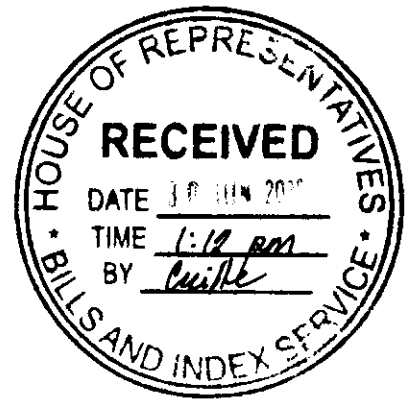




Introduced by: Hon. Iris Marie D. Montes

AN ACT
PROMOTING THE DEVELOPMENT OF GENDER-RESPONSIVE INCLUSIVE
BUSINESS MODELS AS A SYSTEMATIC SOCIAL INTERVENTION MEASURE
TO FIGHT POVERTY

EXPLANATORY NOTE

Inclusive business (IB) plays a pivotal role in fostering sustainable economic growth and social development.¹

IBs, according to the Economic and Social Commission for Asia and the Pacific (ESCAP), are those providers of goods, services and livelihoods on a commercially viable basis, either at scale or scalable, to people at the base of the economic pyramid (BOP), making them part of the value chain of a business as suppliers, distributors, retailers or customers.²

As part of its strategy to improve access to production networks, the Philippine Development Plan has called for the creation of linkages between startups, MSMEs, cooperatives, and other large enterprises (LEs). It urged the promotion of IB models to spur innovation and create new markets toward the goal of poverty reduction and inclusive and sustainable economic growth.³

This in the face of persistent economic inequity despite the country's strong domestic growth and declining poverty rate from 18.1 percent in 2021 to 15.5 percent in 2023.

In 2023, according to the Philippine Statistics Authority, the sectors with the highest poverty incidences were Indigenous Peoples (32.4%), fisherfolks (27.4%), and farmers (27.0%). These sectors had the highest percentages of individuals belonging to families living below the official poverty threshold.

Accordingly, the sectors with the highest number of individuals belonging to poor families were children at 9.29 million and women at 8.66 million. These sectors experienced the largest declines of individuals belonging to poor families from 2021 to 2023. The number of poor women decreased by 1.28 million, while the number of poor children exhibited reduction at 1.13 million.

¹ Model Framework for an Inclusive Business Accreditation System in ASEAN, Jakarta, ASEAN Secretariat, September 2024 (<https://asean.org/book/model-framework-for-an-inclusive-business-accreditation-system-in-asean/>) Accessed on 04 May 2025)

² Inclusive business, Economic and Social Commission for Asia and the Pacific ([https://insempolicy.unescap.org/inclusive-business/next-inclusive-businesses\(IBs\)are%20defined,%20distributors%20retailers%20or%20customers](https://insempolicy.unescap.org/inclusive-business/next-inclusive-businesses(IBs)are%20defined,%20distributors%20retailers%20or%20customers)) Accessed on 04 May 2025

³ 2017-2022 Philippine Development Plan, Chapter 9C: Expanding Access to Economic Opportunities in I&S for Startups, MSMEs, and Cooperatives (9 – 35)

The country, however, struggles with a huge disparity in wealth equality. Based on the World Bank, the Philippines holds one of the highest Gini Coefficients in the East Asian and Pacific region at 40.7% as of 2021.⁴

This implies that although poverty incidence declined from 2021 to 2023 in ten basic sectors, most Filipinos who are poor, or those belonging to the “bottom of the pyramid” or the “base of the pyramid”, may not benefit from economic growth.

To help address steep inequality and widespread poverty in the country, this bill seeks to advance women economic empowerment through the promotion of IB models, which have enormous potential in bringing positive change to women’s lives.

As of 2023, labor force participation rate places women at 54.2 as compared to 75.6% of men.⁵ The proportion of unpaid family workers sits women at 11.3% as compared to 4.7% of men.⁶

As articulated by the United Nations Women, the UN entity dedicated to gender equality and the empowerment of women: (a) promoting women’s economic justice and rights in the economy and closing gender gaps in the world of work are key to achieving the 2030 Agenda for Sustainable Development and achieving the Sustainable Development Goals; (b) Women’s economic empowerment increases economic diversification and income equality for shared prosperity. It is estimated that closing the gender gap could give the global economy a USD 7 trillion boost; and (c) Companies greatly benefit from increasing employment and leadership opportunities for women, which is shown to increase organizational effectiveness and growth. It is estimated that companies with three or more women in senior management functions score higher in all dimensions of organizational performance.⁷

Thus, this measure seeks to provide an enabling environment for women to become economically empowered through the adoption of IB models, which focus on key processes in supply chains that increase the participation and benefit of women towards economic empowerment.

