underemployed** - refers to the employed persons who express the desire to have additional hours of work in their present job or an additional job, or have a new job with longer working hours.

(ee) **Vulnerable workers** –workers who are less likely to have formal work arrangements, and are, therefore, more likely lack decent working conditions and adequate social security, and whose employment is characterized by inadequate earnings, low productivity, and difficult conditions of work that undermine their fundamental rights.

(ff) **Wage employment** - refers to the act of generating one's income from an employer-employee relationship.

(gg) **Workers' Organization/Association** – refers to an association of workers organized for the mutual aid and protection of its members or for any legitimate purpose other than collective bargaining.[5]

Section 6. Modes of Implementation of *KABUHAYAN* and *TUPAD*. The ***KABUHAYAN*** and ***TUPAD*** programs shall be implemented by the DOLE Regional Offices, either through:

a. Accredited Co-Partner (ACP).

Under the ACP mode, the following will qualify as partner or conduit in the implementation of the program, provided they are registered with any government registering body and accredited with DOLE:

1. peoples'/ workers' organizations
2. private sector unions/federations
3. cooperatives

[4] Department Order No. 40-03, Series of 2003 (Amending the Implementing Rules of Book V of the Labor Code).
[5] Department Order No. 40-03, Series of 2003 (Amending the Implementing Rules of Books V of the Labor Code).

4. church based organizations
5. private educational institutions
6. private foundations

Government agencies/institutions such as local government units (provinces cities, municipalities, and barangay) and national government agencies and public educational institutions (state universities and colleges/higher educational institutions/national technical-vocational schools) need not accredit as program partner but would have to comply with the submission of documentary requirements.

b. Direct Administration

Under the direct administration mode, the implementation of the program shall be done by the DOLE Regional/Provincial/Field Offices.

Section 7. Phases of Implementation – For both modes of implementation, the partner/conduit under the ACP mode and the DOLE Regional/Provincial/Field Offices under the Direct Administration Mode, shall deliver the assistance in phases as follows:

FOR KABUHAYAN PROGRAM

A. Pre-Implementation Phase. - Period or stage during which beneficiaries shall be provided with training on how to plan, set-up, start and operate their livelihood undertakings. Training may be provided by partner-agencies such as TESDA, DOST, DTI, etc, or as equity of the ACP or beneficiary. If a particular training cannot be provided by partner agencies or the ACP, it may be financed by the program funds provided it is included in the project proposal/ business plan. The total training cost shall not exceed P5,000 per beneficiary and the professional fees shall be in accordance with the prescribed DBM Circular rates (**ANNEX B**).

The following trainings must be provided to the beneficiaries, depending on the needs and requirements of the project and the beneficiaries.

1. **Business Planning** – providing beneficiaries with skills through learning by doing in generating business ideas, screening/selecting the best business project, and preparing the business plan.
2. **Business and Work Improvement Course** - building the capacity of the Project Management Team to be designated by the worker-beneficiaries to manage the daily operations of the project in the four areas of business operation, i.e., production, marketing, organization and finance, including productivity, and occupational safety and health.

3. **Basic Entrepreneurship Development Training** – familiarizing the beneficiaries with the basic concepts and principles of business/enterprise towards improving their entrepreneurial skills and knowledge and successfully managing their projects
4. **Values Formation** –developing/enhancing the values, traits and skills of the beneficiaries in effectively and efficiently managing their livelihood projects
5. **Business Ethics** – providing the beneficiaries with knowledge on the fundamental principles that underlie the formation and operation of a business enterprise; the nature and purpose of a business, and the moral obligations that pertain to it.
6. **Good Production Management Practices** – equipping the workers with basic knowledge on how to ensure that products are consistently produced and controlled according to quality standards.
7. **Production Skills** – providing the workers with the necessary skills in producing quality products or services.
8. **Simple Records Keeping** – equipping the beneficiaries with knowledge on how to use their numeracy skills in improving their businesses

B. **Implementation Phase.** - Period or stage during which beneficiaries shall be provided with working capital in the form of raw materials, equipment, tools and jigs, and other support services necessary in setting-up the business.

They shall be extended social security through enrolment in Group Personal Accident Insurance of GSIS, to be included in the total project cost or as counterpart of the ACP.

C. **Post-Implementation Phase.** - Period or stage during which beneficiaries shall be provided with continuing technical and business advisory services to ensure efficiency, productivity, and sustainability of the business/enterprise. Periodic monitoring of the project and reporting of project status/progress shall be done to immediately identify and address the gaps/issues on project implementation. Likewise, liquidation of fund assistance released shall be undertaken within sixty (60) days upon completion of the project, that is, upon acceptance of assistance by the beneficiaries.

All DOLE-funded livelihood projects and trainings shall use a standard design for streamers/banners and signages, specifications of which are provided in **ANNEX C.** Likewise, product packaging/labelling shall bear the DOLE and DILP logos **(ANNEX D).**

FOR TUPAD PROGRAM

A. **Pre-Implementation Phase.** - Services to be provided prior to the engagement in any TUPAD project:

1. Conduct of Basic orientation on safety and health;
2. Personal Protective Equipment (PPE) in the form of T-shirt **(ANNEX E)** and hat. However, work programs that are classified as hazardous work as defined in Rule

1013 of the Occupational Safety and Health Standards s1989 **(ANNEX F)** shall be provided with complete set of PPE..

