

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

*Seventeenth Congress
First Regular Session*

House Bill No. 259



Introduced by Honorable Roy M. Loyola

EXPLANATORY NOTE

Cooperatives play a significant role in the economy. The Cooperative Code of the Philippines describes them as "practical vehicle for promoting self-reliance and harnessing people power towards the attainment of economic development and social justice."

To properly conduct the cooperative's affairs, the Local Government Code provides for the appointment of a cooperatives officer with the following qualifications: (1) citizen of the Philippines; (2) resident of the local government unit concerned; (3) of good moral character; (4) holder of a college degree preferably in business administration with specialty training in cooperatives; (5) a first grade civil service eligible or its equivalent; and (6) must have experience in cooperatives organization and management of at least five years for provinces and cities and three years for municipalities.

The cooperatives officer shall take charge of the office for the development of cooperatives and shall:

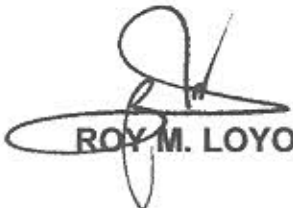
- (1) Formulate measures for the consideration of the sanggunian, and province technical assistance and support to the governor or mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and provision of facilities through the development of cooperatives, and in providing access to such services and facilities;
- (2) Develop plans and strategies and, upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with the integration of cooperatives principles and methods in programs and projects which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;
- (3) In addition to the foregoing duties and functions, the cooperatives officer shall:

- (i) Assist in the organization of cooperatives;
 - (ii) Provide technical and other forms of assistance to existing cooperatives to enhance their viability as an economic enterprise and social organization;
 - (iii) Assist cooperatives in establishing linkages with government agencies and non-government organizations involved in the promotion and integration of the concept of cooperatives in the *livelihood of the people and other community activities*;
- (4) Be in the frontline of cooperatives organization, rehabilitation or viability enhancement, particularly during and in the aftermath of man-made and natural calamities and disasters, to aid in their survival and, if necessary subsequent rehabilitation;
- (5) Recommend to the sanggunian, and advise the governor or mayor, as the case maybe, on all other matters relative to cooperatives development and the viability-enhancement which will improve the livelihood and quality of life of the inhabitants; and
- (6) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

Unfortunately, the appointment of a cooperative officer under the Code is merely optional. The tendency then becomes that local government units opt to not make such appointment.

The bill recognizes and confirms the importance of cooperatives in bringing sustainable economic development to the country. In order to maximize its potential, local government units should be at the forefront of fostering creation and growth of cooperatives by the provision of technical guidance, financial assistance, and other similar services to enable cooperatives to develop into viable and responsive economic enterprises. In this context, a cooperative officer at the helm of the Cooperative Development Office in every province, city and municipality becomes indispensable. Ergo, their appointment should be made mandatory in all provinces, cities and municipalities.

In view thereof, support and approval of this measure is earnestly sought.


ROY M. LOYOLA

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AN ACT MAKING THE APPOINTMENT OF COOPERATIVES OFFICER IN ALL LOCAL GOVERNMENT UNITS MANDATORY, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7160 OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991.

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

1 **SECTION 1.** Section 487 of Republic Act No. 7160 as amended,
2 otherwise known as the Local Government Code of 1991, is hereby
3 amended to read as follows:

4 " SEC. 487. Qualifications, Powers and Duties. – (a) xxx

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

xxx"

7 **SECTION 2.** If any provision of this Act shall be declared
8 invalid or unconstitutional, the remaining part or provisions not otherwise
9 affected shall remain in force.

1 **SECTION 3.** Any law, decree, ordinance, administrative circulars
2 not consistent with any provision of this Act is hereby amended, repealed or
3 modified accordingly.

4 **SECTION 4.** This Act shall take effect fifteen (15) days after its
5 complete publication in the Official Gazette or in at least two (2) newspapers
6 of general circulation.

Approved,