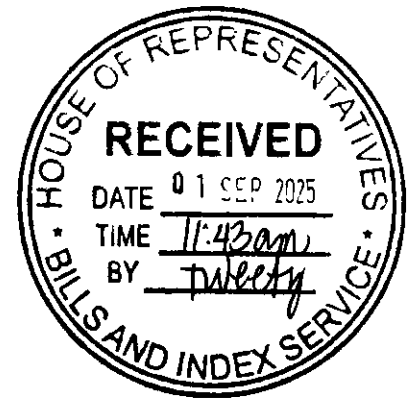


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL No. 4217

Introduced by REP. RAMIL L. HERNANDEZ

AN ACT INSTITUTIONALIZING THE NEGOSYO CENTER BUSINESS COUNSELLORS UNDER THE DEPARTMENT OF TRADE AND INDUSTRY, PROVIDING FOR THEIR PERMANENT EMPLOYMENT AND REGULAR POSITION, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Micro, Small, and Medium Enterprises (MSMEs) constitute 99.58% of business establishments in the Philippines and employ over 62.66% of the country's workforce, according to 2023 data from the Philippine Statistics Authority (PSA). As such, MSMEs serve as the backbone of inclusive growth, rural development, and job generation in the national economy.

Republic Act No. 10644 or the "Go Negosyo Act," institutionalized the establishment of Negosyo Centers across the country to assist MSMEs by streamlining business registration, providing mentorship and training, and linking entrepreneurs to financing and market opportunities.

Central to the operation of these centers are Negosyo Center Business Counsellors (NCBCs). However, despite their vital role, the majority of these personnel are engaged through job order or contract-of-service (COS) arrangements. These temporary employment setups expose the system to numerous vulnerabilities: frequent staff turnover, low morale, inconsistent service delivery, lack of accountability, and disqualification from handling government funds and transactions.

Moreover, the lack of plantilla positions undermines the institutional memory and continuity of MSME development programs. This proposed legislative measure addresses those gaps by mandating the creation of permanent, civil service-eligible plantilla positions for NCBCs across all provinces, cities, and municipalities where Negosyo Centers operate.

This measure further ensures uniform standards in service delivery, mandates structured capacity-building, and empowers the Department of Trade and Industry (DTI) to efficiently fulfill its MSME development mandate. With 1,381 Negosyo Centers

operating nationwide as of June 2025, the professionalization and stability of their workforce are urgent and critical.

In view of the foregoing, the expeditious passage of this bill is earnestly sought.

Approved,

RAMIL L. HERNÁNDEZ
2nd District, Laguna

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

Section 1. Short Title. – This Act shall be known as the "Negosyo Center Business Counsellors Regularization and Institutionalization Act of 2025."

Section 2. Declaration of Policy. – It is the policy of the State to promote inclusive growth, innovation, and regional development by fostering the sustained growth of MSMEs. To this end, the government shall professionalize the Negosyo Center workforce by institutionalizing the positions of Negosyo Center Business Counsellors (NCBCs) under the Department of Trade and Industry (DTI), ensuring continuity, accountability, and high-quality service delivery across all Negosyo Centers. The institutionalization shall also strengthen the collaborative framework with Local Government Units (LGUs) and the Micro, Small and Medium Enterprise Development (MSMED) Council as mandated by Republic Act No. 10644.

Section 3. Collaboration with Local Government Units and Micro, Small and Medium Enterprise Development (MSMED) Council. –

A. Coordination with MSMED Council

DTI shall ensure that the programs, services, and activities of all Negosyo Centers are aligned with the national and local priorities set by the Micro, Small and Medium Enterprise Development (MSMED) Council. The institutionalized Negosyo Center Business Counsellors shall regularly report to and coordinate with the MSMED Council and its local counterparts.

B. Integration with LGUs

DTI, through its institutionalized Negosyo Center Business Counsellors, shall actively participate in the local economic development planning process of the LGUs where the Negosyo Centers are located. The NCBCs shall assist LGUs

in the formulation of their Local Economic Development Plan (LEDP) by providing data, insights on the MSME landscape, and recommendations for MSME support programs.

C. Public - Private Partnerships

The Negosyo Center Business Counsellors shall be mandated to actively seek and facilitate partnerships with local business organizations, academic institutions, and other private sector entities to enhance the services and programs offered to MSMEs.