3. Enrolment in group micro-insurance, to be included in the total project cost or as counterpart of the ACP/LGU
4. Issuance of TUPAD ID **(ANNEX G)**

B. **Implementation Phase.** - All workers shall be paid one hundred percent (100%) of the prevailing private sector minimum wage in the area/locality, subject to the submission of validated daily time records. Payment of wages shall be supported by a payroll, a template for which is provided as **ANNEXES H and I.**

The wages should be directly claimed by the beneficiaries upon presentation of the TUPAD ID. If, for valid reason, the beneficiary-workers will not be able to claim their wages, an authorization letter and a photocopy of the TUPAD ID of the beneficiary should be presented by the representative claimant. The representative claimant should also present an ID.

The LGU/ACP shall monitor the implementation of the TUPAD project. Likewise, the DOLE RO/PO/FO shall also monitor the implementation of the TUPAD project, be it under the ACP mode or direct administration mode, in coordination with the offices of the Local Chief Executive or Barangay, as the case maybe.

B.1 Payment of wages thru Direct Administration

The payment of wages of the TUPAD beneficiaries shall be coursed through a money remittance service provider to be prescribed by the DOLE Central Office to ensure standard application across all regions in terms of mechanics and service fee costs.

B.2 Payment of wages thru ACP

The ACP/LGU shall facilitate the payment of wages of the TUPAD beneficiaries using the prescribed payroll, with representative/s from DOLE RO/PO/FO as witness/es.

C. **Post-Implementation Phase.** - At the onset, the beneficiaries should signify their intention to avail of skills training to prepare them towards self- or wage employment. The Technical Education and Skills Development Authority (TESDA) or its accredited training institutions shall be tapped to conduct the skills training under the Training for Work Scholarship Program (TWSP). Likewise, liquidation of fund assistance released and submission of necessary reports and supporting documents shall be undertaken within sixty (60) days upon completion of the project.

II. *KABUHAYAN* PROGRAM

Section 8. Livelihood or *KABUHAYAN* Program Description – The ***KABUHAYAN*** Program is a grant assistance for capacity-building on livelihood for the working poor, vulnerable and marginalized workers, either for individual or group livelihood projects/undertakings, with the following components:

A. ***KABUHAYAN* Formation.** - Enabling the poor, vulnerable and marginalized workers in the informal and formal economies to start individual or group livelihood undertakings.

B. ***KABUHAYAN* Enhancement.** - Enabling existing livelihood undertakings to grow into viable and sustainable businesses that provide income at least at par with those of the minimum wage earners.

C. ***KABUHAYAN* Restoration.** - Enabling the re-establishment of lost or damaged livelihoods due to occurrence of natural disasters/calamities.

Under the KABUHAYAN Program, the following support services can also be funded.

1. **Common Service Facility (CSF)** – It refers to a facility which maybe in the form of equipment, tools, accessories and other auxiliary items that can be commonly used or shared by the members of the organization. Examples of CSF are decorticating machine, handloom, rice mill and dough mixer.

2. **Training-cum-Production** – It is a type of assistance wherein the beneficiaries will be provided with skills training with a tangible output/product, which can be used to start their own small business.

Section 9. Categorization of Livelihood Projects.

A. <u>Group Projects</u>

1. ***Micro-Livelihood.*** An organization composed of 15-25 members, can avail of a maximum financial assistance of P250,000.00, depending on the project requirement.

2. ***Small Livelihood.*** An organization composed of 26-50 members, can avail of a maximum financial assistance of P500,000.00, depending on the project requirement.

3. **Medium Livelihood.** An organization composed of more than 50 members, can avail of a maximum financial assistance of P1,000,000.00, depending on the project requirement.

An organization managing a group project should have a Project Management Team and profit sharing scheme, which should be both stipulated in the business plan/proposal and in the MOA.

B. <u>Individual Projects</u>

Under this category, the beneficiaries can avail of the Starter Kit or Negosyo sa Kariton (Nego-Kart), up to a maximum financial assistance of P20,000.00 depending on the project requirement. The ROs may prioritize the TESDA graduates in the selection of the beneficiaries.

1. Starter Kit

It aims to enable the beneficiary to quickly start a livelihood undertaking. Examples of Starter Kit projects include massage, plumbing, cosmetology, electrical servicing, welding, car wash, repair of motorcycle, cellular phone, appliance and upholstery.

2. Negosyo sa Kariton (Nego-Kart)

Nego-Kart is a livelihood assistance for the ambulant vendors which includes a vending cart, raw materials and other livelihood tools that can help the beneficiaries start a small vending business or upgrade and/or diversify their products or services to gain greater number of customers.