IB models can create economic opportunities for low income individuals. And given the dismal situation of women despite their indispensable role in development, there is an urgent need to engage them not only as implicit but as explicit beneficiaries of IBs.⁸

For this reason, and consistent with the declared policy of the State that affirms the role of women in nation building and promote their empowerment; and

⁴ Gini Index – World, World Bank, (https://data.worldbank.org/indicator/SI.POV.GINI?locations=1W) Accessed on 06 May 2025

⁵ Annual Labor Force Survey, Philippine Statistics Authority (https://psa.gov.ph/sites/default/files/infographics/Infographic%20Material%202025%20Women%27s%20Month%20signed.pdf) Accessed on 06 May 2025

⁶ PH population body calls for more women in workforce, Jerome Aning, Philippine Daily Inquirer, March 08, 2025 (https://newsinfo.inquirer.net/2041666/ph-population-body-calls-for-more-women-in-workforce) Accessed on 06 May 2025

⁷ Facts and figures: Economic empowerment, UN Women (https://www.unwomen.org/en/what-we-do/economic-empowerment/facts-and-figures#87144) Accessed on 05 May 2025

⁸ How inclusive is inclusive business for women? Examples from Asia and Latin America, Asian Development Bank (https://www.adb.org/sites/default/files/publication/183942/inclusive-business-women.pdf) Accessed on 05 May 2025

one that recognizes the indispensable role of the private sector and provides incentives to needed investments, the passage of this bill is earnestly sought.


IRIS MARIE D. MONTES
Kababaihan, Kabalikatan para sa Kapakanan
at Kaunlaran ng Bayan (4K) Party-list

Republic of the Philippines
HOUSE OF REPRESENTATIVES
 Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 318

Introduced by: Hon. Iris Marie D. Montes

AN ACT
PROMOTING THE DEVELOPMENT OF GENDER-RESPONSIVE INCLUSIVE
BUSINESS MODELS AS A SYSTEMATIC SOCIAL INTERVENTION MEASURE
TO FIGHT POVERTY

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

CHAPTER I
GENERAL PROVISIONS

SECTION 1. *Short Title.* - This Act shall be known as the "Kababaihan Kanegosyo at Kasosyo para sa Kaunlaran Act."

SEC. 2. *Declaration of Policy.* - Section 9 of Article II of the 1987 Constitution of the Republic of the Philippines declares that the State shall "promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all".

Pursuant to this declared policy, Section 20, Article II of the Constitution "recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments."

By virtue of Section 14, Article II of the Constitution, the State "recognizes the role of women in nation-building and shall ensure the fundamental equality before the law of women and men."

Towards this end, it shall be the policy of the State to:

- (a) recognize the important role of the private sector in achieving inclusive growth and sustainable development;
- (b) develop Inclusive Business models as one of the strategies by which the private sector companies can spur innovation, deepen investments in low income communities, enable inclusive value chains, provide decent work, boost productivity, enhance access to affordable and quality goods and services, and generate new and higher income and livelihood for the poor, particularly, the women and other marginalized sectors; and
- (c) put women at the center of development and promote their empowerment, equal opportunities, and access to resources and development results and outcome.

Further, the State recognizes its role in facilitating an enabling business environment so that the private sector may adopt and promote Inclusive Business models through the provision of incentives and ensuring the ease of doing business thereby reducing the base of the pyramid, promoting social justice, and contributing to the national development goals.

