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Phone number: 0953-588-3721 | email address: cmotuguegaraocity@gmail.com

OFFICE OF THE CITY MAYOR

03 September 2025

THE HONORABLE MEMBERS

Sangguniang Panlungsod This City

Thru: HON. ROSAURO RODRIGO G. RESUELLO

Vice Mayor and Presiding Officer

Dear Honorable Members of the Sanggunian:

Herewith is the Memorandum of Agreement between the Tuguegarao City Government and the Department of Trade and Industry- Regional Office 02 (DTI-RO2) with the Legal recommendation of the City Legal Officer, Atty. Roderick S. Iquin relative to the establishment of a Negosyo Center in Tuguegarao City, for your information and appropriate action.

Thank you!

In the name of public service,

MAILA ROSARIO S. TING-QUE

City Mayor

JUANITO A CALUBAQUIB
City Administrator

Copy furnished:

City Legal Office

DTI- RO2



Republic of the Philippines Province of Cagayan Tuguegarao City CITY LEGAL OFFICE 2nd Floor, Tuguegarao City Hall, Carig Sur, Tuguegarao City Cagayan 3500 Email: citylegal.tug@gmail.com



LETTER RECOMMENDATION

FOR:

HON. MAILA ROSARIO S. TING-QUE

City Mayor

FROM:

ATTY. RODERICK S. IQUIN

City Legal Officer

DATE:

September 03, 2025

Dear Hon. Maila Kosario S. Ting-Que:

Greetings!

After a thorough review of the proposed Memorandum of Agreement (MOA) between the Department of Trade and Industry — Regional Office 02 (DTI-R02) and the Local Government Unit of Tuguegarao City, this office respectfully submits this letter-recommendation for your consideration.

The MOA is anchored in Republic Act No. 10644, also known as the Go Negosyo Act, which institutionalizes the establishment of Negosyo Centers nationwide. The agreement envisions the creation and operation of a Negosyo Center in Tuguegarao City, which will provide business advisory services, registration assistance, product development support, and other capacity-building initiatives for Micro, Small, and Medium Enterprises (MSMEs).

It meticulously details the roles and responsibilities of borh the LGU and the DTI, and contains standard but necessary clauses that enhance the agreement's strength. Under the terms of the MOA, the LGU undertakes key responsibilities, including providing facilities, a staff complement, and advocacy support for the Negosyo Center's operations.

Further, the agreement also requires the LGU to provide funding support, which includes shouldering utility expenses and providing a funding counterpart. These financial commitments, while reasonable, require careful planning and budgeting on the part of the City Government to ensure continuous support for the center's operations. This office recommends that these obligations be integrated into the LGU's annual investment plan and appropriations to prevent interruptions in service delivery and ensure full compliance with the Commission on Audit (COA) rules and regulations.

The agreement could also be strengthened by specifying measurable performance indicators (KPIs) to objectively evaluate the success of the Negosyo Centers, such as the number of businesses assisted or the quantifiable increase in local economic activity. These metrics, however, can be incorporated into a separate operational framework or a future addendum to ensure accountability and track progress effectively.





Given the clear benefits of the MOA, such as enhanced business support, job generation, innovation, and local economic growth, to name a few, this office finds the agreement to be legally sound and aligned with the City's mandate to promote entrepreneurship and inclusive development.

Hence, it is recommended that the same be endorsed to the Sangguniang Panlungsod for appropriate action.

We remain at your disposal for any legal support or further clarification you may require.

Thank you!

Very truly yours,

ATTY. RODERICK S. IQUIN CITY LEGAL OFFICER CITI LINGUIS PLUPINAS

DTS No. EX00428141 20 August 2025 OFFICE OF THE CITY WAYOR

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HON. MAILA ROSARIO S. TING-QUE City Mayor Tuguegarao City, Cagayan

Dear Mayor Que:

Our sincere appreciation for your continued support in implementing the Negosyo Center Program in your municipality. Your partnership has significantly contributed to the growth of our micro, small, and medium enterprises (MSMEs).

Since 2016, when the establishment of Negosyo Centers began across the province, Memorandum of Agreements (MOAs) have been signed by the respective sitting mayors to formalize this partnership. These agreements laid the foundation for our collaborative efforts to support MSMEs and local economic development.