A standard design for Nego-Kart (**ANNEX J**) shall be adopted by all regions. For food related projects, the following basic sanitary tools and accessories shall be mandatory to be provided either by DOLE or the co-partner:

1. Gloves
2. Mask
3. Hairnet
4. Apron

Section 10. Beneficiaries. – The following are the eligible beneficiaries of KABUHAYAN Program:

a) Self-employed with insufficient income
b) Marginalized and landless farmers
c) Marginalized Fisher folks
d) Unpaid family workers
e) Women and Youth
f) *Low/minimum wage earners and seasonal workers*

g) Workers displaced or to be displaced as a result of natural disasters or *closure of establishment, retrenchment, termination*
h) Persons with Disability (PWDs)
i) Senior Citizens
j) Indigenous people
k) Parents/Guardians of child laborers
l) Rebel Returnees
m) Victims of armed conflict

The ROs shall ensure that none of the children of the livelihood beneficiaries are engaged in child labor. Further, beneficiaries of the Pantawid Pamilyang Pilipino Program (4Ps) and the government employees, including those at the local government units, are not eligible to avail of the program.

Section 11. Eligible Projects. – Projects that qualify under the ***KABUHAYAN*** Program are those that support the needs of workers and the development needs of the community and should be consistent with the following:

a. Priorities of the Regional Development Council (RDC), Regional Convergence Committee (RCC) and Regional Development Plan of LGUs

b. Key Employment Generators
- agribusiness
- health and wellness
- eco-tourism
- manufacturing
- small transport
- wholesale and retail trade
- local based industries as indicated in the Local Development Plan

c. DTI priority products
- coffee
- coco-coir
- cacao
- rubber
- support to tourism (crafts, processed food, services)

The following are not allowed under the KABUHAYAN Program:

(1) Micro-lending projects;
(2) Projects with construction works; and
(3) Projects that would require purchase of motor vehicles, which mean any vehicle propelled by any power other than muscular power using the public highways, but excepting road rollers, trolley cars, street-sweepers, sprinklers, lawn mowers, bulldozers, graders, fork-lifts,

amphibian trucks, and cranes if not used on public highways, vehicles which run only on rails or tracks, and tractors, trailers and traction engines of all kinds used exclusively for agricultural purposes per R.A. 4136, an Act to Compile the Laws relative to Land Transportation and Traffic Rules, to Create a Land Transportation Commission and for other purposes. **For KABUHAYAN Program however, only tractors, trailers and traction engines of all kinds used exclusively for agricultural purposes shall be funded, subject to allowable project fund ceiling and provided that maintenance and other attendant costs to operate shall be shouldered by the proponent beneficiary/ACP.**

Section 12. Steps in Processing the Application for Livelihood Assistance

A. Evaluation of Project Proposals

Provincial/Field Office Level

1. The PO/FO shall check the compliance to the minimum requirements:

   (a) complete documentary requirements (refer to Section 19);
   (b) target beneficiaries (refer to Section 10)
   (c) need to be addressed;
   (d) *purpose/objective;*
   (e) equity; and
   (f) no unliquidated cash advance

   If the minimum requirements are not met, the PO/FO shall immediately notify and return the application to the proponent for completion and/or appropriate action.

   If minimum requirements are met, the PO/FO shall evaluate the project proposal using the criteria specified below:

Criteria	Percentage (%)
I. Relevance • Purpose/Objectives	25%
II. Effectiveness • Marketing Plan • Production Plan • Management Plan • Financial Plan	25%
III. Efficiency • Financial Viability ➢ Financial Projection ➢ Positive Return of Investment	25%

Criteria	Percentage (%)
➢ Sustained Operations	
IV. Impact • Potential effect to the target beneficiaries and other stakeholders	25%
TOTAL SCORE	**100%**

Note: A rating of at least 20% per criteria shall qualify the project proposal/business plan for funding.

The pro-forma of the Project Evaluation/Appraisal Sheet is attached as **ANNEXES K and L.**

2. If the proposal has met the required rating of at least 20% per criteria, the PO/FO shall endorse the results of evaluation and other pertinent documents to the Technical Support and Services Division (TSSD) of DOLE-RO.

3. If a certain criteria did not meet the required rating of at least 20%, the PO/FO shall immediately return the proposal to the proponent for revision and/or appropriate action.

B. <u>Regional Office Level</u>

1. The DOLE RO-TSSD shall convene the Regional Project Management Team (RPMT) composed of the Assistant Regional Director, concerned Field Office Head, and Heads of TSSD and Internal Management Services Division (IMSD), to validate and concur on the results of evaluation as indicated in the Project Appraisal Report submitted by the PO/FO.

2. Upon validation and concurrence of the RPMT, the proposal shall be endorsed to the Regional Director for approval. If the project appraisal report did not merit the endorsement of the RPMT, the proposal shall be immediately returned to the concerned PO/FO for appropriate action.

3. Upon approval by the Regional Director, the RO-TSSD shall immediately notify and advise the concerned PO/FO on the approval of the proposal. The PO/FO shall in turn notify the proponent.

C. Preparation of Memorandum of Agreement (MOA)

1. The PO/FO shall prepare the MOA in six (6) copies and have it signed by all concerned parties. The MOA should be consistent with the terms and provisions prescribed under COA Circular Nos. 2012-001 dated 14 June 2012 and 2007-001 dated 25 October 2007.