SEC. 3. *Definition of Terms.* - As used in this Act, the following terms shall mean:

(a) *Base of the pyramid (BOP)* refers to the poorest segment of the socioeconomic pyramid, which is currently 21% of the Philippine population;

(b) *Enabling business environment* refers to a set of policy, institutional, regulatory, infrastructure, and cultural conditions that govern formal and informal business activities. This includes the administration and enforcement of government policy, and national and local institutional arrangements that affect the behavior of relevant actors who, together, comprise the important players in inclusive business;

(c) *Gender Responsiveness* refers to outcomes that reflect an understanding of gender roles and inequalities and encourage equal participation, including equal and fair distribution of benefits;

(d) *Inclusive Business (IB)* refers to a business model approach that provides goods, services and livelihoods on a commercially viable basis, either at scale or scalable, to people at the base of the economic pyramid (BOP) who are engaged as consumers, workers, owners or business partners and made part of the value chain and core business operations of an IB Company;

(e) *Inclusive business community partner* refers to the poor and/or marginalized sector that is part of the core business operations of an IB Company and is deriving social value from such participation. The term also refers to social enterprises, cooperatives, non-government organizations, small and medium enterprises, and other intermediary organizations that facilitate partnerships and linkages between poor and/or marginalized sector, IB communities, and an IB Company;

(f) *Inclusive business company* refers to a duly registered, commercially viable, for-profit company that integrates an IB model or approach in its core business operations and renders direct contribution to improved living standards, poverty reduction, and systematic inclusion in a manner that is sustainable, at scale or scalable, and replicable. It includes existing companies already practicing an Inclusive Business model;

(g) *Inclusive business project* refers to the part of the core business operation of an IB company where the IB model or approach is applied;

(h) *Marginalized* refers to the basic, disadvantaged, or vulnerable persons or groups who are mostly living in poverty and have little or no access to land and other resources, basic social and economic services such as health care, education, water and sanitation, employment and livelihood opportunities, housing, social security, physical infrastructure, and the justice system;

(i) *Poor* refers to individuals and households whose income fall below the poverty threshold as defined by the National Economic and Development Authority (NEDA) and/or cannot afford in a sustained manner to provide their minimum basic needs for food, health, education, housing and other essential amenities in life, as defined under Republic Act No. 8425, otherwise known as the "Social Reform and Poverty Alleviation Act". In determining who constitutes the poor, the Multidimensional Poverty Index determined by the Philippine Statistics Authority (PSA) shall be considered in line with Republic Act No. 11291, otherwise known as the "Magna Carta of the Poor";

(j) *Social value* refers to the increase in the welfare of a society, or identified sectors of society, that is derived from a particular course of action or activity;

(k) *Value Chain* refers to value-adding economic activities where a business is interlinked with the process of producing goods and/or services to serve its chosen market, and not extend to the business operations. A value chain consists of, but is not limited to, the following:

- (1) Raw materials processing;
- (2) Inbound distribution or logistics;
- (3) Manufacturing operations;
- (4) Outbound distribution or logistics;
- (5) Marketing and selling; and
- (6) After sales service

These activities are supported by purchasing or procurement, research and development, human resources development, and organizational development.

CHAPTER II

CREATION OF INCLUSIVE BUSINESS COORDINATING COUNCIL OF (IBCC)

SEC. 4. *Creation of the Inclusive Business Coordinating Council (IBCC).* - There is hereby created the Inclusive Business Coordinating Council, hereinafter referred to as the IBCC, which shall be an attached agency to the Department of Trade and Industry (DTI).

SEC. 5. *Powers and Functions of the IBCC.* - The IBCC shall have the following powers and functions:

- (a) Serve as the lead coordinating agency and hub for the development of gender-responsive IB models in the country;
- (b) Formulate, implement, and update the Inclusive Business Development Plan (IBDP), which shall serve as a blueprint for the promotion of IBs in the country and the development of more IB models that will link MSMEs and community-based enterprises into the value chains of large business organizations;
- (c) Ensure that the IBDP is aligned to and reflected in the Philippine Development Plan (PDP);
- (d) Coordinate with national government agencies, local government units (LGUs), IBs, IB community partners, the academe, and other stakeholders in the development and implementation of the IBDP and its component plans, programs and projects;
- (e) Coordinate with relevant government agencies, the private sector, and other stakeholders to ensure the alignment of existing policies, plans, and actions towards the objectives of the IBDP;
- (f) Coordinate IB-related studies and researches as a basis for recommendation of sectors, taking into account the recommendations related to integration and concerns of women, which shall serve as focus areas in the implementation of the IBDP;
- (g) Provide business development, advisory, and facilitation services to IBs and IB community partners in coordination with relevant agencies and LGUs;
- (h) Coordinate and provide a service lane for processing IB projects. This includes, but is not limited to, providing advisory and facilitation services in the processing of relevant government permits, licenses, and other requirements for the implementation of IB projects. The IBCC shall have the power to direct specific agencies to attend to the bottlenecks and problems hindering the implementation and effectiveness of IB projects;
- (i) Serve as the primary data source of IB issues and challenges that need to be addressed to encourage broad participation and adoption by the private sector;
- (j) Coordinate and direct information, advisory, and training services for government agencies and institutions to enhance their understanding of and