In line with Republic Act No. 10644 or the "Go Negosyo Act," and in adherence to a directive from our Head Office, we are renewing existing agreements using the updated MOA template to align with current policy and program guidelines. We respectfully request your office to:

Review the enclosed MOA, and

 Initiate the preparation of a Sangguniang Bayan (SB) Resolution authorizing you to enter into and sign the agreement.

We hope the approved resolution can be secured ahead of the targeted signing, which we will coordinate with your office at your convenience.

Ms. Jessamae Babaran, Negosyo Center Provincial Account Officer, will get in touch with your office for the details of this request. She can be reached at 0975-328-0182 or via email at jessamaebabaran@dti.gov.ph.

We value our continued partnership and look forward to your favorable response.

Thank you and warmest regards.

Truly yours,

MARY ANN CORPUZ - DI Provincial Director

DTI CAGAYAN PROVINCIAL OFFICE

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Iviemorandum of Agreement (IviOA) is executed and entered into this at Tuguegarao City, Cagayan, by and between:

The DEPARTMENT OF TRADE AND INDUSTRY- REGIONAL OFFICE 02, a national government agency created under Philippines laws, with principal office address at #11 Dalan na Pappabalo, Regional Government Center, Carig Sur, Tuguegarao City, Cagayan, represented herein by its Regional Director, IMA. SOFIA G. NARAG, CESO V hereinarter referred to as the "DTI – REGIONAL OFFICE 02":

-and-

The LOCAL GOVERNMENT UNIT OF TUGUEGARAO CITY, government institution duly organized under Philippines laws, with principal office address at Enrile Boulevard, Regional Government Center, Carig Sur, Tuguegarao City, Cagayan, represented herein by its City Mayor, HON. MAILA ROSARIO S. TING-QUE, hereinafter referred to as the LGU;

WITNESSETH that.

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

whereas, the approval of Republic Act 10644: An Act Promoting Job Generation and Inclusive Growth through the Development of Micro, Small and Medium Enterprises otherwise known as the Go Negosyo Act is seen to bring government services closer to small businesses through the establishment of Negosyo Centers in all provinces, cities and municipalities;

WHEREAS, with the Go Negosyo Act, the Department of Trade and Industry (DTI) with the support of LGUs and other government agencies expect to further boost its assistance to Ivicro, Small and Ivicro, Small and

WHEREAS, the Go Negosyo Act mandates the establishment of Negosyo Centers which would under the supervision of the Micro, Small and Medium Enterprise Development Council ("Council") in all provinces, cities and municipalities. Further, the Council through the regional offices of DTI shall perform oversight functions and shall assign personnel to fulfill the functions of the Negosyo Centers. These centers would ease the process of starting up and registering small businesses;

WHEREAS, the Negosyo Centers would facilitate development programs as well as provide support for business conceptualizations, management, team building, marketing, human resources and many other aspects of maintaining businesses;

WHEREAS, the Negosyo Center shall provide services to MSMEs on Business Advisory/Consultancy, Business Registration Assistance, Business Information and Advocacy, Product Development, Trade and Investment Promotion, Loan Facilitation and Training;

LAREAS, the abovementioned services are also identified as MISME needs particularly categorized into areas where support is required by MISMEs; and coaching sessions for MISMEs as anchored on building MISME competitiveness and competencies;

WHEKEAS, the DTI and LOCAL GOVERNMENT UNIT OF TUGUEGARAO CITY agreed for a partnership to establish and manage a Negosyo Center to provide technical assistance to the existing and potential MSMEs;

where EAS, in cases where the LGU/province, city or municipality takes the lead role in the establishment and management of Negosyo Centers, the DT may offer assistance to the LGU/province, city/municipality in integrating this creation through the LGU's Local Development and Investment Plan, Annual Investment Plan and other relevant executive and legislative issuances;

WHEREAS, Section 1, Rule 7 of the implementing rules and regulations of RA 10644 provides that the sums as may be necessary for the continued implementation of RA 10644 shall be included in the succeeding General Appropriations Act. The amount to be allocated shall include but not be limited, support for the provincial, city and municipal operations of the Negosyo Centers.

