

17 January 2025

JOSE FRANCISCO B. BENITEZ

Secretary/Director General

Technical Education and Skills Development Authority

RE: Transmission of comments on the IRR of RA 12063

Dear **Director General Benitez**,

Greetings from the Philippine Institute for Development Studies (PIDS)!

Thank you for inviting PIDS to participate in the recently concluded consultative meeting with government agencies to gather inputs on the Implementing Rules and Regulations (IRR) of RA 12063 (Enterprise-Based Education and Training [EBET] Framework Act). We are honored to support TESDA in shaping this important legislation.

I am pleased to transmit our comments and recommendations for your reference and consideration in line with the discussions and refinements presented during the meeting. Please see the attached list.

We appreciate the opportunity to contribute to this process and look forward to the completion of the IRR.

Sincerely,

ANICETO C. ORBETA JR.

President

Philippine Institute for Development Studies

Comments from the Philippine Institute for Development Studies

IRR-specific

- Rule I Section 6:
 - d. Apprenticeable Occupation: Align the definition, characteristics, frequency and manner of updating of apprenticeable occupation with the definition of apprenticeship (b.)
 - More than 3 months of training vs. NC III and above training programs: will the 3-month duration be adjusted to account for the provisions of the law?
 - If apprenticeship programs (NC III and above) are restricted to WTR programs, then higher-skilled training programs with longer durations that will be registered as apprenticeship type EBET (RA 12063) will be restricted to the existing list of WTR of NC III
 - q. General EBET: How do we accommodate training programs with no training regulations (NTR) that are longer in duration?
 - s. Highly Technical Industries: This is defined and integrated into the previous definition of apprenticeship before the law. How do we do that in the context of EBET?
- Rule III Section 9: Should EBET be limited to only those who are “employed and new entrants to the labor force”? How about those who were previously inactive?
- Rule III Section 10: How will preference for EBET impact the worker? Are there stipulations on the premium being placed on EBET graduates?
- Rule III Section 12: flexibility on external sources of scholarship may be included in the IRR or operating guidelines.
- Rule VI: Should there be an summary of fiscal and non-fiscal incentives to motivate enterprise participation in EBET?
- Rule VII: Can there be an explicit inclusion of provisions for regular audits and penalties for non-compliance?
- Rule VIII Section 4 suggests indicating at least once or twice a year a periodic assessment to compel evaluation/review of priority occupations.
- Rule VIII Section 4: suggest specifying reporting variables (e.g., add the phrase “but not limited to” to including) to facilitate and enable effective evaluation. A description of the data flow should be provided.
- Rule VIII Section 4: suggests TESDA shall regularly consult enterprises, workers’ groups, and training institutions, as training should be industry demand-based. Alternatively, streamline the coordination between and among agencies with TESDA.
- Rule VIII Section 5: suggest a stipulation in the IRR for EBET to create a one-stop shop or online portal for incentives.
- We reiterate the clarification with age and/or educational requirements, as this will define who is eligible for EBET. Include a demographic definition.
- Ensure that the crediting/equivalency of EBET towards a degree program is not confusing, given the age requirement (15 or 18). Can EBET be taken by those JHS, SHS, or BS students?

Operational rules and guidelines

- How to classify existing forms of enterprise-based training into the existing framework (e.g., General EBET, apprenticeship, and upskilling)
 - Dual training system (DTS)
 - Trainings conducted by farm schools (TCFS)
 - Program on Accelerating Farm School Establishment (PAFSE)
- Who sets, updates, and approves the list of apprenticeable occupations (RA 12063)?
 - Contextualize how the previous mechanisms available (e.g., through Regional and Provincial Technical Education and Skills Development Committees (R/PTESDCs), which were expected to update the list of learnable and apprenticeable occupations (pre-RA12063) will work on this.
- Rule I Section 6: g. Bundling of Qualifications
 - How will the three forms of EBET be bundled together?
- How do we align the existing policy and legal framework to ensure that the non-employee status of the trainee in a general EBET or apprenticeship program will not be abused by employers?
- Ensure the alignment of existing tax and related laws and policies with the offered financial incentives to participating EBET implementers (e.g., private TVIs and enterprises)
- Rule III. Section 4: How do we consolidate and integrate the labor market information from other government agencies (e.g., DOLE, NEDA) to determine EBET priority occupations?