- capacity to support IBs and IB community partners, particularly women producers and women in small value chains, in the implementation of IB projects;
- (k) Coordinate with the Intellectual Property of the Philippines (IPO PH) in assisting IB Companies and IB Community Partners in getting patents, copyright, trademark, and other forms of pursuing protection of their work and creation. Provided, however, That the Free, Prior and Informed Consent (FPIC) is obtained;
 - (l) Provide technical assistance and support to agencies in the formulation of social value specifications in their procurement processes. The IBCC may partner with non-government, research, and training institutions pursuant to this matter;
 - (m) Establish and implement the criteria, process and guidelines for the accreditation of IB models, and establish an Accreditation Committee for this purpose;
 - (n) Establish and maintain an IB information registry;
 - (o) Coordinate with donors, government financial institutions, commercial and rural banks, and social impact investors on financing mechanisms for IBs and IB community partners;
 - (p) Initiate public-private partnerships to enhance the viability of IB projects especially in identified priority geographic areas or industries. The IBCC may call on other relevant agencies and other government agencies for this purpose;
 - (q) Design and manage a campaign or program inviting young professionals to work with IBs or IB community partners as community organizers and/or social entrepreneurs;
 - (r) Recommend, on behalf of the President, to other government agencies and institutions various policies and programs to promote and support IBs;
 - (s) Integrate and coordinate existing initiatives for target IB Community partners and IB companies;
 - (t) Integrate and maximize the use of trade preferences taking into consideration the full observance of human rights, labor rights, environmental rights, and good governance;
 - (u) Encourage the academe and research organizations to include IB in the curricula of schools, and assist in developing processes and tools for program performance assessments and IB social impact analysis;
 - (v) Recommend to Congress appropriate legislations to promote and support IBs;
 - (w) Provide technical assistance to facilitate and increase compliance to business regulatory frameworks and standards;
 - (x) Institutionalize sex disaggregated data collection and analysis for gender-responsive and evidence-based policymaking and program development;
 - (y) Ensure and or facilitate participation and representation of women in trade or business negotiations;
 - (z) Develop and/or enhance the delivery of programs aimed at increasing access of women to social protection; and
 - (aa) Submit an annual report to the Office of the President and the Congress.

SEC. 6. *Composition.* - The IBCC shall be headed by the Secretary of Trade and Industry as Chairperson and composed of the following members:

- (a) Secretary of Interior and Local Government;
- (b) Secretary of Agriculture;
- (c) Secretary of Labor and Employment;
- (d) Secretary of Social Welfare and Development;
- (e) Secretary of Socioeconomic Planning;
- (f) Secretary of Budget and Management;
- (g) Chairperson of the Philippine Commission on Women;

- (h) Lead Convenor of the National Anti-Poverty Commission;
- (i) Three (3) representatives from the private sector, which shall be determined through a private-sector led initiative designed to support IB; and
- (j) Three (3) representatives from micro and small enterprises' group.

The IBCC may call upon other relevant agencies to provide assistance and resource on matters depending on the sector and issue needed to be resolved. This includes national government agencies (NGAs) and representatives from the private and non-government development sector.

SEC. 7. Partnership with National Councils, Local Government Units (LGUs), Private Sector Organizations, and Civil Society Organizations. - The IBCC shall partner with the Micro, Small and Medium Enterprise Development Council, National Competitive Council, National Convergence Council, Ease of Doing Business and Anti-Red Tape Advisory Council, and National Innovation Council, LGUs, private sector organizations, civil society organizations, and relevant stakeholders, particularly those directly involved with IB community partners and IB companies, in the implementation, monitoring, evaluation of the IBDP.

