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NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*Second Regular Session* )

RECEIVED BY: 

**SENATE**  
S.B. No. 2405

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Introduced by Senators SONNY ANGARA and JOEL VILLANUEVA

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**AN ACT**  
**UPGRADING AND CREATING ADDITIONAL POSITIONS IN THE OFFICE OF**  
**THE GOVERNMENT CORPORATE COUNSEL, AMENDING FOR THE PURPOSE**  
**EXECUTIVE ORDER NO. 878 DATED 4 MARCH 1983, AS AMENDED BY**  
**EXECUTIVE ORDER NO. 299 DATED 26 JULY 1987**

**EXPLANATORY NOTE**

Even as the President may have vetoed the OGCC bill passed during the Eighteenth Congress, he particularly recognizes the need to strengthen the OGCC given the growth in the number of government corporations in the recent years coupled with the complexity of their requirements brought on by current business conditions. The additional complement of lawyers and the upgrading of existing positions in the OGCC are necessary to strengthen its organizational structure, improve the service that it provides, and accord its men and women the privileges and benefits presently enjoyed by their counterparts in the Judiciary and the Justice Sector which includes the National Prosecution Service (NPS), the Public Attorney's Office (PAO), and the Office of the Solicitor General (OSG).

Government corporations have a crucial role in the country's economic development. They annually contribute tens of billions to the nation's coffers (approximately PhP375 Billion in 2022), and are the indispensable partners of the National Government in nation building, particularly in the pursuit of government projects, programs, and initiatives. Notably, the number of government corporations has greatly increased to seven hundred thirty-two (732) to date.

The OGCC's vital role in nation building is evident in its stalwart legal support to its client corporations. The assistance it renders is based on institutional knowledge and specialization, given the vast experience and collective wisdom which it has achieved in almost a century of public service which began in 1935.

However, the evolution and broadening of the scope of activities of government corporations have resulted in an increase in the volume, complexity, and importance of the work of the OGCC. Thus, it is necessary to strengthen the OGCC's current complement to maintain its effectiveness in addressing the legal

needs of its clients, particularly corporations which do not have internal legal departments.

The proposed legislative measure shall strengthen the applicable laws and issuances on the organizational structure of the OGCC, to create new positions in its hierarchy and augment the OGCC's present complement with an additional thirty-six (36) lawyer positions, thus:

Position	Current number of positions	Proposed number of positions
Assistant Government Corporate Counsel	10	12
Government Corporate Attorney IV	10	12
Government Corporate Attorney III	14	14
Government Corporate Attorney II	17	17
Government Corporate Attorney I	4	12
Associate Government Corporate Attorney II	0	12
Associate Government Corporate Attorney I	0	12
Total number of lawyers	55	91

The upgrading of the rank, salary grades, privileges, and benefits of the OGCC lawyers is designed to keep them at par with the ranks, salary grades, privileges, and benefits of counterpart positions in the Department of Justice and its attached agencies, particularly those in the NPS, the PAO, and the OSG.

The upgrade and creation of positions would also improve the efficiency and morale of the OGCC, effectively result in significant savings for the government, and minimize deputization and the engagement by client corporations of external counsel. The OGCC is expected to supervise the legal departments of its client government corporations, assist its growing number of client corporations without legal departments, perform necessary corporate tasks, and handle more cases and concerns of its clients which, due to the lack of adequate personnel, would previously require the engagement of external counsel.

It is significant to note that the OGCC's organizational structure and the number of its personnel have remained unchanged since the 1980's, or for approximately four decades. Notably, the strengthening of its counterpart agencies, specifically the PAO, OSG, and NPS, had been approved in the years 2007 and 2010 and implemented through Republic Act (R.A.) 9406 (2007), R.A. 9417 (2007), and R.A. 10071 (2010), respectively.

The need to undertake dispute resolution such as compulsory arbitration, enhance legal risk management, and improve remedial structures has exponentially grown to include actions filed in international fora which require expeditious and

diligent attention. The rigors of arbitration, whether domestic or international, in this decade alone requires additional manpower particularly given the financial impact of such arbitration cases and the magnitude of their effect on public welfare.

Thus, the immediate passage of this bill is earnestly sought.