The pro-forma KABUHAYAN MOA for implementation through ACP and direct administration is attached as **ANNEXES M and N.**

2. The MOA should be notarized and all concerned parties should be furnished with copies.

D. Provision of Livelihood Assistance under Direct Administration or though ACP

1. The DOLE-RO, upon receipt of signed MOA shall immediately process and release the fund assistance within fifteen (15) working days from receipt of complete documentary requirements, as prescribed for in the DOLE Procedures Manual for the Provision of Livelihood Project Funding Assistance.

2. TSSD/PO/FO or the ACP shall facilitate/conduct the necessary trainings

3. Procure the necessary raw materials, equipment, and tools and jigs indicated in the approved project proposal in accordance with government accounting and auditing rules and regulations and RA 9184, as applicable **(ANNEX O).**

   All equipment purchased shall be the property of DOLE, to be turned over to the proponent-beneficiary/proponent ACP after one (1) year from the start of project implementation through a Deed of Donation, provided that the project is still in operation. If a project ceases to operate within the 1-year period, the PO/FO shall recommend to the Regional Office that said equipment be pulled-out from the proponent-beneficiary/proponent ACP.

4. Release the assistance to the proponent beneficiary/proponent ACP, within fifteen (15) working days upon completion of the procurement process.

5. The PO/FO-SDO or the ACP, as applicable, shall fully liquidate the cash advance within 60 days upon completion of the project, that is, upon acceptance of assistance by the beneficiaries.

III. TUPAD Program

Section 13. ***Tulong Panghanapbuhay sa Ating*** **Disadvantaged/Displaced Workers (TUPAD) Description.** – A community-based (municipality/barangay) package of assistance that provides emergency employment for displaced workers, underemployed and seasonal workers, for a minimum period of 10 days, but not to exceed a maximum of 30 days, depending on the nature of work to be performed.

Section 14. **Qualified Beneficiaries.** – The following are qualified as beneficiaries of the *TUPAD* Program:

a. Underemployed;
b. Laid-off or terminated workers as a result of retrenchment or permanent closure of an establishment; and
c. Self-employed workers (including farmers and fishermen) but have lost their livelihoods because of natural calamities/disasters, economic crisis, armed conflicts and/or seasonality of work

Only one member of a household shall be qualified to avail of the program in a year. However, a beneficiary can avail again in the event that he/she becomes a victim of a calamity/disaster.

Section 15. Eligible Projects. - Projects that would qualify under the **TUPAD Program** are the following:

a. Social community projects, such as repair, maintenance, and/or improvement of common public facilities and infrastructure such as schools and health centers, debris clearing, de-clogging of canals, debris segregation and materials recovery, stockpiling and clearing
b. Economic community projects like repair, maintenance and/or rehabilitation of farm-to-market roads, bridges, post-harvest facilities, public markets, and common service facilities such as production and display centers, fish ports, etc.; and
c. Agro-forestry community projects, such as tree planting, seedling preparation, re-forestation

Section 16. Steps in Processing the Application for TUPAD Program.

1. The Regional Office/Provincial/Field Offices, in coordination with the proponent, shall undertake profiling of beneficiaries both from formal and informal sectors, which would be the basis for the provision of assistance. Templates for the profiling of beneficiaries and summary profile forms are attached as ***ANNEXES P, Q, R and S.***

2. Based on the profiled beneficiaries, the Regional Office/Provincial/Field Office shall advise the proponent ACP or proponent beneficiary to prepare and submit the complete documentary requirements as indicated in Section 19.

3. The PO/FO shall review the project proposal as to:

Criteria	
Completeness of Documentary Requirements	/
Applicability of Minimum Wage	/
Completeness of Work Program	/
Provision of Personal Protective Equipment	/
Orientation on Safety and Health	/
Inclusion of Micro-Insurance Premiums	/

Provision of Equity (at least 20% of Total Project Cost)	/

If there are lacking information/requirements, the PO/FO shall immediately notify and return the application to the proponent for completion and/or appropriate action. A pro-forma of TUPAD Project Appraisal Sheet is attached as **ANNEX T**.

4. Once the requirements are completed, the PO/FO shall endorse the project proposal to RPMT for validation and endorse it to the Regional Director for approval.

5. Once the proposal is approved, the RO-TSSD shall immediately notify and advise the concerned PO/FO to prepare the following:

   a. In case of implementation through ACP, the corresponding Memorandum of Agreement (MOA), consistent with the terms and provisions prescribed under COA Circular Nos. 2012-001 dated 14 June 2012 and 2007-001 dated 25 October 2007 shall be prepared, prior to the release of funds. A Pro-forma **TUPAD** MOA is attached as **ANNEX U**. Once signed, the PO/FO shall endorse the MOA to the RO for signature of the Regional Director and other concerned officials.

