



REPUBLIC OF THE PHILIPPINES  
**DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**

A. Francisco Gold Condominium II Bldg., EDSA  
Corner Mapagmahal St., Diliman, Quezon City

**MEMORANDUM CIRCULAR**

**NO. 2003-174**

August 25, 2003

**TO :** ALL PROVINCIAL GOVERNORS, CITY AND MUNICIPAL MAYORS, DILG REGIONAL, PROVINCIAL AND CITY DIRECTORS, CITY AND MUNICIPAL LOCAL GOVERNMENT OPERATIONS OFFICERS AND OTHERS CONCERNED

**SUBJECT :** INSTITUTIONALIZATION OF COMMUNITY-BASED TRAINING FOR ENTERPRISE DEVELOPMENT (CBTED) AT THE LOCAL LEVEL AND ESTABLISHMENT/CREATION OF CORRESPONDING SUPPORT MECHANISMS

---

**PREFATORY STATEMENT**

The Medium-Term Philippine Development Plan 2001-2004 emphasizes the government's firm commitment to nurture the entrepreneurial spirit and make industries globally competitive, for the purpose of achieving the vision of a poverty-free Philippines by the end of the decade.

The various local government units will play a crucial role in the achievement of this commitment, through, among others, promotion of economic development, securing the well-being of the people in their localities and creating an environment suitable for business.

The Technical Education and Skills Development Authority (TESDA) has formulated a program entitled Community-Based Training for Enterprise Development (CBTED), with the end-view of institutionalizing community-based skills training for enterprise development in the local development plans of LGUs and establishing mechanisms to support the program.

**GENERAL GUIDELINES**

In connection with the above, all Provincial, City and Municipal Mayors are strongly encouraged to establish and implement the following program mechanisms and to appropriate funds therefor:

***CREATION OF A PLANTILLA POSITION FOR COMMUNITY TRAINING AND EMPLOYMENT COORDINATORS (CTECs) AT THE LOCAL LEVEL SUBJECT TO THE AVAILABILITY OF FUNDS***

This shall uphold the interest and motivate a CTEC to continuously implement the CBTED program.

CTECs are regular LGU personnel who are the focal persons trained by TESDA to plan, organize, manage and monitor community-based training and enterprise development programs at the LGUs using the CBTED Methodology. They work full-time basis and require authority/legal personality in the communities to be able to efficiently perform their duties.

In cases where there is no CTEC position in the LGU/s, the local chief executive/s, in coordination with TESDA, shall designate a CTEC, following the criteria for the selection of CTECs as presented in Annex A.

### ***UTILIZATION OF THE CBTED METHODOLOGY AS ONE OF THE TRAINING STRATEGIES FOR POVERTY REDUCTION***

TESDA and DILG espouse the Community-Based Training for Enterprise Development (CBTED) Methodology as one of the training strategies that may be adopted by LGUs for poverty reduction. It is an approach and tool used by partners such as LGUs, specifically the CTECs, Non-Government Organizations (NGOs) and People's Organizations (POs) in coming up with enterprise ideas with skills development as the entry point in enterprise creation.

Local Chief Executives are enjoined to advocate the utilization of the CBTED Methodology as one of the training strategies for the provision of skills training for enterprise development in their communities and to ensure the implementation of programs by providing funds.

TESDA shall provide continuous upgrading of the CTEC's capacities particularly in the use of the CBTED Methodology. Upon acquiring the necessary skills in the utilization of the CBTED Methodology, the CTEC shall manage the utilization of the methodology in responding to the local needs on skills training for enterprise development.

### ***CREATION OF CITY/MUNICIPAL TECHNICAL EDUCATION AND SKILLS DEVELOPMENT COMMITTEES (C/MTESDCs)***

Local Chief executives are encouraged to organize C/MTESDCs and/or utilize existing SMED Councils (per DILG Memorandum Circular No. 2002-107) to serve as Advisory Committee to the City or Municipal Mayor and Resource Generation Committee of the Sanggunian that shall assist the CTEC in the planning and managing of community-based training and enterprise development programs. The said Committees shall perform the following functions:

#### ***A. Local and Training Planning Phase***

- Recommend project site, qualified instructors, effective ways and strategies to promote and disseminate information on training programs, venue in the conduct of training program and possible members of the barangay council;
- Provide data/information needed for the development of the community profile;
- Provide advice on the technical, market and financial opportunities identified through surveys;
- Provide data/ information needed for the preparation of feasibility studies; and
- Commit to undertake/provide post-training support services according to each member's area of expertise/mandate.

#### ***B. Training Delivery Phase***

- Share resources/materials and other inputs for the conduct of training program; and
- Monitor the conduct and progress of the training program.

#### ***C. Post-Training Phase***

- Undertake/provide post-training services such as access to credit/lending facilities, product packaging, marketing and other technical assistance;
- Monitor the post-training status/progress of program beneficiaries; and
- Motivate and provide guidance on the skills training program.

The organization and strengthening of the C/MTESDCs shall be the joint responsibility of TESDA and the LGU concerned.


The C/MTESDCs shall be composed of representatives of the most active and relevant agencies and individuals as well, notably, businessmen in the field of rural employment promotion and which have programs, projects and activities related to social preparation, credit for micro-business ventures, skills/business management training, marketing, entrepreneurship training, dissemination of appropriate technology, livelihood and/or business-consultancies.

Recommended members of the C/MTESDCs are the following:

- The CTEC representing the LGU
- The President of the Association of Barangay Captains
- Representatives of government agencies, in particular, the DTL, DSWD, DOST, DOLE, DA/DAR and DEPED-BNFE
- Locally active NGOs and religious organizations
- Representatives of the youth
- Financial institutions active in rural development
- Successful local businessmen

### ROLE OF DILG REGIONAL AND FIELD OFFICES

All DILG Regional and Field Offices are hereby directed to cause the widest dissemination of this Circular in their respective areas of jurisdiction and monitor and report to the SILG, through the Bureau of Local Government Development, the status of implementation of the same.

  
**JOSE D. LINA, JR.**  
 Secretary

Attested by:

  
**ATTY. ALAN ROULLO YAP**  
 Head Executive Assistant

*Handwritten notes:*  
 OSEC *loi 8/27*  
 OUSA *8/27*  
 OUSLG *8/27*  
 OASPP *8/27*  
 OASAPR *8/27*  
 BLEED *8/27*  
 RDS - *mailed - LBC 8/29/03*  
 Reg. 10 - *A* *Biny 8-27*  
 NCR - *8/28*  
 Reg. 2 - *recd 8/29*

*Handwritten list:*  
 CAR - 654261253  
 Reg. 1 - 654261261  
 3 - 654261271  
 5 - 654261288  
 6 - 654261296  
 7 - 654261301  
 8 - 654261318  
 9 - 654261326  
 10 - 654261334  
 11 - 654261342  
 12 - 654261350  
 13 - 654261369