



Senate  
Office of the Secretary

SIXTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

14 MAY -7 P1:30

SENATE  
S.B. No. 2216

RECEIVED BY: *fi*

Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

**AN ACT PROVIDING FOR THE MANDATORY APPOINTMENT OF A COOPERATIVES OFFICER  
IN EVERY LOCAL GOVERNMENT UNIT, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7160,  
OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE OF 1991"**

**EXPLANATORY NOTE**

In his travels in Europe in the 19th century, Philippine National Hero Dr. Jose P. Rizal was impressed with the success of a new economic movement that transformed the economic and social life of the Europeans. When he was incarcerated in Dapitan, Rizal he put up a school for the poor community where the community itself was the owner, a business model that he learned in his travels in the West. He also established the first cooperative store with his students. In addition, he organized the La Sociedad de los Abaceleros (Society of Abaca Producers), the first cooperative of its kind in the country.

Cooperative businesses are about meeting the needs of the people, where profit making is side by side with the development of the community. Since cooperatives are owned and democratically controlled by their members, the decisions taken balance the need for profitability and the wider interests of the community. Thus, cooperatives empower communities where they own and manage their own enterprise and share the economic benefits among all members.

Such a model where everyone has an interest in the participatory and developmental efforts of the community need to be replicated and scaled up to further the State's interest in providing progress even to the marginalized sectors of society.

The Cooperatives Officer Bill mandates all municipal governments to have a designated officer attending to the needs of cooperatives and promoting cooperative-building in their localities.

The Cooperatives Officer shall steward the cooperatives in the areas of registration, market linkage, product development, training and mentoring, and access to capital and financing. Cooperatives are then promoted and further developed, organizing communities and building an economic movement for the people.

The challenge is to continue what Rizal fought for – not only political freedom – but economic freedom and poverty alleviation as well.

In view of the foregoing, the approval of this bill is earnestly sought.

Senator Paolo Benigno "Bam" A. Aquino IV



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*Be it enacted by the Senate and House of Representatives of the Philippines in Congress  
assembled:*

1           **SECTION 1. Short Title.** – Section 487, Article 17, Title V, Book 3 of Republic Act No.  
2 7160, otherwise known as the "Local Government Code of 1991," is hereby amended to read as  
3 follows:

4           "Article seventeen. – The Cooperatives Officer

5           "SEC. 487. *Qualifications, Powers, and Duties.* -

6           (a) xxx

7           "The appointment of the cooperatives officer [is optional] **SHALL BE MANDATORY** for  
8 the provincial, [and] city **AND MUNICIPAL** governments.

9           **"THE LOCAL GOVERNMENT UNIT CONCERNED SHALL HAVE THE OPTION TO CREATE**  
10 **THE POSITION OF A COOPERATIVES OFFICER OR TO DESIGNATE AN INCUMBENT OFFICER OR**  
11 **EMPLOYEE TO PERFORM THE FUNCTIONS OF THE SAID POSITION.**

12           (b) xxx

13           **SECTION 2. Effectivity Clause.** – This Act shall take effect fifteen (15) days after its  
14 publication in the *Official Gazette* or in a newspaper of general circulation.

15           Approved,