   The ACP shall in turn prepare corresponding group service/job contract by and between the ACP and TUPAD workers **(ANNEX V)** to formalize their employment as basis for the payment of wages.

   b. In case of Direct Administration, the corresponding group service/job contract by and between the DOLE and TUPAD workers shall be prepared to formalize their employment as basis for the payment of wages. A Pro-forma group job/service contract is attached as **ANNEX W**. Once signed, the PO/FO shall endorse the group service/job contract to the RO for signature of the Regional Director and other concerned officials.

IV. GENERAL PROVISIONS

Section 17. Requirements for Accreditation of Co-Partner.

All applicants for accreditation as co-partner under the DILEEP shall submit all the following documentary requirements for accreditation to the Provincial/Field Office Focal Person:

a. Duly accomplished and signed Application Form (in 4 sets) **(ANNEX X)**;
b. Certificate of Registration with the Securities and Exchange Commission (SEC), or the Cooperative Development Authority (CDA) or the DOLE, as the case may be;
c. Authenticated copy of the latest Articles of Incorporation in the case of a corporation, or the Articles of Cooperation in the case of cooperative, or Constitution and By-laws in the case of unions/associations, showing the original incorporators/organizers and the

Secretary's Certificate for incumbent officers, together with the Certificate of Filing with the SEC/Certificate of Approval by the CDA;

d. Audited financial reports for the past three (3) years preceding the date of project implementation. For applicant which has been in operation for less than three (3) years, financial reports for the years in operation and proof of previous implementation of similar projects;
e. List and/or photographs of similar projects previously completed, if any, indicating the source of funds for implementation; and
f. Sworn affidavit of the secretary of the applicant organization/entity that none of its incorporators, organizers, directors or officers is an agent of or related by consanguinity or affinity up to the fourth civil degree to the official of the agency authorized to process and/or approve proposed Memorandum of Agreement (MOA), and release funds.

If the submission is incomplete, the applicant shall be notified to submit the lacking requirements.

National government agencies and local government units are not required to undergo the accreditation process for ACP as stipulated above, and shall be subject to different requirements for the implementation of the project per Department Order No. 36, Series of 2002, as follows:

1. Duly accomplished application form
2. Detailed Project Proposal which is duly approved/signed by the authorized officials
3. For LGUs, City/Provincial/Municipal, copy of the portion on their Local Development Plan referring to Labor and Employment/Social Services, with detailed estimates of Approved Project Expenditures or Estimated Expenses; and
4. Appropriate Board/Sangguniang Bayan resolution approving the application for assistance as described in the project proposal, and specifically stating that the LGU or GO has appropriated or allocated funds to comply with the equity requirements of the project

Section 18. Accreditation Process.

1. Provincial Office/Field Office (PO/FO) Focal Person shall receive and check the completeness of application with the documentary requirements per COA Circular 2007-001 and 2012-001 and as provided in the immediately succeeding Section;
2. PO/FO Focal Person shall evaluate the application within three (3) working days and conduct ocular inspection, if deemed necessary;
3. PO/FO Head shall endorse and recommend the application to the DOLE Regional Office (RO) for approval/denial. RO through the Technical Services and Support Division (TSSD) shall validate recommendations;
4. If application is denied, Regional Director (RD) shall issue letter of denial to the applicant;
5. If application is approved, RO (TSSD) shall prepare and endorse Certificate of Accreditation for approval/signature of the RD;

6. RO shall transmit signed Certificate of Accreditation to concerned PO/FO, to be coursed through a courier agency; and
7. PO/FO Focal Person shall release signed Certificate of Accreditation to applicant-organization and maintain a file copy/receiving copy.

The accreditation of co-partner/s shall be completed within ten (10) working days from receipt of *complete* requirements.

Section 19. Requirements for Availment of DILEEP by ACP

The following requirements shall be submitted by the ACP to the nearest DOLE Regional/Provincial/Field Office.

A. KABUHAYAN Program

For Government Agencies including Local Government Units (LGUs) and SUCs as ACP

1. Application Letter duly signed by the authorized officials i.e. Local Chief Executive (LCE), Chairman/President, Cabinet Secretary, Directors, among others, addressed to the DOLE Regional Director;
2. Detailed Project Proposal which is duly approved/signed by the authorized officials as enumerated in number 1 above and indicating an equity (templates for individual and collective project proposal/business plan are provided as **ANNEXES Y and Z**, *respectively*);
3. For LGUs and SUCs, Board or Sangguniang Bayan (SB) Resolution authorizing an official to enter into a MOA to avail of DOLE livelihood program;
4. Individual Beneficiary Profile (with picture) and Proponent ACP Profile;
5. Memorandum of Agreement (MOA) between the parties;
6. For LGUs, City/Provincial/Municipal, copy of the portion on their Local Development Plan referring to Labor and Employment/Social Services, with detailed estimates of Approved Project Expenditures or Estimated Expenses; and
7. Certification from the DOLE Regional Office's Accountant that the previous cash advance granted has been liquidated and stamped received by COA.

A Focal Person shall be designated by the GAs, LGUs, or SUCs to coordinate and transact with DOLE in the availment of programs and services.