**SONNY ANGARA**  
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**JOEL VILLANUEVA**

23 AUG 15 P4:00

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**THE GOVERNMENT CORPORATE COUNSEL, AMENDING FOR THE PURPOSE**  
**EXECUTIVE ORDER NO. 878 DATED 4 MARCH 1983, AS AMENDED BY**  
**EXECUTIVE ORDER NO. 299 DATED 26 JULY 1987**

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

1           **SECTION 1.** Section 1 of Executive Order (EO) No. 878, as amended by EO  
2 No. 299, is hereby further amended, as follows:

3           SECTION 1. The Office of the Government Corporate Counsel  
4 (OGCC) shall be headed by the Government Corporate Counsel whose  
5 rank, **SALARY, RETIREMENT AND PENSION BENEFITS, RIGHTS,**  
6 emoluments and privileges, shall be the same as those of the Presiding  
7 Justice of the Court of Appeals. He shall be assisted by a Deputy  
8 Government Corporate Counsel whose rank, **SALARY, RETIREMENT**  
9 **AND PENSION BENEFITS, RIGHTS,** emoluments, and privileges  
10 shall be the same as those of an Associate Justice of the Court of  
11 Appeals, and [~~ten—(10)~~] **TWELVE (12)** Assistant Government  
12 Corporate Counsels **WITH THE** rank, **SALARY, RETIREMENT AND**  
13 **PENSION BENEFITS, RIGHTS,** emoluments, and privileges [~~shall be~~  
14 ~~the same as those of Regional Trial Judge of the Regional Trial Courts~~]  
15 **OF AN ASSOCIATE JUSTICE OF THE COURT OF APPEALS. THE**  
16 **SALARY GRADE CORRESPONDING TO THE POSITION OF THE**  
17 **DEPUTY GOVERNMENT CORPORATE COUNSEL SHALL BE FOUR**  
18 **(4) STEPS ABOVE THE SALARY GRADE CORRESPONDING TO**

1           **THE POSITION OF AN ASSISTANT GOVERNMENT CORPORATE**  
2           **COUNSEL.**

3           ~~[The Government Corporate Counsel, Deputy Government~~  
4           ~~Corporate Counsel, and Assistant Government Corporate Counsels~~  
5           ~~must be officers learned in law, of recognized competence, with~~  
6           ~~experience in the practice of law for at least ten (10) years, and at~~  
7           ~~least thirty-five (35) years of age.]~~

8           **NO PERSON SHALL BE APPOINTED GOVERNMENT**  
9           **CORPORATE COUNSEL, DEPUTY GOVERNMENT CORPORATE**  
10          **COUNSEL, OR ASSISTANT GOVERNMENT CORPORATE**  
11          **COUNSEL UNLESS HE OR SHE IS A NATURAL-BORN CITIZEN**  
12          **OF THE PHILIPPINES AND HAS BEEN ENGAGED IN THE**  
13          **PRACTICE OF LAW IN THE PHILIPPINES FOR AT LEAST**  
14          **FIFTEEN (15) YEARS.**

15          The incumbent Government Corporate Counsel, Deputy  
16          Government Corporate Counsel, and Assistant Government Corporate  
17          Counsels shall be entitled to the **RANK, SALARY, RETIREMENT**  
18          **AND PENSION BENEFITS**, rights, emoluments and privileges vested  
19          upon them **BY THIS ACT** as of the time of their appointments, **AND**  
20          without need of further appointments.

21          **SEC. 2.** Section 4 of EO No. 878, as amended by EO No. 299, is hereby  
22          further amended, as follows:

23          SEC. 4. The number, rank, qualifications for appointment,  
24          emoluments and privileges of the other members of the legal staff of  
25          OGCC shall be as follows:

26                 ~~[(a) A first bracket of ten (10) State Corporate Attorneys~~  
27                 ~~who shall have the rank, qualifications for appointment,~~  
28                 ~~emoluments and privileges of Metropolitan Trial Judges;]~~

1           **A. TWELVE (12) GOVERNMENT CORPORATE**  
2           **ATTORNEY IV (GCA IV) POSITIONS. A GCA IV SHALL**  
3           **HAVE THE RANK, SALARY, RETIREMENT AND**  
4           **PENSION BENEFITS, RIGHTS, EMOLUMENTS, AND**  
5           **PRIVILEGES OF A JUDGE OF A REGIONAL TRIAL**  
6           **COURT. NO PERSON SHALL BE APPOINTED AS GCA IV**  
7           **UNLESS HE OR SHE IS A NATURAL-BORN CITIZEN OF**  
8           **THE PHILIPPINES AND HAS BEEN ENGAGED IN THE**  
9           **PRACTICE OF LAW IN THE PHILIPPINES FOR AT**  
10           **LEAST TEN (10) YEARS;**

11           ~~[(b) A second bracket of seven (7) State Corporate~~  
12           ~~Attorneys whose annual compensation shall be as provided~~  
13           ~~in Presidential Decree No. 1726 and who must be members~~  
14           ~~of the Philippine Bar and have at least three (3) years~~  
15           ~~experience in the practice of law;]~~

