TECHNOLOGY APPLICATION AND PROMOTION INSTITUTE (TAPI)

DOST ACADEME TECHNOLOGY-BASED ENTERPRISE DEVELOPMENT (DATBED) PROGRAM

STAGE II: PROJECT CONTINUATION FOR STAGE I DATBED GRADUATE - BENEFICIARIES

s. 2014

I. PROGRAM DESCRIPTION

DATBED continues to assist Stage I DATBED graduate-beneficiaries for the commercialization of their Stage I projects. The program provides financial assistance to the Stage I DATBED graduate-beneficiaries who have shown capability to manage the technology-based projects on their own.

II. BACKGROUND

In 1994, TAPI recognizes the establishment of critical mass in entrepreneurship. The future of entrepreneurship starts through education and mentoring of students during their academic years. Educating and mentoring students in entrepreneurship can create knowledge and expose the students on how to establish and effectively operate an enterprise. Thus, TAPI realizes the need to offer varying supports to assist students at each level of enterprise development.

III. OBJECTIVE

1. To provide seed fund to Stage I DATBED graduate beneficiaries for the commercialization of their technology-based projects.

IV. ASSISTANCE COVERAGE

All science and technology-based and innovated technologies assisted under the Stage I of the DATBED Program.

V. QUALIFICATION REQUIREMENTS

1. Academic Institution

- a. Graduate schools under DATBED Program;
- b. Schools with on-going projects but with excellent performance; and
- c. Schools that are willing to screen and evaluate proponents and their project proposals/business plans.

2. Proponent

 a. Graduate beneficiaries of DATBED Program from school/TVI that have successfully implemented DATBED;





- b. Graduate beneficiaries of **DATBED Program** from **school/TVI** with on-going projects and with excellent performance;
- c. Has completed the academic requirements of the school/TVI as a graduate of any S & T and Entrepreneurship course; and
- d. Has shown capability to manage the project on his/her own.
- e. Has registered the enterprise at the Department of Trade and Industry (DTI)

VI. OPERATING PROCEDURES

1. PROJECT PROPOSAL APPROVAL

a. Academe

- (1) Conduct initial screening of beneficiaries with the participation of the DOST-PSTD and initial evaluation of project proposals/business plans submitted by DATBED graduate beneficiaries.
- (2) Provide technical/consultancy assistance to the beneficiaries for a fee.
- (3) Lease facilities to the beneficiaries, if available.
- (4) Recommend beneficiaries and endorse viable proposals/business plans to **DOST RO**.

b. DOST-Regional Office

- (1) Release funds to the beneficiaries in tranches based on the project's requirements.
- (2) Conduct screening of beneficiaries and initial evaluation of project proposals/business plans submitted by the school.
- (3) Recommend beneficiaries and endorse viable proposals/business plans to **TAPI.**
- (4) Monitor funds provided to the beneficiaries and submit periodic financial and status reports to **TAPI**.
- (5) Provide technical/consultancy assistance to the beneficiaries.

c. TAPI

- (1) Conduct final screening of beneficiaries and final evaluation/approval of project proposals/business plans for financial assistance.
- (2) Release funds to **DOST RO** for approved project proposals/business plans of beneficiaries.
- (3) Monitor funds provided to beneficiaries.
- (4) Provide technical/consultancy assistance to the beneficiaries.

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(5) Provide a maximum of **7.5%** of the **Total Project Cost** to the **DOST RO** for managing the funds and monitoring the project.

2. MANNER OF REFUND

The financial assistance should be refunded by the graduate-beneficiaries through the **DOST RO** as indicated in the MOA.

VII. RESPONSIBILITY AND ACCOUNTABILITY OF THE PROPONENT

The graduate beneficiary is required to refund the financial assistance over an agreed payment term not to exceed three years excluding the grace period. An interest of six percent (6%) penalty charge per annum shall be imposed for every delay of remittance on the amount due.

For deferment of refund and requests for restructuring of refund schedule, the graduate beneficiary must submit to TAPI a letter of request with a justification fifteen (15) days prior to the due date subject to the deliberation and approval of TAPI Executive Committee.

In case of failure of project implementation due to force majeure or fortuitous event, the graduate beneficiary must a submit a written request for condonation or conversion into a grant which shall be subject to Section 26 of P.D. 1445 otherwise known as "Government Auditing Code of the Philippines".

In case of failure of project implementation when funds are not used according to the approved purposes as indicated in the MOA, **DOST RO** is allowed/ authorized to pull-out all the stocks/ supplies and other assets procured out of the project funds or collect other forms of payment.

VIII. EFFECTIVITY

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This Order shall supersede the previously issued guidelines and shall take effect immediately.

Taguig City, Philippines, 16 September, 2014

EDGAR I. GARCIA

Director

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PROJECT PROPOSAL FORMAT for DATBED

Section 1. TECHNICAL ASPECT

This aspect identifies the technology involved in producing a certain product. The items that are taken into consideration are the product itself and its advantages over existing products with similar use. This will also identify the source of technology and its commercial viability. Processes in production must be presented in this aspect.

Section 2. MANAGEMENT ASPECT

This includes how the project shall be managed before and during the operating periods, the type of business organization, organizational chart and functions of each unit personnel, skills and numbers of labor required specifying the duties and the time devoted to the project, qualifications, compensations, fringe benefits and facilities. The names of the advisers and student/young professional beneficiaries are to be included in this aspect.

Section 3. MARKETING ASPECT

This section should emphasize the acceptability of the product to both local and foreign markets. The proposal should identify and discuss any safety issues and standard requirements to enhance the project's competitiveness. This should also state how the proposed project will overcome commercialization problems/pitfalls. Estimated selling price in comparison with the price of existing/competitive products should be discussed. If proposed product will be more expensive than current products, a discussion on why the end-user would buy the product should be included in the proposal. This will include a demand and supply analyses for the past two (2) years as well as the projected production schedule of the project for the next two (2) years. This shall also include the marketing strategy to adapt to position products to achieve market penetration.

Section 4. FINANCIAL ASPECT

This portion covers detailed information on the total project cost, initial capital requirements, sources of financing, financial statements (projected income statement and cash flow statement for 2 years) and assumptions as bases for the financial analysis. It shall also include detailed Line-Item-Budget indicating items to be financed by TAPI and the expenses that indicate the proponent's counterpart.

Section 5. SOCIO-ECONOMIC IMPACT

Discuss in detail the socio-economic impact that would be derived from the project and the expected output of the project's objectives. Indicators of performance should be clearly specified to serve basis for monitoring the project.

