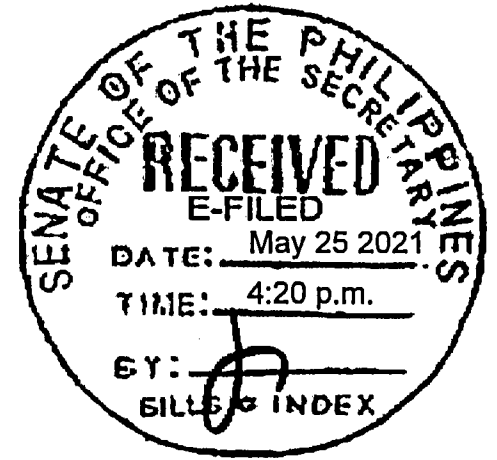


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

SENATE

S.B. No. 2237



Introduced by SENATOR RICHARD J. GORDON

AN ACT

ESTABLISHING THE FOREIGN SERVICE RETIREMENT PROGRAM UNDER THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS), IMPLEMENTING SECTION 62 OF REPUBLIC ACT 7157 ALSO KNOWN AS THE "FOREIGN SERVICE ACT OF 1991"

EXPLANATORY NOTE

Sec. 62 of the Foreign Service Act of 1991 (Republic Act No. 7157) states that "the President upon recommendation of the Secretary of Foreign Affairs may, as soon as practicable, submit for enactment by Congress of a foreign affairs retirement and disability system, taking into account the difficulties of foreign service personnel in setting aside sufficient savings to take care their eventual retirement in the Philippines due to old age or some other disability, with the increased burden of establishing a home in the Philippines after completion of their tour of duty abroad."

Woefully thirty (30) years since the enactment of the Foreign Service Act of 1991, there is to date no law to implement Sec. 62 of the said act, a disservice to men and women of the Foreign Service who at times has to work and protect Filipino nationals in dire circumstances such as places torn by war and conflict or faced with health, security and other risks. Their invaluable services to the country have helped advanced Philippine interests, improve relations with other countries, and protect Filipinos globally.

DFA personnel are at the frontlines of Philippine foreign relations, in many instances they risk their lives under dangerous conditions in the country of their assignment. They face complex challenges of living in foreign lands with different cultures, particularly as pioneers in opening new Posts. They are primarily responsible for

responding and attending to Filipinos in distress during critical times such as disasters, security threats and other crisis situations.

During their active service, retired diplomats have demonstrated their resilience as the Philippines' first line of representation in dealing with a plethora of concerns. They have tirelessly sought opportunities to promote Philippine trade, investment, tourism and culture. They have been the voice of the Filipino people overseas, and have spearheaded the one country team approach to matters of national interest. Their initiative, competence, professionalism and creativity have resulted in enduring bilateral and multilateral partnerships, strategic agreements and collaborative engagements that continue to be harnessed for our people's benefits.

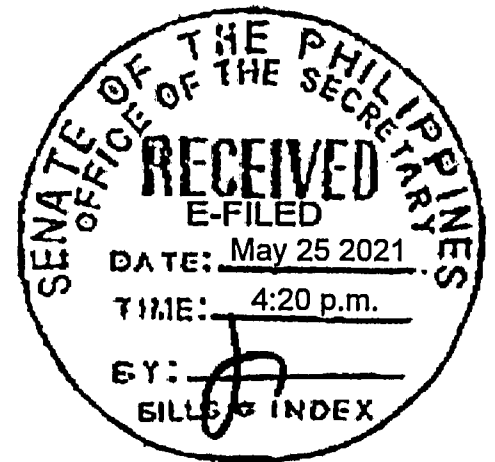
These complex responsibilities require DFA personnel to be vigilant and ready to perform their duties at all times. As specialists in the arena of diplomacy and citizen services abroad, foreign service personnel deserve to be honored for the invaluable work they've done and to be adequately cared for in their retirement.

It is the intention of this bill to provide both present and future retirees of the foreign service support that is adequate and responsive to their needs, and to reassure them that their dedication and loyalty to the Filipino people is not forgotten.

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


RICHARD J. GORDON
Senator

EIGHTEENTH CONGRESS)
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SERVICE ACT OF 1991"

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

- 1 **SECTION 1.** Declaration of Policy.- Article XVI, Section 8 of the 1987 Philippine
2 Constitution states that "the State shall from time to time review to upgrade the
3 pensions and benefits due to retirees of both government and private sectors."
4 It is the policy of this bill to provide adequate and reasonable retirement program to
5 the members of the Philippine Foreign Service and to implement section 62 of Republic
6 Act No. 7151 also known as the Foreign Service Act of 1971, which remained
7 unimplemented for thirty (30) years and states among others that "the President upon
8 recommendation of the Secretary of Foreign Affairs may, as soon as practicable,
9 submit for enactment by Congress of a foreign affairs retirement and disability system,
10 taking into account the difficulties of foreign service personnel in setting aside
11 sufficient savings to take care their eventual retirement in the Philippines due to old
12 age or some other disability, with the increased burden of establishing a home in the
13 Philippines after completion of their tour of duty abroad."
- 14 **SEC. 2. Coverage.** This Act shall apply to all officers and personnel of the Foreign
15 Service who retired prior to the enactment of this Act and will retire after the effectivity
16 of this Act, provided the following conditions are met:

- 1 1. Service in the Department or in other agencies of the government for at least
- 2 fifteen (15) years;
- 3 2. Members of and are eligible to receive a monthly pension from the Government
- 4 Service Insurance System (GSIS).

5 **SEC. 3. Automatic Adjustment of Monthly Pension.** The monthly pension of all

6 members of the Foreign Service covered under this Act shall be automatically adjusted

7 at the same rate as any future or subsequent increase in the salary grade of the same

8 rank he or she retired from.

9 **SEC. 4. Additional Entitlements.** All officers and employees by this Act shall be

10 eligible for disability and death benefits as provided under RA 8291 and other relevant

11 laws.

12 **SEC. 5. Funding.** Funding for the implementation of this Act shall be sourced from

13 the member-government contribution of the DFA, in accordance with RA 8291.

14 Differential funding for the implementation of this Act shall be sourced from any

15 available savings of the DFA, and from percentage of the annual consular income of

16 the DFA as included in the General Appropriations Act.

17 To ensure that the cost of this Retirement Program is adequately met, DFA and GSIS

18 shall meet on a yearly basis to discuss on the yearly funding requirement. Such funds

19 necessary to meet the yearly funding requirement which are beyond the GSIS

20 mandated contribution, shall be for the account of the DFA. The DFA shall remit to

21 the GSIS as much funds as may be necessary for the continued implementation of this

22 Program.

23 **SEC. 6. Implementing Rules and Regulations.-** Within one hundred eighty days

24 (180 days) after the effectivity of this Act, the GSIS and the DFA shall jointly draft and

25 issue the rules and regulations for the implementation of this Act.

26 **SEC. 7. Separability Clause. –** If any provision or part hereof is held invalid or

27 unconstitutional, the remainder of the law or the provision not otherwise affected shall

28 remain valid and subsisting.

29 **SEC. 8. Repealing Clause. –** All laws, presidential decrees or issuances, executive

30 orders, letters of instruction, administrative orders, rules and regulations contrary to

31 or inconsistent with the provisions of this Act are hereby repealed, modified or

32 amended accordingly.

1 **SEC.9. Effectivity.** – This Act shall take effect fifteen (15) days after its complete
2 publication in at least two (2) newspapers of general circulation.

3 *Approved,*