NOW, THEREFORE, for and in consideration of the foregoing premises and of the mutual covenants herein below set forth, the PARTIES bind themselves and agree as follows:

SECTION I. THE PROGRAM

Pursuant to the provisions of the Go Negosyo Act, the Negosyo Center Program is responsible in promoting ease of doing business and facilitating access to services for Micro, Small, and Medium Enterprises (MSMEs) through the establishment of the Negosyo Centers (NCs) in all provinces, cities and municipalities. It seeks to strengthen MSMEs to create more job opportunities in the country.

SECTION II. PROGRAM OBJECTIVES

The Program aims to achieve the following objectives:

- 1. To provide technical expertise and services through coaching sessions and accelerate development of MSMEs;
- To widen the market access and reach of the MSMEs through business matching and trade promotions;
- 3. To improve managerial skills and enhance entrepreneurial behavior; and
- 4. To develop and build more dynamic, competitive and sustainable MSMEs in the localities

SECTION III. ROLES AND RESPONSIBILITIES

The DTI subject to its mandates, priorities, availability of funds and other resources and limits set forth under applicable budgeting, procurement, accounting, and auditing rules and regulations shall:

- 1. Undertake public-private partnership:
 - a) Wanage and coordinate linkages with existing and prospective partners;
 - b) Provide technical advisory to partners; and
 - c) Identify Business Development Service (BDS) providers which will augment the delivery of MSME Development Programs/Projects geared towards

Expanded Access to Markets (A2IVI), Improved Access to Finance (A2F), Improved Access to Technology and Innovation (A2T&I) and Enhanced Digital Skills (A2DS).

2. Provide staff complement and capacity building program:

 a) Designate staff/s as NC Business Counselor/s to facilitate the operations of the Negosyo Center in providing intended services to MSME clients; and

b) Orient and capacitate designated NC Business Counselors to effectively provide the services to the MSME clients.

Manage NC operations:

- a) Prepare and approve a Manual of Operations, in accordance with the pertinent provisions of the Go Negosyo Act and its Implementing Rules and Regulations, which shall include, among others, the organizational/functional/structure of the center, procedure for accessing the services of the Center, business plan, communication plan to promote the use of the facility, and reportorial procedures;
- b) Wanage and operate the Center in accordance with the objectives of the "Negosyo Center";
- Establish a databank which shall be a source of information necessary for market linkaging, facilitation, project monitoring, research and policy studies and information campaigns;
- d) Propose and organize calendar of events for the center on the conduct of trainings, seminars, and other assistance needed by the MSMEs subject to existing budgeting, auditing and accounting/COA rules and regulations;
- Provide, when necessary, additional technical support for capacitating the MSMEs;
- r) Monitor and evaluate the operations of the center, particularly in terms of number of Clients and MSMEs assisted; and
- g) Set up the Negosyo Center following the DTI-prescribed layout and design.
- 4. <u>Handle advocacy and promotion campaign</u>: Promote the Negosyo Centers and their services.

Provide fund support:

- a) Provide funds for IVC operations such as conduct of training, launching, and marketing, communications, and hiring of consultants and other service providers, as needed, in accordance with Article I (4) herein and subject to existing government procurement and COA rules and regulations;
- Provide supplementary funding for existing communication facilities within the NC, including, but not limited to, internet connectivity, as required, and,
- c) Procure and provide needed furniture, fixtures, and other equipment necessary for the setting up and operation of the Negosyo Center, as needed, in accordance with the provisions of RA 9184, otherwise known as the Government Procurement Reform Act, and its Implementing Rules and Regulations.

The LOCAL GOVERNIMENT UNIT OF TUGUEGARAO CITY shall:

1. Provide NC facilities and infrastructure: Provide sufficient office space for the establishment of the NC conducive in the provision of the services;

Provide staff complement:

- Assign at least one staff who will provide assistance in the provision of the NC services; and
- b) Provide access to the training rooms and other facilities of the partner agency that can be used for the conduct of training programs and other provision of services for the MSMEs.

Assist in the NC operations:

- a) Promote and assist in the provision of NC services; and
- b) Assist in the establishment of database of businesses registered with the local government unit (LGU) annually.

-. Provide fund support:

- Shoulder utility expenses of the NCs such as the electricity, water and internet subject to pertinent rules and regulations and
- b) Provide funding counterpart, if applicable, for the provision of the NC services.