16           **B. FOURTEEN (14) GOVERNMENT CORPORATE**  
17           **ATTORNEY III (GCA III) POSITIONS. A GCA III**  
18           **SHALL HAVE THE RANK, SALARY, RETIREMENT AND**  
19           **PENSION BENEFITS, RIGHTS, EMOLUMENTS, AND**  
20           **PRIVILEGES OF A JUDGE OF A METROPOLITAN TRIAL**  
21           **COURT. NO PERSON SHALL BE APPOINTED GCA III**  
22           **UNLESS HE OR SHE IS A NATURAL-BORN CITIZEN OF**  
23           **THE PHILIPPINES AND HAS BEEN ENGAGED IN THE**  
24           **PRACTICE OF LAW IN THE PHILIPPINES FOR AT**  
25           **LEAST FIVE (5) YEARS;**

26           ~~[(c) A third and a fourth bracket of seven (7) State~~  
27           ~~Corporate Attorneys each whose annual compensation shall~~  
28           ~~be as provided in Presidential Decree No. 1726 and who~~  
29           ~~must be members of the Philippine Bar and have at least~~  
30           ~~two (2) years experience in the practice of law;]~~

1           **C. SEVENTEEN (17) GOVERNMENT CORPORATE**  
2           **ATTORNEY II (GCA II) POSITIONS. A GCA II SHALL**  
3           **BE A NATURAL-BORN CITIZEN OF THE PHILIPPINES**  
4           **AND HAS BEEN ENGAGED IN THE PRACTICE OF LAW**  
5           **IN THE PHILIPPINES FOR AT LEAST FOUR (4) YEARS;**  
6           ~~[(d) Ten (10) Trial Attorneys whose annual compensation~~  
7           ~~each shall be as provided in Presidential Decree No. 1726~~  
8           ~~and who must be members of the Philippine Bar and have at~~  
9           ~~least one (1) year experience in the practice of law;]~~

10           **D. TWELVE (12) GOVERNMENT CORPORATE**  
11           **ATTORNEY I (GCA I) POSITIONS. A GCA I SHALL BE A**  
12           **NATURAL-BORN CITIZEN OF THE PHILIPPINES AND**  
13           **HAS BEEN ENGAGED IN THE PRACTICE OF LAW IN**  
14           **THE PHILIPPINES FOR AT LEAST THREE (3) YEARS;**  
15           ~~[(e) A Senior Research Attorney and five (5) Research~~  
16           ~~Attorneys whose annual compensation shall be as provided~~  
17           ~~in Presidential Decree No. 1726 and who must be members~~  
18           ~~of the Philippine Bar.]~~

19           **E. TWELVE (12) ASSOCIATE GOVERNMENT**  
20           **CORPORATE ATTORNEY II (AGCA II) POSITIONS. AN**  
21           **AGCA II SHALL BE A NATURAL-BORN CITIZEN OF**  
22           **THE PHILIPPINES AND HAS BEEN ENGAGED IN THE**  
23           **PRACTICE OF LAW IN THE PHILIPPINES FOR AT**  
24           **LEAST TWO (2) YEARS; AND**

25           **F. TWELVE (12) ASSOCIATE GOVERNMENT**  
26           **CORPORATE ATTORNEY I (AGCA I) POSITIONS. AN**  
27           **AGCA I SHALL BE A NATURAL-BORN CITIZEN OF THE**  
28           **PHILIPPINES AND A MEMBER OF THE PHILIPPINE**  
29           **BAR.**

1           ~~[The number and salaries/compensation of the members of~~  
2           ~~the Administrative and support staff of the OGCC shall be~~  
3           ~~those indicated in the Staffing Pattern and salary schedule~~  
4           ~~attached hereto as Annex "A".]~~

5                           **THE INCUMBENT MEMBERS OF THE LEGAL**  
6           **STAFF SHALL BE ENTITLED TO THE RIGHTS, SALARY,**  
7           **BENEFITS AND PRIVILEGES VESTED UPON THEM BY**  
8           **THIS ACT AS OF THE TIME OF THEIR APPOINTMENT**  
9           **WITHOUT NEED OF FURTHER APPOINTMENT.**

10           **SEC. 3.** Section 5 of EO No. 878, as amended by EO No. 299, is hereby  
11 further amended, as follows:

12                       ~~[SEC. 5. The Government Corporate Counsel is hereby~~  
13           ~~authorized to reorganize his legal and administrative/support staff~~  
14           ~~within three months in such manner as he may deem proper to~~  
15           ~~promote the efficiency of the service. Any member of the staff not~~  
16           ~~otherwise selected/appointed by the Government Corporate Counsel as~~  
17           ~~a result of the reorganization herein authorized, or who refuses such~~  
18           ~~appointment, shall be paid the money value of his accumulated~~  
19           ~~vacation and sick leave, and such retirement gratuity as may be due~~  
20           ~~him under existing retirement laws. Anyone not appointed who does~~  
21           ~~not qualify under any existing retirement law may be paid one month~~  
22           ~~salary for every year of service, payable in lump sum, from out of the~~  
23           ~~salary lapses in the Office of the Government Corporate Counsel.]~~