SEC. 8. Commitment of Member Agencies to the IBDP. - Each member-agency of the IBCC shall align their programs, plans and strategies to ensure that the IBDP is fully implemented, anchoring on similar objectives of promoting Ease of Doing Business and Efficient Government Service Delivery, as provided in Republic Act 11032, otherwise known as "Ease of Doing Business and Efficient Government Service Delivery Act of 2018."

SEC. 9. Organizing and Staffing Pattern for the Secretariat. - The Chairperson of the IBCC shall prescribe and approve the organization and staffing of its Secretariat in consultation with the Department of Budget and Management (DBM). Gender parity in the composition of the organization staffing shall be strictly observed.

CHAPTER III INCLUSIVE BUSINESS ACCREDITATION

SEC. 10. IB Accreditation Criteria. - The IBCC, in consultation with resource persons from private sector industry groups, the academe, and relevant social development institutions, particularly women's organizations, shall establish a system and criteria for accrediting IBs based on their IB model and project. Accreditation of IBs may consider, but is not limited, to the following criteria, to be developed by the IBCC:

(a) Social Value:

- (1) Reach. - The IB project of the company must reach or target to reach poor populations at scale, particularly marginalized women;
- (2) Depth. - The IB project of the company must lead to measurable improvements in the quality of life of poor populations, particularly marginalized women, through income generation or access to relevant and affordable services and products; and
- (3) Systemic Impact. - The IB project of the company must address relevant poverty dimensions and provide a systemic contribution to poverty reduction and social inclusion.

(b) Innovation and Sustainability:

- (1) Innovation. - The IB project of the company must include innovative features that lead to improvements in areas such as but not limited to, profitability, governance, social value, social equity, gender equality, and environmental sustainability;

- (2) Financial viability of the company. - The company that adopts the IB model must be financially viable; and
- (3) Financial viability of the company's IB model. - The IB project of the company must contribute substantially towards the financial viability of the company with positive returns on investment.

(c) Gender Responsiveness:

- (1) Quantitative. - The IB project must use sex-disaggregated statistical data as a reference point against which changes over time can be assessed to inform analysis of inclusiveness; and
- (2) Qualitative. - The IB project must use descriptive information as a reference point against which changes in gender relations, the outcomes of a particular policy, program or activity for women and men, or changes in gender disparities can be assessed.

The IBCC Accreditation Committee shall propose for approval the specific percentage weight and measurable indicators to be assigned to each accreditation criterion, as well as any additional criteria. Criteria weights and indicators shall be established on a per industry basis subject to approval. Provided, That the final criteria approved for each industry shall be applied consistently to all applicants from the same industry without exceptions.

SEC. 11. *IB Accreditation Process.* - The accreditation process shall involve the following steps, in accordance with guidelines to be established by the IBCC:

- (a) Submission to Accreditation Committee of the completed application form, business plan, and required supporting documentation by the company;
- (b) Initial interview and review of company documentation by the Accreditation Committee;
- (c) Site visit by Accreditation Committee to validate the social and environmental acceptability and objectives as described in the company's application and business plan;
- (d) Evaluation and recommendation by the Accreditation Committee to the DTI Executive Committee (ExeCom);
- (e) Decision by the DTI ExeCom to approve or disapprove company's accreditation;
- (f) Accreditation for approved applications;
- (g) Regular monitoring and assessment;
- (h) Renewal of accreditation and continuation of project; and
- (i) End of project impact review and reporting.

Accredited IBs shall be subject to regular monitoring, reporting and assessment to ensure that the company's IB project is being implemented according to the approved business plan and achieving approved social value, innovation and sustainability target specifications. Failure to pass the regular monitoring and assessment by the Accreditation Committee may lead to the revocation of the IB's accreditation. Motions for project extension will be considered on a per project basis.

The Accreditation Committee must disclose to companies with disapproved accreditation applications the reason/s for disapproval to enable said companies to improve or change their business projects accordingly. Companies with disapproved applications may reapply for IB accreditation subject to the guidelines provided by the IBCC.

Notwithstanding the eligibility of a company, the Accreditation Committee reserves the right to review the qualifications of the company at any stage of the accreditation process if the Accreditation Committee has reasonable grounds to

believe that a misrepresentation has been made by the company, or that there has been a change in the company's capability to undertake the project from the time it submitted its completed application. Should such review uncover any misrepresentation made in the application, statements or documents, or any changes in the situation of the company which will affect the capability of the company to undertake the project so that it fails the accreditation criteria, the Accreditation Committee shall consider the company as ineligible and shall disqualify it from obtaining accreditation to use the IB logo and branding.

