

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



'13 AUG -6 P4 58

SENATE

Senate Bill No. 1227

RECEIVED BY: *J.V.G.*

Introduced by **JOSEPH VICTOR G. EJERCITO**

EXPLANATORY NOTE

Less for self, more for Country.

The goal of this piece of legislation is to encourage the private sector to be a supporter of government, not only its critic but rather to be a partner in restoring faith of our citizens in our government institutions through collaboration and cooperation. It aims to inculcate in the consciousness of every Filipino that every Filipino is a nation builder.

This measure seeks to lay down a legal and institutional framework, which would encourage the various sectors of society to volunteer and be partners of the government in nation-building. Similarly, this bill defines the mission and vision of the volunteerism in nation-building framework, which shall enjoin all sectors to practice "bayanihan", harness volunteerism to stimulate local and national development, and provides the key areas of government where volunteerism shall be harnessed.

It is high time that volunteerism in nation building framework be institutionalized as a means to directly link the various sectors - the public, private, the civil society organizations, through a government initiated development plan to address poverty and unemployment, protection of the environment and care for the less and underprivileged class of the society.

Passage of this measure is urgently sought.

JOSEPH VICTOR G. EJERCITO

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



'13 AUG -6 P4:58

SENATE

RECEIVED BY: *ji*

Senate Bill No. 1227

Introduced by **JOSEPH VICTOR G. EJERCITO**

**AN ACT TO STRENGTHEN NATION-BUILDING THROUGH THE
INSTITUTIONALIZATION OF A STRATEGIC VOLUNTEERISM- BASED
MULTISECTORAL PUBLIC-PRIVATE PARTNERSHIP FRAMEWORK IN ALL
LOCAL GOVERNMENT UNITS (LGUs) AND CONGRESSIONAL DISTRICTS IN
THE COUNTRY AND FOR OTHER PURPOSES**

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

SECTION 1. Short Title. – This Act shall be known as the “Filipino Volunteerism in Nation-Building (VNB) or Bayanihan sa Bagumbayan (BSB) Act”.

SECTION 2. Declaration of Policy. – (a) It shall be the policy of the State to promote the participation of the various sectors of Filipino society in public and civic affairs, adopt and strengthen the practice of volunteerism as a strategy in national and local development, and to inculcate the “Bayanihan” spirit as a way of life.

(b) The State recognizes and respects the vital role of civil society organizations (CSOs), which include, among others, nongovernment organizations (NGOs), volunteer service organizations (VSOs) and people’s organizations (POs), as effective conduits in harnessing people power to promote and achieve nation-building through a strategic volunteerism multisectoral public-private partnership approach.

(c) The State shall ensure the institutionalization of a committed, participative and sustained partnership between the local government units (LGUs), congressional districts and the private sector in the process of community-building through volunteerism.

SECTION 3. Statement of Goals and Objectives. – Pursuant to the foregoing policy, the government shall attain the following goals and objectives:

(a) To provide a framework for a strategic multisectoral public-private partnership through volunteerism;

(b) To institutionalize volunteerism as a strategy for local development;
and

(c) To establish a coordinating mechanism to harmonize national and local volunteering efforts.

SECTION 4. *Definition of Terms.* – For purposes of this Act, the following terms shall be defined as follows:

(a) *Accreditation* refers to the formal recognition by the LGUs of CSOs for the purpose of registering, certifying and enabling them to participate in the VNB program.

(b) *Civil society organizations* refer to NGOs, POs, cooperatives, trade unions, professional associations, faith-based organizations, media groups, indigenous peoples' movements, foundations, and other citizen groups formed primarily for social and economic development, to monitor government programs and projects, engage in policy discussions, and actively participate in collaborative activities with the government.

(c) *Congressional District* refers to a territorial division, which under the 1987 Philippine Constitution is entitled to elect one (1) member to the Philippine House of Representatives.

(d) *Volunteer* refers to an individual or group who, for reasons arising from their socio-developmental, business and corporate orientation, commitment or conviction, contribute time, service and resources whether on full-time or part-time basis to a just and essential social development cause, mission or endeavor in the belief that their activity is mutually meaningful and beneficial to public interest as well as to themselves.

(e) *Volunteer service organization* refers to a local or foreign group that recruits, trains, deploys and supports volunteer workers to programs and projects implemented by them or by other organizations or any group that provides services and resources including, but not limited to, information, capability-building, advocacy and networking for the attainment of common good.

(f) *Volunteerism* refers to an act involving a wide range of activities, including traditional forms of mutual aid and developmental interventions that provides an enabling and empowering environment, both on the part of the beneficiary receiving and the volunteer rendering the act, undertaken for reasons arising from socio-developmental business or corporate orientation, commitment or conviction for the attainment of the public good and where monetary and other incentives or reward are not the primary motivating factors.