SECTION IV. OTHER PROVISIONS

The parties undertake to act in good faith with respect to each other's rights and obligations under this MOA and to adopt all reasonable measures to ensure the satisfactory realization of the objectives of this MOA.

- 1. In the event of any dispute arising out of or related to this Agreement, the same shall be settled amicably by mutual consultation between the parties. In case the parties fail to amicably settle their dispute, the same shall be resolved through the alternative modes of dispute resolution pursuant to RA 9285 or the "Alternative Dispute Resolution Act of 2004." In case the Parties fail to amicably settle their disputes, the Parties agree to bring the same exclusively before the court of proper jurisdiction in the City of Makati.
- 2. The PARTIES, in the performance of their obligations under this Agreement, ensure the privacy and security of any and all confidential, privileged personal information and/or sensitive personal information that they may have access to, and shall store, use, process and dispose the said privileged personal information and/or sensitive personal information in accordance with Republic Act No. 10173 otherwise known as the "Data Privacy Act of 2012", its Implementing Rules and Regulations and applicable issuances issued by the National Privacy Commission (NPC). Any violation of this clause and any of the provisions of the Data Privacy Act and its Implementing Rules and Regulations, by the PARTIES, shall be subject to the corresponding sanctions, penalties or fines under the said law without prejudice to any other civil and/or criminal liability, as may be applicable. This clause shall survive the termination or expiration of this Agreement.
- 3. No failure, omission, or delay by any of the PARTIES in exercising any of its rights, privileges, or remedies hereunder or under any statute shall operate as a waiver thereof. However, any waiver shall not be valid unless made in writing and signed by the PARTIES or their authorized representative, and such waiver shall be effective only in the specific instance and the purpose for which it was given.
- In the event that any term or condition of this MOA shall be determined by a competent court to be invalid, in conflict with, or unenforceable under any law, rule, or regulation of the government or any subdivision thereof, such term or condition shall be deemed stricken from this MOA. Such invalidity or unenforceability, however, shall not invalidate or render unenforceable the remainder of this MOA.
- 5. All costs and expenses incurred by a party in relation to this MOA, shall be borne and paid by the party incurring the same without charge to or reimbursement from the other Party.
- 6. All intellectual properties produced and/or used in the course of the implementation of this MOA shall be subject to Republic Act 8293 or the Intellectual Property Code of the Philippines, as amended. And its IRR and to the applicable provisions of the Civil Code.

Unless otherwise authorized by law, no other use, exploitation in any manner, whether for profit or otherwise, of any original, derivative, or other analogous works created or used under this MOA shall be made by all parties, including their agents, heirs, and assigns, without the prior written approval of the other Parties.

7. It is understood that this MOA does not create an employer-employee relationship between the DTI and the employee of the LGU; and that the services rendered/to be rendered hereunder by the employee of the LGU cannot be considered nor will it be accredited as government service; and that the employee of the LGU is not entitled to any benefits enjoyed by the regular personnel of the DTI; Neither he/she be entitled to overtime pay.

SECTION V. AIMENDIMENT AND TERMINATION

by both parties. The parties may terminate this Agreement upon ten (10) days prior written notice on any of the following grounds:

- Situation/Circumstances that would make it impossible for the Program to continue to be carried out;
- 2. Breach of any of the terms of the Agreement;
- 3. Failure to perform or deliver by any of the Parties of a material portion of the agreed outputs or deliverables; and
- 4. Any other justifiable reasons.

DTI Cagayan Provincial Office

SECTION VI. PROGRAM EFFECTIVITY AND DURATION

This Memorandum of Agreement shall learnesentatives of the Parties and renewal	be effective upon signing by the authorized ble upon agreement of both PARTIES.
to signify their agreement on the parties in the significant of the significant of the parties in the significant of the parties of the parti	nave hereto arrixed their respective signatures his day of at
NA. SOFIA G. NARAG, CESO V Regional Director DTI Regional Office 02	HON. IMAILA ROSARIO S. TING-QUE City Mayor Local Government Unit of Tuguegarao City
DONE IN T	HE PRESENCE OF:
WARY ANN CORPUZ - DY Provincial Director	

ACKNOWLEDGMENT

Before me, a Notary public for and of 2025 personal		day
Maine	Government Issued ID No.	Date and Place of Issue
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