

MEMORANDUM OF COOPERATION

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Cooperation entered into this Nov. 14, 2011 at Manila, Philippines by and between:

The **COMMISSION ON HIGHER EDUCATION (CHED)**, a government agency operating pursuant to R.A. 7722 with principal address at the HEDC building, Carlos P. Garcia St., U.P. Diliman campus, Quezon City, represented herein by its Chairperson **Patricia B. Licuanan, Ph.D.** hereinafter referred to as "**CHED**";

-and-

The **BUSINESS PROCESSING ASSOCIATION OF THE PHILIPPINES (BPAP)**, a private non-stock, non-profit industry association with office address at the 9th floor, The Palisades Condominium, 107 Perea Street, Legaspi Village, Makati City, represented by its Chairperson **Alfredo I. Ayala**, hereinafter referred to as "**BPAP**";

WITNESSETH That:

WHEREAS, under Republic Act No. 7722, otherwise known as the "**Higher Education Act of 1994**," the **Commission on Higher Education (CHED)** has the power and duties to formulate and recommend development plans, policies, priorities, programs on higher education and research, to direct or redirect purposive research by institutions of higher learning to meet the needs of agro-industrialization and development, and to devise resource development plans;

WHEREAS, pursuant to its legal mandate, **CHED** has the power to develop criteria for allocating additional resources such as research and program development grants, scholarships, and other similar programs;

WHEREAS, under Republic Act No. 8292, otherwise known as **The Higher Education Modernization Act of 1997**, state universities and colleges have powers and duties to enter into joint ventures with business and industry for the profitable development and management of the economic assets of the colleges or institutions, the proceeds from which shall be used for the development and strengthening of the college or university, among others;

WHEREAS, pursuant to this legal mandate, state universities and colleges have also powers and duties to develop consortia and other forms of linkages; to develop academic arrangements for institutional capability building with appropriate institutions and agencies, public or private, local or foreign;

WHEREAS, the **Business Processing Association of the Philippines (BPAP)**, recognized worldwide as the leading private organization for companies in global information technology and business process (IT-BPO) services **located in the Philippines**, developed the **first long-term road map of the IT-BPO industry in the Philippines with the participation and support of stakeholders in the country and overseas**;

WHEREAS, the road map has successfully guided the industry to achieve **outstanding milestones as of 2010 generating employment for over 500,000 directly and 1.3 million indirectly, earning US\$9 billion in export revenues in addition to foreign direct investments, contributing 4.7% of GDP, gradually surpassing India in voice global IT-BPO and making the Philippine call center industry the largest in the world, ranked No. 1;**



WHEREAS, BPAP updated its long-term plan to 2016 in a report entitled "Philippine IT-BPO Road Map 2016" to be able to sustain its **DOMINANT MARKET POSITION** in the increasingly competitive global IT-BPO industry necessarily requiring greater collaboration between BPAP and the government specifically through CHED to address **factors of competitiveness especially in terms of the quality, and adequacy of manpower with levels of skills and competencies as learning outcomes from higher education responsive to industry standards and expectations**;

WHEREAS, BPAP, in its Road Map 2016, envisions that a strong and stable policy environment for **PPP will enable** the Philippine IT-BPO industry **to expand its employment-generating capacity to 4.5 million direct and indirect workers, earning US\$25 billion in addition to foreign direct investments, raising** PhP1.3 billion in payroll taxes, contributing 8.6% of GDP in 2016 by enhancing its dominant global market position as No. 1 in both voice and non-voice IT-BPO;

WHEREAS, the **BPAP road map** is highly inclusive, providing employment and entrepreneurial opportunities across a broad spectrum for students in diverse programs in technical-vocational and higher education institutions (HEIs) nationwide, its multiplier effects to other sectors of the economy, and creating viable means of productive reintegration of returning OFWs to the mainstream of Philippine society;

WHEREAS, the **BPAP road map** has identified **growth opportunities** for developing high-value export IT-BPO services in areas such as analytics, research and development, and other high-value processes in industries that include medical research and health care services, engineering and high technology, creative services, and financial and banking services, thus delivering a full range of services from the transactional to the complex in diverse markets such as Europe, Australia, the Asia Pacific, as well as in the traditional North American market;