SECTION 5. *VNB Mission-Vision.* – National government agencies (NGAs), LGUs and the volunteer sector shall be committed to the VNB mission and vision, which shall harness the spirit of volunteerism as stimulus for local development and as a way of life for each Filipino in recognition of the time-honored tradition of "Bayanihan" that has evolved to include the participation of organized groups and institutions as volunteer partners of government in local development and governance. The LGUs and the congressional districts shall also perform critical roles in mobilizing, harmonizing and sustaining volunteering efforts.

The VNB program shall harness the support of the abovestated sectors in the following areas of governance:

- (a) Community-building through shelter and other infrastructure support;
- (b) Community, child, youth and maternal health;
- (c) Child and youth education;
- (d) Community entrepreneurship;
- (e) Food sufficiency;
- (f) Gender equality and women empowerment;
- (g) Peace efforts;
- (h) Cultural preservation and promotion;
- (i) Ecotourism;
- (j) Environmental preservation and protection; and
- (k) Micro-finance and livelihood.

SECTION 6. VNB Key National and Cooperating Agencies. – To harmonize and facilitate the support of various government agencies in the implementation of the VNB, the following NGAs, including their concerned bureaus/attached agencies, shall take lead roles in the following key areas: the Department of Social Welfare and Development (DSWD) in the review and implementation of the VNB socio-welfare projects and activities; the Housing and Urban Development Coordinating Council (HUDCC) in the approval of the VNB local shelter plan and coordination of all shelter agencies for the provision of support to the VNB program; the Department of the Interior and Local Government (DILG) in the coordination of the LGUs with the local VNB projects; the Department of Finance (DOF) in the promulgation of guidelines for the availment of tax exemption and other related incentives and benefits and for the oversight of their implementation and supervision; and the Department of Budget and Management (DBM) in overseeing and monitoring the budget utilization of concerned lead or cooperating government agencies in the implementation of the VNB program.

Other government agencies shall provide the necessary support for the VNB program, namely: the Office of the President (OP), the National Economic and Development Authority (NEDA), the Department of Environment and Natural Resources (DENR), the Land Registration Authority (LRA), the Department of Trade and Industry (DTI), the Technology Resource Center (TRC), the Department of Health (DOH), the Department of Labor and Employment (DOLE), the Department of Education (DepED), the Technical Education and Skills Development Authority (TESDA), the Commission on Higher Education (CHED), the Department of Public Works and Highways (DPWH), the Department of Agriculture (DA), the Department of Agrarian Reform (DAR), the Department of Energy (DOE), the National Electrification Administration (NEA) and the Cooperative Development Authority (CDA).

SECTION 7. VNB Coordinating Agency. – The Philippine National Volunteer Service Coordinating Agency (PNVSCA) shall serve as the

coordinating agency for the implementation of the VNB program. More specifically, the PNVSCA shall have the following functions:

- (a) Formulate and review policies and guidelines on the VNB program;
- (b) Develop and implement a monitoring and evaluation system for the VNB program;
- (c) Develop and implement an advocacy campaign for the implementation of the VNB program;
- (d) Provide a report to the OP and to both Houses of Congress on matters related to the implementation of the VNB program; and
- (e) Administer all funds related to the VNB program.

The VNB Program Management Unit shall be created as an attached unit to the Office of the Executive Director of the PNVSCA to perform technical and administrative tasks to carry out the abovementioned functions. This unit shall be headed by an officer who shall supervise a team of volunteer service officers. The PNVSCA, in coordination with the DBM, shall prepare the staffing pattern of the program management unit.

SECTION 8. *Inter-agency Coordinating Committee.* – The existing Multisectoral Advisory Body (MSAB) of the PNVSCA shall serve as the interagency coordinating committee which shall perform the following functions:

- (a) Provide advice in the formulation of policies and guidelines for the VNB program;
- (b) Serve as link between and among lead and cooperating national government agencies in the implementation of the VNB; and
- (c) Serve as forum for the review of the VNB implementation with VNB stakeholders.

For this purpose, the composition of the MSAB shall be expanded to include the HUDCC, the DOF and the DBM.

The MSAB may call on the other VNB cooperating agencies and concerned institutions on matters pertaining to the implementation of the VNB program.

SECTION 9. *VNB Coordinating Desk.* – All lead and other cooperating agencies shall establish their respective VNB coordinating desk or tap existing related unit to serve as the focal unit in coordinating the delivery of support services in the implementation of the VNB program.

At the LGU, the VNB coordinating desk shall serve as the focal unit to perform, but not limited to, the following functions:

- (a) Undertake the identification of VNB projects and activities;
- (b) Accredite volunteer partners for the implementation of VNB projects and activities; and

(c) Monitor and evaluate the progress of the VNB projects, including submission of reports to the Local Development Council and the MSAB.