For Other Types of ACPs, it shall submit the following:

1. Application Letter by the ACP addressed to the DOLE Regional Director;
2. Detailed and duly signed Project Proposal from the ACP (indicating/showing that the ACP has equity equivalent to at least 20% of the total project cost); (templates for individual and collective project proposal/business plan are provided as **ANNEXES Y and Z**, *respectively*);

3. Individual Beneficiary Profile (with picture) and Proponent ACP Profile;
4. Copy of ACP Certificate of Accreditation;
5. Board Resolution authorizing a representative to enter into a MOA;
6. Memorandum of Agreement (MOA) between the DOLE RO and the ACP;
7. Audited financial reports (statements) for the past three (3) years preceding the date of project implementation. For applicant which has been in operation for less than three (3) years, financial reports for the years in operation and proof of previous implementation of similar projects;
8. Disclosure of other related business, if any;
9. Work and Financial Plan and sources of and details of proponent's equity participation in the project and;
10. List and/or photographs of similar projects previously completed, if any, indicating the source of funds for implementation;
11. Sworn affidavit of the secretary of the applicant organization/entity that none of its incorporators, organizers, directors or officers is an agent of or related by consanguinity or affinity up to the fourth civil degree to the official of the agency authorized to process and/or approve proposed Memorandum of Agreement (MOA), and release funds; and
12. Certification from the DOLE Regional Office's Accountant that the previous cash advance granted has been liquidated and stamped received by COA.

B. TUPAD PROGRAM

<u>For Local Government Units (LGUs) as ACP</u>

1. Application Letter by the LGU duly signed by the Local Chief Executive (LCE) addressed to the DOLE Regional Director;
2. Detailed and duly signed TUPAD Project Proposal and Work Program, indicating an equity equivalent to at least 20% of the total project cost in the form of equipment, tools and jigs; (templates are provided as **ANNEX AA**);
3. Certification from the LGU/Barangay or DSWD that the target beneficiaries are underemployed, or victims of natural disaster/calamity or armed conflict. For laid-off or terminated workers, Certification of displacement from the company/establishment
4. Individual Beneficiary Profile and Proponent ACP Profile
5. Board or Sangguniang Bayan (SB) Resolution authorizing the LCE to enter into a MOA to avail of DOLE programs;
6. Memorandum of Agreement (MOA) between the DOLE RO and the LGU;
7. For LGUs, City/Provincial/Municipal, copy of the portion of their Local Development Plan referring to Labor and Employment/Social Services, with detailed estimates of Approved Project Expenditures or Estimated Expenses; and
8. Certification of no unliquidated cash advances and/or grants from DOLE.

For Other Types of ACPs, it shall submit the following:

1. Application Letter by the ACP addressed to the DOLE Regional Director
2. Detailed and duly signed TUPAD Project Proposal and Work Program, (indicating/showing that the ACP has equity equivalent to at least 20% of the total project cost); (templates are provided as **ANNEX AA**);
3. Certification from the LGU/Barangay or DSWD that the target beneficiaries are underemployed, or laid-off or terminated workers, or victims of natural disaster/calamity or armed conflict
4. Individual Beneficiary Profile (with picture) and ACP (proponent) Profile
5. Copy of ACP Certificate of Accreditation;
6. Board Resolution authorizing a representative to enter into a MOA;
7. Memorandum of Agreement (MOA) between the DOLE RO and the ACP;
8. Audited financial reports (statements) for the past three (3) years preceding the date of project implementation. For applicant which has been in operation for less than three (3) years, financial reports for the years in operation and proof of previous implementation of similar projects;
9. Disclosure of other related business, if any;
10. Work and Financial Plan (WFP), and sources of and details of proponent's equity participation in the project;
11. List and/or photographs of similar projects previously completed, if any, indicating the source of funds for implementation;
12. Sworn affidavit of the secretary of the applicant organization/entity that none of its incorporators, organizers, directors or officers is an agent of or related by consanguinity or affinity up to the fourth civil degree to the official of the agency authorized to process and/or approve proposed Memorandum of Agreement (MOA), and release funds; and
13. Certification from the DOLE Regional Office's Accountant that the previous cash advance granted has been liquidated and properly taken up in the books.

A Focal Person shall be designated to coordinate and transact with DOLE in the availment of programs and services, duly approved by the Board of Directors or Officers of the Organization.

Section 20. Source and Use of Funds. - Approved project proposals shall be funded through:

a. Regional Allocation for Capacity Building Program for Specific Sectors;
b. DOLE-AMP;
c. Other source of funding as may be provided under the GAA; and
d. Funding from International Organizations such as ILO, UNDP, ADB, among others, if applicable.

The ROs shall ensure that the funds under the regional allocation for Capacity Building Program for Specific Sectors and DOLE-AMP (DILP and TUPAD), including its administrative cost, shall be solely used for the implementation of the KABUHAYAN AND TUPAD programs.

Section 21. Fund Allocation. In view of ensuring access of the following groups of disadvantaged workers to program funds, a mandatory one percent (1%) of regional DILEEP funds shall be allocated for each of the following sector:

a. PWDs
b. Senior Citizens

Section 22. Release and Liquidation of Funds. - Except for projects sourced from the DOLE-AMP funds, which is a centrally managed fund and requires the approval of the Secretary of Labor and Employment and/or Undersecretary, as the case may be, all project proposals/business plans endorsed by the RPMT for funding shall be approved by the Regional Director, regardless of the amount of assistance.