24                           **SEC. 5. ORGANIZATIONAL STRUCTURE. – THE**  
25           **GOVERNMENT CORPORATE COUNSEL HAS THE AUTHORITY TO**  
26           **DISCHARGE THE DUTIES AND FUNCTIONS OF THE OGCC, AND**  
27           **SHALL HAVE CONTROL AND SUPERVISION OVER THE OGCC**  
28           **AND ITS CONSTITUENT UNITS. THE GOVERNMENT**  
29           **CORPORATE COUNSEL SHALL PROMULGATE THE NECESSARY**  
30           **RULES AND REGULATIONS FOR THE IMPLEMENTATION OF**

1 THE PROVISIONS OF THIS ACT. UNLESS OTHERWISE  
2 DETERMINED BY THE GOVERNMENT CORPORATE COUNSEL,  
3 THE LEGAL STAFF SHALL BE DIVIDED INTO TEAMS, EACH TO  
4 BE HEADED BY AN AGCC.

5 THE OGCC SHALL BE SUPPORTED BY SUCH NUMBER OF  
6 NON-LEGAL PERSONNEL NECESSARY AND COMMENSURATE  
7 TO THE OGCC'S WORK REQUIREMENTS, AS RECOMMENDED  
8 BY THE OGCC AND APPROVED BY THE DEPARTMENT OF  
9 BUDGET AND MANAGEMENT. NON-LEGAL PERSONNEL SHALL  
10 HAVE THE SAME SALARIES AND BENEFITS AS THOSE OF  
11 THEIR COUNTERPARTS IN THE OFFICE OF THE SOLICITOR  
12 GENERAL.

13 THE ADMINISTRATIVE STRUCTURE OF THE OGCC SHALL  
14 BE COMPOSED OF ITS SECRETARIAL AND LEGAL SUPPORT  
15 SERVICE; TRAINING, RESEARCH, AND PUBLICATION  
16 SERVICE; FINANCE AND ACCOUNTING SERVICE; HUMAN  
17 RESOURCE AND MANAGEMENT SERVICE; CASE AND RECORDS  
18 MANAGEMENT SERVICE; LIBRARY MANAGEMENT AND  
19 INFORMATION TECHNOLOGY SERVICE; CORPORATE  
20 PLANNING SERVICE; AND PROPERTY AND SUPPLY SERVICE.  
21 THE LEGAL AND NON-LEGAL PERSONNEL OF THE OGCC  
22 OCCUPYING THE POSITIONS AFFECTED BY THE CHANGES  
23 EMBODIED IN THIS ACT AT THE TIME OF ITS APPROVAL  
24 SHALL THEREAFTER OCCUPY AND DISCHARGE THE DUTIES  
25 AND FUNCTIONS OF THE UPGRADED POSITIONS AND  
26 RECEIVE THE CORRESPONDING SALARY, BENEFITS,  
27 EMOLUMENTS, AND PRIVILEGES WITHOUT NECESSITY OF  
28 NEW APPOINTMENTS.

1           **SEC. 4.** Section 7 of EO No. 878, as amended by EO No. 299, is hereby  
2 further amended as follows:

3           SEC. 7. [~~In addition to the appropriation for the Office of the~~  
4 ~~Government Corporate Counsel, the savings of the said office, if any,~~  
5 ~~may be used to carry out this Executive Order.] **APPROPRIATIONS.**  
6 **- THE AMOUNT NEEDED TO IMPLEMENT THE UPGRADING OF**  
7 **POSITIONS AND SALARIES, OFFICE RIGHT-SIZING, PHYSICAL**  
8 **EXPANSION, AND PAYMENT OF RETIREMENT BENEFITS,**  
9 **PENSION, PRIVILEGES, AND OTHER EMOLUMENTS PROVIDED**  
10 **IN THIS ACT SHALL BE TAKEN FROM THE FUNDS AND BUDGET**  
11 **OF THE OGCC UNDER THE ANNUAL GENERAL**  
12 **APPROPRIATIONS ACT.**~~

13           **SEC. 5. Separability Clause.** – If any provision of this Act is declared invalid or  
14 unconstitutional, the other provisions not affected by such declaration shall remain in  
15 full force and effect.

16           **SEC 6. Repealing Clause.** – All laws, presidential decrees, executive orders,  
17 presidential proclamations, issuances, rules and regulations, or parts thereof that are  
18 inconsistent with the provisions of this act are hereby repealed and/or modified  
19 accordingly.

20           **SEC 7. Effectivity.** – This act shall take effect after fifteen (15) days  
21 following its complete publication in the official gazette or in a newspaper of  
22 general circulation.

*Approved,*