At the district level, the representative concerned shall designate a VNB liaison officer to serve as the link with the lead and cooperating national government agencies and concerned LGU VNB desk officers.

SECTION 10. *Accreditation of VNB Partners and Stakeholders.* – All VNB program partners shall be required to be accredited by LGUs concerned, in coordination with the appropriate agencies, to enable them to participate in the VNB program.

A system of accreditation shall be developed for adoption and implementation by the LGUs with proper consultation with the concerned agencies.

SECTION 11. *Incentives for VNB Partners and Stakeholders.* – Any VNB and Bureau of Internal Revenue (BIR)-accredited donor and donee under a VNB program, project or activity shall enjoy the following incentives:

(a) All donations in cash and in kind, including land, all of which are actually, directly and exclusively used by the VNB movement, in its programs, projects and activities that provide shelter, basic utilities of electricity and water, education, healthcare, livelihood, environment and peace efforts, that shall inure to the benefit of poor communities identified by the PNVSCA shall be fully tax deductible from the gross income of the donor, under the new nomenclature of donations for “nation-building”, upon submission to the BIR of the VNB requirements for that purpose. The implementation of this incentive shall be patterned after the applicable provisions on “Allowable Deductions” under Republic Act No. 8424, as amended.

(b) A donor’s tax exemption shall be enjoyed by the VNB donor, upon submission to the BIR of the VNB requirements for that purpose. The DOF, in coordination with the PNVSCA, the BIR, the Bureau of Customs (BoC), and the DBM shall set the guidelines for the screening evaluation and approval of all tax incentives and benefits used for VNB purposes, as well as the implementing rules and regulations (IRR) specifically to implement the incentives provided herein. In line with proper fiscal administration policies, the DOF, in coordination with the VNB, shall determine the compliance criteria for “utilization”, “valuation”, “deductibility”, “proof of utilization” and “proof of deductions” of all VNB donations, whether in cash or in kind, as basis to determine the availment of, and continued applicability or withdrawal of all such tax incentives and benefits, in accordance with Republic Act No. 8424, as amended.

(c) The socialized housing tax as authorized to be imposed by the LGUs, under Section 43 of Republic Act No. 7279, otherwise known as the “Urban Development and Housing Act of 1992” shall be used as additional government equity under the VNB framework, subject to an interagency memorandum of agreement.

(d) Priority in the grant of acquired land. The government shall also consider VNB partners as priorities in the grant of land for socialized housing acquired under Republic Act No. 7279 which shall include community mortgage, land swapping, land assembly or consolidation, land banking,

donation to the government, joint venture agreement, negotiated purchase and expropriation.

(e) All donations from foreign sources to the VNB shall be exempt from customs duties: *Provided*, That the donees are duly accredited with the BoC.

The mechanics, criteria, qualifications, all documentary proof of donation in cash or in kind, and proof of utilization of donation requirements, and the implementation guidelines for all the incentives and benefits provided under this section, shall be carried out in accordance with the 1987 Constitution, Republic Act No. 8424, as amended, and other applicable laws, rules and regulations, and shall be included and clearly specified in the IRR, to ensure that these incentives and benefits shall properly benefit the intended recipients, to fully and faithfully implement the true intent and spirit of the VNB Act.

The incentives provided under this Act shall be effective for a period of eight (8) years, with one (1) extension of another six (6) years, subject to satisfactory submission of and compliance with all VNB requirements, terms and conditions, including all documentary proof of donation in cash or in kind, and proof of utilization of donation requirements for purposes of the VNB Act. Thereafter, upon evaluation of and recommendation by the PNVSCA-MSAB and the DOF, further extension to the effectivity of the said incentives, and corollarily, to the continued existence and operation of the VNB shall be subject to congressional action.

SECTION 12. *Incentives for VNB Volunteers.* – All VNB program partners shall provide volunteers with recognition and incentive package.

SECTION 13. *Special Provision. – VNB Framework Guide Book.* – A VNB Framework Guide Book shall be prepared and disseminated to all LGUs and congressional districts to assist them in the implementation of the VNB program.

SECTION 14. *Appropriations.* – The amount necessary to implement the provisions of this Act shall be included in the annual General Appropriations Act.

The LGUs shall likewise allocate the necessary funds for the implementation of the VNB program.

SECTION 15. *Implementing Rules and Regulations (IRR)* – The PNVSCA, in consultation with the MSAB, the DSWD, the HUDCC, the DILG, the DOF and the DBM, shall promulgate the implementing rules and regulations (IRR) necessary to implement this Act within sixty (60) days after its effectivity.

SECTION 16. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall remain in full force and effect.

SECTION 17. *Repealing Clause.* – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with any provision of this Act is hereby repealed, amended or modified accordingly.

SECTION 18. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its complete publication in the *Official Gazette* or in any newspaper of general circulation.

Approved,