WHEREAS, **BPAP** recognizes the key role of HEIs in human capacity development for the global market, and has been cooperating with **CHED** in a number of programs linking the academe with business and industry toward excellence in education and management for global competitiveness;

WHEREAS, strengthening the government-industry-academe partnership between **CHED** and **BPAP** is consistent with the public-private partnership (PPP) strategies under the Philippine Development Plan 2011–2016 to achieve inclusive growth and alleviate poverty by creating jobs and development opportunities across geographic and income groups;

WHEREAS, **CHED** and **BPAP**, upholding the common conviction that good quality and relevant higher education is essential to the long-term solutions to national concerns and global challenges, hereby resolve to cooperate with strong synergy between government, industry, and the academe under an environment of PPP to achieve the objectives of this Memorandum of Cooperation;

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereby agree and covenant that upon signing this Memorandum of Cooperation, they shall undertake the following within a five-year period from execution hereof:

1. **Curriculum reform and enhancement** to support the skills and competencies required by the IT-BPO industry;
2. **Faculty development** which includes **immersion in IT-BPO operations** to ensure that the faculty fully understand and effectively deliver the education content for knowledge and competency at standards required by the industry, and **continuing education** to ensure that the faculty keep abreast of developments in the industry;

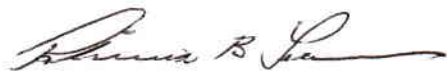
3. **Appropriate testing and assessment** to measure and track skills development, competency, and readiness of students and graduates for global competitiveness;
4. **Research on emerging technologies and corresponding skills and competencies** for advanced inputs on curriculum design, faculty development, and assessment;
5. **Career guidance for students in higher education** for employment or entrepreneurial endeavors; and
6. **Development of productive partnerships among the State Universities and Colleges nationwide and BPAP** to attain the above objectives and contribute to the poverty alleviation program of the Commission on Higher Education and the government;


The parties hereby agree that, subject to availability of the resources required of whatever nature and from sources they may hereafter identify, they shall exert full efforts to undertake the foregoing programs, projects and competency training to attain the objectives of this cooperation. Any specific programs and collaborative partnerships that may arise out of this main agreement shall form integral parts hereof. Revisions to this agreement shall be in writing to bind the parties.

IN WITNESS WHEREOF, the parties hereto have set their hands this _____ at _____ City, Philippines.

COMMISSION ON HIGHER EDUCATION

BUSINESS PROCESSING ASSOCIATION OF THE PHILIPPINES

By: 
PATRICIA B. LICUANAN, Ph.D.
 Chairperson
 (Per CEB Resolution No. _____ dated __, Annex “__”)

By: 
ALFREDO I. AYALA
 President
 (Per Board Resolution No. _____ dated __, Annex “__”)

Signed in the presence of:


SINFOROSO M. BIRUNG, Ph.D.
 Director IV, Office of Programs and Standards


GILLIAN JOYCE VIRATA
 Senior Executive Director

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
City of *Makati*.....) s.s.

BEFORE ME, a Notary Public for and in *Makati* City, this NOV 23 2011 day of _____ personally appeared:

	Govt ID No.	Date of Issue	Place of Issue
PATRICIA B. LICUANAN	C0-0291	July 20, 2010	Metro Manila
ALFREDO I. AYALA	X01-07-002204	March 12, 2010	Metro Manila

known to me and to me known to be the same persons who executed the foregoing Memorandum of Cooperation and acknowledged to me that the same is their free and voluntary act and deed and that of their respective principals.

I further acknowledge that this instrument, including the foregoing Agreement and this page on which this Acknowledgement is written, consists of four (4) pages, all signed by the parties and their instrumental witnesses and sealed with my notarial seal.

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc. No. 14 ;
Page No. 4 ;
Book No. II ;
Series of 2011.

Lindy Andre P. Ablana
NOTARY PUBLIC
LINDY ANDRE P. ABLANA
Notary Public for Makati City
Until December 31, 2011

Commission No. M-502
8th Floor, 139 Corporate Center, Valero St.,
Salcedo Village, Makati City
Roll No. 57986
IBP No. 841453; 12/28/10; Quezon City
PTR No. 2642904; 01/03/11; Makati City

PAZ

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