Section 4. Creation of Plantilla Positions. – Within three (3) years from the effectivity of this Act, the DTI, in coordination with the Department of Budget and Management (DBM) and the Civil Service Commission (CSC), shall create the following plantilla positions for nationwide deployment in operational Negosyo Centers. The total number and distribution of these positions shall be guided by the following criteria and shall be based on a transparent, needs-based formula to be defined in the Implementing Rules and Regulations (IRR):

A. For Municipalities

Trade and Industry Development Analyst (SG-11): A minimum of one (1) position per municipality. Additional positions may be created for municipalities with an exceptionally high volume of MSME transactions or large geographic coverage, as defined in the IRR.

B. For Component and Highly Urbanized Cities

Trade and Industry Development Specialist (SG-15) and Trade and Industry Development Analyst (SG-11): A minimum of two (2) positions per city. Additional positions may be created based on a needs assessment as defined in the IRR.

C. For Provincial and Regional Offices

To ensure coordination, quality assurance, and capacity-building, the following additional positions shall be created:

- **Two (2) Trade and Industry Development Specialists (SG-15):** Who shall serve as account officers providing direct services such as business name registration, training coordination, and consultancy.
- **Two (2) Senior Trade and Industry Development Specialists (SG-18):** Who shall serve as section supervisors overseeing Negosyo Center operations in both cities and municipalities.
- **One (1) Supervising Trade and Industry Development Specialist (SG-22):** Who shall head the Negosyo Center program at the provincial and regional level and be responsible for the coordination, monitoring, and evaluation of all MSME support initiatives.

D. For National Office

- **One (1) Administrative Assistant III (SG-9)**
- **Two (2) Trade and Industry Development Analyst (SG-11)**

- **Two (2) Trade and Industry Development Specialists (SG-15)**
- **Two (2) Senior Trade and Industry Development Specialists (SG-18)**
- **One (1) Supervising Trade and Industry Development Specialist (SG-22)**
- **One (1) Chief Supervising Trade and Industry Development Specialist (SG-24)**

All these plantilla positions will be dedicated to the Negosyo Center - Program Management Office.

Priority in hiring shall be given to existing NCBCs under contract-of-service or job order status in accordance with Section 4 of this Act.

Section 5. *Qualification Standards, Career Path, and Training.* – The Civil Service Commission (CSC), in coordination with the DTI and the DBM, shall develop and adopt the qualification standards and competency framework for the Negosyo Center Business Counsellor positions.

The DTI, in coordination with the CSC, shall also establish a clear career progression system and a performance management framework for all institutionalized NCBCs. This framework shall include key performance indicators (KPIs) related to MSME growth, job creation, and client satisfaction.

To ensure continuity and recognize the service of existing personnel, priority in hiring shall be given to existing NCBCs under contract-of-service or job order status. The DTI, in coordination with the CSC, shall develop a special eligibility and training program to assist long-serving NCBCs in meeting the required qualification standards for regularization, thereby facilitating their absorption into the new plantilla positions.

DTI shall ensure that all NCBCs receive standardized capacity-building and training programs in business registration processes, entrepreneurship development, financial literacy, market access, regulatory compliance, and digitalization. These programs shall be implemented through the DTI Human Resource and Administrative Service, in coordination with the Bureau of SME Development (BSMED).

Section 6. *Funding.* – The amount necessary for the initial implementation of this Act shall be sourced from the available funds of the Department of Trade and Industry. A dedicated fund shall be created to ensure the timely creation and filling of all plantilla positions. Thereafter, the corresponding appropriations for the creation and maintenance of plantilla positions for Negosyo Center Business Counsellors shall be included as a separate and distinct line item in the annual General Appropriations Act (GAA), subject to the usual budgetary processes and guidelines issued by the Department of Budget and Management.

Section 7. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the Department of Trade and Industry, in coordination with the Civil Service Commission and the Department of Budget and Management, shall

promulgate the necessary rules and regulations for the effective implementation of this Act. These rules shall include a clear formula for position allocation, details of the special eligibility program, and the performance management framework.

Section 8. Separability Clause. – If any provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected, shall remain in full force and effect.

Section 9. Repealing Clause. – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provisions of this Act is repealed, modified or amended accordingly.

Section 10. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,