All fund releases shall be covered by the appropriate Memorandum of Agreement (MOA) and shall be in accordance with COA rules and regulations. Funding assistance may be released in tranches depending on the nature and the need of the project, with the following documentary requirements:

a. Duly approved Schedule of Fund Release to proponent;
b. Interim Fund Utilization Report on the previous release certified by the proponent's Accountant, approved by the President/Chairman and verified by the internal auditor or equivalent official of the GO showing a summary of expenses and a status report of accomplishment evidenced by pictures; and
c. List of beneficiaries of previous releases with their signatories signifying their acceptance/acknowledgement of the project funds/goods/services.
d. Any procurement arising from the implementation of a particular project shall comply with the provisions of R.A. 9184 (Government Procurement Reform Act) and its revised Implementing Rules and Regulations and subject to the procurement procedures prescribed under COA Circular No. 2012-001.

Fund liquidation shall be in accordance with the provisions of COA Circulars 2007-001 and 2012-001. Attached as ***ANNEX BB*** are some pertinent provisions of both COA Circulars for easy reference.

V. PROGRAM MANAGEMENT, REPORTING, MONITORING AND EVALUATION

Section 23. Program Management. - The Bureau of Workers with Special Concerns (BWSC), under the direct supervision of an Undersecretary, shall manage and supervise the

implementation of the ***KABUHAYAN*** and ***TUPAD*** programs at the regional level. As such, the BWSC shall:

a. Provide technical and advisory services to the Regional Offices to ensure the effective and efficient implementation of the programs;
b. Conduct monitoring and evaluation of the status of the implementation the programs;
c. Submit quarterly report to the Secretary within 15 days upon receipt of complete regional reports;
d. Conduct an annual recognition and awards for best DOLE-assisted livelihood projects and/or best Regional implementers;
e. Document best practices in program implementation;
f. Develop and maintain a database of all ***KABUHAYAN*** and ***TUPAD*** projects; and
g. Conduct random spot audits.

Section 24. Capacity-building for program managers, implementers, partners and stakeholders. - The BWSC shall ensure the provision of continuing capacity building to its officers and focal persons on DILEEP. It shall likewise be responsible in ensuring capacity building for DOLE Regional/Provincial/Field Officers, partner LGUs, Public Employment Service Office (PESO) managers, ACPs and other partners/stakeholders who have direct participation/involvement in the implementation of the ***KABUHAYAN*** and ***TUPAD*** programs to ensure that knowledge, skills and attitude are attuned to current and emerging trends in employment and livelihood promotion and development. **For this purpose, the BWSC and the Regional Offices shall include in their annual budget funding for capacity-building on the administration and management of the DILEEP.**

Section 25. Program Management, Monitoring, Reporting and Evaluation of the Programs. - For standardized monitoring and reporting system, all Regional Offices shall use the following prescribed formats:

A. Table Monitoring and Data Generation

1. **Project Profile.** The ROs are required to submit the project profile (**ANNEX CC**) of all approved proposals to the BWSC using the DILEEP Monitoring System (DMS), for official recording and accounting of projects. Projects not included in the database will not be officially recognized.

2. **Consolidated Quarterly Progress Report.** The ROs shall submit to BWSC the consolidated Quarterly Progress Report on DILEEP (**ANNEX DD**) using the DMS not later than seven (7) working days after the reference quarter. Duly signed copy of the report must also be submitted to the BWSC.

The BWSC shall consolidate the quarterly report on DILEEP and submit it to the Secretary, through its Cluster Head, not later than fifteen (15) working days upon receipt of complete regional reports.

For this purpose, the BWSC and the Regional Offices shall include in their annual budget funding for the monitoring of projects under DILEEP.

3. **DILP Partnership and Linkage Building.** The Regional Offices should also fill-up the Partnership and Linkage Building Form **(ANNEX EE)** whenever there are partnerships forged with other agencies in support of the project, and subsequently submit it to the BWSC for consolidation.

4. **Annual Livelihood Project Status.** The ROs are required to annually submit to BWSC the Annual Livelihood Project Status Form **(ANNEX FF)**, thirty (30) days after the reference year.

5. **DILP Summary (ANNEX GG).** This will enable the Regional Offices view the summary of their accomplishments in either per quarter or annual basis. It could also show the summary of accomplishments of each province.

6. **TUPAD Summary (ANNEX HH).** This will enable the Regional Offices view the summary of their accomplishments in either per quarter or annual basis. It could also show the summary of accomplishments of each province.

B. Maintenance of Database

The DOLE RO-TSSD/PO/FO shall maintain an appropriate recording and filing system for each approved project, complete with all documentary requirements pursuant to this Order. It shall promptly and dutifully upload project data/information to the DILEEP Monitoring System (DMS) based on data gathered during the table and field monitoring and regularly update the same. The BWSC shall orient the DILEEP regional implementers on how to use the DMS. Any technical difficulties encountered in the uploading of project data/information to the DMS shall immediately be reported to the BWSC for immediate corrective measures.

