

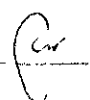
FIFTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
Second Regular Session

Senate
Office of the Secretary

OCT 26 09:41

SENATE

S. No. 3007

RECEIVED: 

Introduced by Senator Manuel "Lito" M. Lapid

EXPLANATORY NOTE

Cooperatives are among the major pillars of the people empowerment movement. They have long been acknowledged and regarded as one of the fundamental sources of economic strength in our country. In particular, they play a crucial role in agrarian reform and rural development.

Cooperatives play a significant role on economic development, especially in rural areas where the absence of large spending power does not attract private investment to harness local skills and resources that can uplift the local economy and living standards besides exporting produce to distant customer locations in cities.

Article XII, Section 15 of the 1987 Constitution provided for the promotion of growth and viability of cooperatives as instruments of equity, social justice and economic development under the principles of subsidiarity and self-help. Under the said principles, the government recognized that cooperatives are self-governing entities which shall initiate and regulate their own affairs to include education, training, research and other support services with the government giving assistance when necessary.

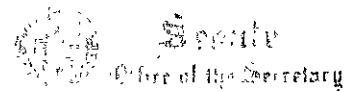
Under Republic Act 7160, otherwise known as the Local Government Code of 1991, the local development councils at levels of LGUs were operationalized which gave cooperatives, Non-Government Organizations (NGOs) and People's Organizations (POs) the opportunity to actively participate in local governance. This gave rise to the new concept of the partnership of the government, private and civil society sectors in the development efforts of society. As such, the cooperative movement, together with the NGOs and POs, emerged as the country's third sector (civil society), the government and the private enterprises being the first two.

In this light, this proposed measure seeks to make mandatory the appointment of cooperative officers in all provincial, city and municipal governments, thereby amending Section 487(a) of Republic Act No. 7160, as amended, otherwise known as the Local Government Code of 1991.

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


MANUEL "LITO" M. LAPID
Senator

FIFTEENTH CONGRESS OF THE REPUBLIC
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11 OCT 26 19:41

SENATE

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Introduced by Senator Manuel "Lito" M. Lapid

AN ACT
MAKING MANDATORY THE APPOINTMENT OF COOPERATIVES OFFICER, AMENDING FOR THE PURPOSE SECTION 487(A) OF REPUBLIC ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991

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

SECTION 1. Section 487(a) of Republic Act No. 7160, as amended, otherwise known as the Local Government Code of 1991 is hereby further amended to read as follows:

"SEC. 487. *Qualifications, Powers and Duties.* – (a) No person shall be appointed cooperatives officer unless he/she is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in business administration with special training in cooperatives or any related course from a recognized college or university, and a first grade civil service eligible or its equivalent. He/she must have experience in cooperatives organization and management for at least five (5) years in the case of the provincial or city cooperatives officer, and three (3) years in the case of the municipal cooperatives officer.

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

SEC. 2. *Repealing Clause.* - Sections 443(a), 454(a) and 463(a) of the Local Government Code of 1991 insofar as the appointment of municipal, city and provincial cooperatives officer respectively, and any law, decree, executive order and rules and regulations inconsistent with this Act are hereby amended accordingly.

SEC. 3. *Separability Clause.* - If any provision or part of this Act, or the application thereof to any person or circumstance, is held unconstitutional or invalid, the remainder of this Act shall not be affected thereby.

SEC. 4. *Effectivity Clause.* - This Act shall take effect fifteen (15) days from the date of its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,