CHAPTER IV

BENEFITS, INCENTIVES, AND SUPPORT FOR INCLUSIVE BUSINESSES

SEC. 12. *Use of IB Logo and Branding.* - Accredited IBs may affix the Philippine IB logo on related packaging, letterheads, brochures, leaflets, and other forms of information and communication collaterals, in various media outlets, with permission from and subject to the policies and guidelines from the IBCC; Provided, further, that upon the end of the project the logo may not be used further, unless an extension of the accreditation or registration has been granted; and Provided, finally, That there is no finding by the IBCC that the project has failed to pass the regular monitoring and assessment.

SEC. 13. *IB Information Registry.* - The IBCC shall establish and maintain an online public IB registry and database, which shall serve as the main repository of information on IBs. The IB registry shall be disseminated nationwide. The IBCC may call on the Department of Trade (DTI) Negosyo Centers to promote ease of dissemination to LGUs and local communities.

To facilitate collaboration on potential and existing IB projects, the registry shall include information and status on accredited IBs, IB community partners, and IB projects. It shall also include information on business development service providers, financial service providers, and social impact investors specifically catering to IBs and IB community partners.

SEC. 14. *Government Support for IB Community Partners.* - IB Community Partners, which include MSMEs, of accredited IBs shall be prioritized by government agencies in the provision or distribution of relevant government support programs and services that may improve or strengthen their capacity and resources to effectively engage in the IB project. These government programs and services include, but are not limited to, public infrastructure, shared service facilities, enterprise capacity building and training support, technical assistance developing micro-equity finance and business models, marketing assistance, value chain financing, business incubation and technology transfer, business facilitation, support for marginalized women, and women's economic empowerment. Provided, further, That potential and interested individuals and/or organizations seeking to be IB Community Partners, shall likewise be capacitated by NGAs and LGUs providing relevant assistance, trainings, support, and capacity building sought by IB Companies. NGAs and LGUs may seek assistance with civil society organizations for providing the same.

Toward this end, each member agency of the IBCC shall formulate and issue policies that shall facilitate these support programs and services, and automatically provide information of the same to the IB Registry. It shall at the same time, regularly update information on these support programs and services.

SEC. 15. *Incentives for IB Projects.* - An IB Project may qualify for incentives under this Act and be entitled to the following for five (5) consecutive years starting from the declared commencement date of the IB project, as approved by the IBCC:

- (a) Double Deduction for Labor Expense. - Expenses incurred of a registered IB Project for wages of persons hired from the identified government databases, such recipients of government subsidy programs or those living below poverty threshold or benefitting 50% women workers, shall be deductible from the gross income for income tax purposes to the extent of two hundred percent (200%) on the year the said labor expense was incurred; Provided, That the hiring is an incremental to the number of direct labor;
- (b) Double Deduction for Training. - Expenses incurred for training, identified and approved by the BOI, given to persons hired and to be hired from identified government databases and those living below the poverty threshold, and part of IB community partners, especially those IB companies providing capacity building needs of women, shall be deductible from the gross income for income tax purposes to the extent of two hundred percent (200%) on the 35 year the said training expense was incurred;
- (c) Additional Deduction for Goods, Materials and Logistics Resources Sourced from Micro, Small and Medium Enterprises (MSMEs). - A registered IB Project may be allowed an additional deduction from the taxable income of twenty-five percent (25%) of the cost of goods, materials and logistics resources sourced from micro, small and medium enterprises, community enterprises, social enterprises, especially from women-owned enterprises on the year the said expenses were incurred; and
- (d) Double Deduction for Research and Development. - Expenses incurred for research and development activities identified and approved by DTI, shall be deductible from the gross income for income tax purposes to the extent of two hundred percent (200%) on the year the said research and development expense was incurred.

SEC. 16. *Other IB Incentives.* - An accredited IB shall qualify for other incentives made available by law, executive issuances, and local ordinances, as recommended and in consultation with the IBCC. Provided, That double deductions of the same or substantially similar incentives shall not be allowed unless explicitly allowed by law, executive issuances, and local ordinances. Guidelines and procedure for availing of all incentives shall be provided by the IBCC.