Section 26. Field Monitoring, Audit and Evaluation. - As part of its function as program manager, the BWSC shall conduct regular field visits to the Regional Offices to assess program progress and process and provide technical advisory assistance to program implementers on issues affecting program implementation.

A DOLE Assessment Team composed of representatives from the BWSC, DOLE-Internal Audit Service (IAS) and DOLE-Financial and Management Service shall also conduct an end-term

and/or program evaluation, as necessary, for an in-depth analysis of the process, inputs, outputs, fund utilization, outcomes and impact of the program towards: a) improving the design and performance of the program; b) making an overall conclusion on the effectiveness of the program; and c) generating information and knowledge about good practices.

Section 27. Internal Control and Audit Measures. - To ensure internal control, the accountabilities of the Regional Offices and the Central Office are hereby set out:

A. The Regional Offices shall:

1. Ensure that all transactions are in accordance with COA and DBM rules and regulations;
2. Undertake thorough background investigation of the ACP to ensure its legitimacy and capability;
3. Monitor implementation of project by ACP and get feedback from beneficiaries;
4. Require the RO to sign a MOA (*ANNEX N*) in case of direct administration; and
5. Ensure full liquidation of funds, subject to existing government accounting and auditing rules, regulations and procedures.

B. The Central Office shall conduct random spot audit, through the BWSC or through the DOLE Assessment Team, of both ACP and beneficiaries to ensure that project funds are used for their intended purpose.

VI. MISCELLANEOUS PROVISIONS

Section 28. Separability Clause. - If any provision of this Department Order or the application thereof to any person or circumstance is held invalid by the Courts, the remaining provisions shall remain valid and effective.

Section 29. Repealing Clause. - This Order partially amends DO 85-07 and DO 36-02, while all provisions of existing Department and Administrative Orders inconsistent herewith are hereby repealed.

Section 30. Effectivity. - This Order shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation. The Records Officer of this Department is hereby directed to file three (3) copies to the University of the Philippines Law Center pursuant to Section 3, Chapter 2, Book VII of the Administrative Code of 1987.

Manila, Philippines. 13 February 2017.

SILVESTRE H. BELLO III
Secretary

Revised Guidelines in the Implementation of the Department of Labor and Employment Integrated Livelihood and Emergency Employment Programs (DILEEP)

LIST OF ANNEXES

ANNEX A	Pro-forma Memorandum of Agreement for Convergence
ANNEX B	Guidelines on the Grant of Honoraria to Lecturers, Resource Persons, Coordinators and Facilitators
ANNEX C	Design of Streamers/Banners and Signage of DOLE-Assisted Livelihood Projects
ANNEX D	Additional Design for Product Packaging/Labelling of DOLE-Assisted Project
ANNEX E	Prescribed Design of TUPAD T-shirt
ANNEX F	Pertinent Provisions in Occupational Safety and Health Standards s1989
ANNEX G	Design of TUPAD Identification Card (ID)
ANNEX H	Template for TUPAD Payroll Under Direct Administration
ANNEX I	Template for TUPAD Payroll for Accredited Co-Partner
ANNEX J	Design of Negosyo sa Kariton (Nego-Kart)
ANNEX K	Project Evaluation/Appraisal Sheet for Individual Project: Kabuhayan Program
ANNEX L	Project Evaluation/Appraisal Sheet for Group Project: Kabuhayan Program
ANNEX M	Pro-forma MOA for Implementation of Kabuhayan Program Thru Proponent Accredited Co-Partner
ANNEX N	Pro-forma MOA for Implementation of Kabuhayan Program Thru Direct Administration
ANNEX O	Pertinent Provisions in Government Reform Procurement Act (RA 9184)
ANNEX P	Template for Rapid Profiling of Workers in the Informal Sector
ANNEX Q	Template for Profiling Summary of Workers in the Informal Sector
ANNEX R	Template for Rapid Profiling of Establishments With Displaced Workers
ANNEX S	Template for Profiling Summary of Establishments with Displaced Workers
ANNEX T	TUPAD Project Appraisal Sheet
ANNEX U	Template for TUPAD MOA
ANNEX V	Template for Service/Job Contract between the ACP and TUPAD Workers
ANNEX W	Template for Service/Job Contract between the DOLE Regional Office and TUPAD Workers
ANNEX X	Application Form for Accreditation of Co-Partner
ANNEX Y	Template for Individual Project Proposal/Business Plan
ANNEX Z	Template for Group Project Proposal/Business Plan
ANNEX AA	TUPAD Proposal and Work Program Template
ANNEX BB	Pertinent Provisions Prescribed in COA Circular No. 2012-001 on Requirements on the Availment of Livelihood Assistance
ANNEX CC	Project Profile Form
ANNEX DD	Consolidated Quarterly Progress Report Form on DILEEP
ANNEX EE	DILP Partnership and Linkage Building Form
ANNEX FF	Annual Livelihood Project Status Form
ANNEX GG	DILP Summary Form
ANNEX HH	TUPAD Summary Form