CHAPTER V MISCELLANEOUS PROVISIONS

SEC. 17. *Financial and Loan Assistance from Government Banks.* - Loan assistance for the commercial production of a product of an IB Project, either locally or for export and duly registered or accredited with the IBCC Secretariat created under this Act, shall be extended by government banks. Provided, That said IB Project meets the criteria and would enhance the economy of the country and the community, provide technical capacity, or generate regular and decent employment opportunities for the IB Community. Provided, That the loans shall be guaranteed by the Small Business Guarantee and Finance Corporation (SBGFC) and/or the IB Project.

The SBGFC shall offer its existing products, and further develop products to encourage adoption of the IB model by both the IB Companies and Communities.

SEC. 18. *Government Agencies Assistance.* - In order to facilitate the granting of financial assistance by any government bank, all government agencies concerned are required to extend all possible assistance, such as the use of its facilities in the preparation of project feasibility studies and evaluations, and products to be produced by the IB Company or Community.

SEC. 19. *Non-diminution of workers' rights and benefits.* - Nothing in this Act shall be construed as authorizing the diminution of workers' vested rights and/or benefits provided for under the Labor Code or other laws.

SEC. 20. *Penalties.* -

- (a) Any IB company in violation of the use of the IB Logo and Branding, or Section 13 of this Act, shall be fined Twenty Thousand Pesos (P20,000.00) for the first offense; Fifty Thousand Pesos (P50,000.00) for the second offense; One Hundred Thousand Pesos (100,000.00) and blacklisted from accreditation for the third offense, subject to the guidelines of the IBCC; Provided, further, That a company neither registered nor accredited as an IB Company shall be penalized under letter b of this Section.
- (b) Tampering, alteration, forgery, and imitation of the IB Logo, and misrepresentation thereof, shall be punished with a fine of not less than Fifty thousand pesos (P50,000.00) but not more than One hundred thousand pesos (P100,000.00) for each and every instance proven, without prejudice to other penalties imposed by Republic Act No. 7394, otherwise known as the "Consumer Act of the Philippines." Provided, That the IBCC is hereby empowered, after publication, to increase or adjust the amount of the fines prescribed in this Section once every five (5) years in the amount not exceeding ten per centum (10%) of existing rates.
- (c) Any IB company in violation of the rights of the community or any member thereof shall be directly responsible for damages and blacklisted from accreditation without prejudice to other remedies available under the law, especially those enacted laws protecting women and children as specified under the Republic Act No 9710, otherwise known as the "Magna Carta of Women."

SEC. 21. *Monitoring, Evaluation, Review, and Assessment.* - The IBCC, in consultation with IB Companies, IB Community Partners, NGAs, and LGUs concerned as necessary, shall regularly monitor, evaluate, review, and assess the impact and effectiveness of the IBDP.

The IBCC shall, likewise, submit to Congress a periodic review of the implementation of this Act at the end of the third year from the date of its effectiveness and every year thereafter.

SEC. 22. *Nationwide Public Information Campaign.* - The IBCC, in coordination with its member agencies, the Philippine Information Agency, LGUs, private agencies, and relevant organizations shall undertake a sustained, intensive, and targeted information campaign to promote greater awareness and practice of IB among key stakeholders, particularly large and medium-size companies operating in priority industries and marginalized areas and encourage the coordinated support of relevant government agencies to IB investments.

SEC. 23. *Implementing Rules and Regulations.* - The IBCC, in consultation with concerned agencies, shall, within ninety (90) days from the effectivity of this Act, issue the rules and regulations to effectively implement the provisions of this Act.

SEC. 24. *Appropriations.* - The initial amount necessary for the implementation of this Act shall be charged against the current appropriation of DTI. Provided, That the amount necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 25. *Separability Clause.* - If any provision of this Act, or part hereof, is held invalid or unconstitutional, the remainder of the law or provision not otherwise affected shall remain valid and subsisting.

SEC. 26. *Repealing Cause.* - All provisions of laws, presidential decrees, letters of instruction and other presidential issuances that are incompatible or inconsistent with the provisions of this Act are hereby deemed amended or repealed.

SEC. 27. *Effectivity.* - This Act shall take effect within fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,