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**HOUSE OF REPRESENTATIVES**

**H. No. 6877**

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BY REPRESENTATIVES SALVACION, LIMKAICHONG, PIAMONTE, ALBANO,  
PADILLA AND PICHAY, PER COMMITTEE REPORT NO 2656

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**AN ACT STRENGTHENING THE CAREER EXECUTIVE SERVICE**

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

**ARTICLE I**

**GENERAL PROVISIONS**

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3       **SECTION 1. *Short Title.*** – This Act shall be known as the “Career  
4 Executive Service Act of 2013”.

5       **SEC. 2. *Declaration of Policy.*** – It the policy of the State under  
6 Article IX, B, Section 3 of the 1987 Philippine Constitution to establish a  
7 career service and to provide the public sector with a well-selected and  
8 development-oriented corps of public managers who possess the necessary  
9 expertise and responsive leadership qualities that will serve as a stabilizing  
10 force, an instrument for change, a vanguard of professionalism and careerism  
11 in the civil service, and a critical link between the government and the people  
12 Towards this end, the State hereby calls for an effective, efficient and  
13 responsible administration of the executive/managerial class within the third  
14 level of the career service that will maintain continuity and stability in the  
15 bureaucracy

1           SEC. 3. *Coverage.* - This Act shall cover the Career Executive  
2 Service which consists of the executive/managerial class of the third level of  
3 the career service in the Executive Branch of the government, all of whom  
4 shall be appointed by the President, and those occupying positions above  
5 division chief level but are not appointed by the President.

6           SEC. 4. *Definitions of Terms.* - As used in this Act, the following  
7 terms shall be construed as follows.

8           (a) *Career Executive Service (CES)* refers to the corps of well-selected  
9 and development-oriented career executives who provide competent and  
10 faithful service.

11           (b) *Career Executive Service Board (CESB)* refers to the policy-  
12 making body responsible for the development, maintenance and administration  
13 of the System under the supervision of the Civil Service Commission as  
14 provided herein.

15           (c) *Career Executive Service Eligible (CESE)* refers to a person who  
16 passed the qualifying examination process set by the CFSB but has not yet  
17 been appointed to a position in the CES.

18           (d) *Career Executive Service Officer (CESO)* refers to a Career  
19 Executive Service Eligible who is conferred a CES rank and appointed to a  
20 position covered by the CES.

21           (e) *Career Executive System (System)* refers to the system designed to  
22 professionalize and promote career development among the executive and  
23 managerial personnel of the third level in the career service.

24           (f) *Mobility* refers to the movement of a CESO from one position to  
25 another without reduction in rank or salary.

26           (g) *Rank* refers to the index of classification of CESOs to which a  
27 CESE may be appointed by the President in accordance with the requirements  
28 prescribed by the Board.

1 (h) *Third level* refers to the highest level in the career service of the  
2 Civil Service System which includes positions in the executive and managerial  
3 class covering all positions higher than chief of division based on the position  
4 classification system of the Department of Budget and Management and the  
5 Civil Service Commission.

6 ARTICLE II

7 CAREER EXECUTIVE SYSTEM

8 SEC. 5. *The Career Executive System* The System shall cover all  
9 executive and managerial positions in the third level of the career service in the  
10 Executive Branch, as defined in Section 4 hereof. Entry and advancement in  
11 the System shall be governed by the principles of merit and fitness and such  
12 other requirements, as may be prescribed by the CESB. The System shall be  
13 essentially characterized by the principles of merit and fitness, security of  
14 tenure and mobility.

15 SEC. 6. *Career Executive Service Board (CESB)*. - A Career  
16 Executive Service Board, hereinafter referred to as the Board, under the  
17 supervision of the Civil Service Commission is hereby created. It shall be  
18 composed of the Chairperson of the Commission who shall serve as the  
19 Board's *ex officio* Chairperson and four (4) *ex officio* members, namely: the  
20 Secretary of the Department of Budget and Management (DBM) or his/her  
21 permanent representative holding a position not lower than an Undersecretary;  
22 the President of the Development Academy of the Philippines (DAP); the Dean  
23 of the National College of Public Administration and Governance (NCPAG) of  
24 the University of the Philippines; and the representative of a duly accredited  
25 national federation or union of CESOs. The Board shall also include three (3)  
26 members to be appointed by the President for a term of three (3) years, namely:  
27 a representative of a nationwide association of personnel and/or human  
28 resource practitioners in the private sector; a representative of the Philippine

1 Association of Professional Regulatory Board Members (PAPRBM) and a  
2 representative of the Office of the President.

3       SEC. 7. *Powers and Functions of the Board* -- The Board shall be the  
4 policy-making body for the System. It shall promulgate rules, standards and  
5 procedures in the recruitment, selection, assignment to positions, attestation of  
6 appointment to CES positions, conferment of ranks, classification,  
7 compensation, mobility, performance management, tour of duty, rewards and  
8 incentives and training, and career development of CESOs and CESEs.  
9 *Provided*, That in the exercise of its power of supervision, the Commission  
10 may *motu proprio* review, revise or reverse any policy of the Board within a  
11 period of thirty (30) days from receipt of written notice thereof. *Provided*,  
12 *further*, That if the Commission does not act within the said period, the subject  
13 policy of the Board shall be deemed as presumptively approved by the  
14 Commission.

15       SEC. 8. *Office of the Career Executive Service (OCES)*. -- The Office  
16 of the Career Executive Service (OCES) shall serve as the Board's secretariat  
17 with its own administrative and financial components. It shall be responsible  
18 for the implementation of the policies, rules, regulations, decisions, directives  
19 and instructions pertaining to the System. It shall be headed by an Executive  
20 Director, who shall be appointed by the President, assisted by two (2) Deputy  
21 Executive Directors, both of whom shall be appointed by the President.

### 22                                   ARTICLE III

#### 23                                   POLICIES AND STANDARDS 24                                   IN THE CAREER EXECUTIVE SYSTEM

25       SEC. 9. *Membership in the Career Executive System*. -- A person who  
26 meets the academic, leadership, experience and other requirements and passes  
27 the required examination prescribed by the Board shall be included in the  
28 register of CESEs and, upon appointment to an appropriate rank in the CES,

1 shall become an active member of the CES. A CESE who is appointed to a  
2 position in the CES shall be recommended for original appointment to CESO  
3 rank by the Board. This process completes his/her membership in the CES.  
4 Recruitment into the System shall be conducted government-wide with  
5 provisions to allow qualified or outstanding persons from the nongovernment  
6 or private sector to enter the CES.

7       SEC. 10. *Security of Tenure.* - A CES incumbent shall enjoy security  
8 of tenure in the CES based on eligibility, and shall not be suspended nor  
9 dismissed except for cause and with due process of law.

10       SEC. 11. *Composition.* - A CESO shall be compensated according to  
11 rank and performance. In case a CESO occupies a position whose salary grade  
12 is higher than that of the rank the CESO is holding, the CESO shall receive the  
13 difference between the salary grade of the position and the rank. The Board, in  
14 coordination with the Commission and the DBM, shall develop and  
15 periodically review a compensation plan for CESOs. The employing agency  
16 shall provide the funds to pay the salary, fringe benefits and allowances of a  
17 CESO.

18       SEC. 12. *Rank System in the Career Executive System.* - A CESO  
19 shall be appointed in accordance with a rank system which shall be established  
20 and determined by the Board. Rank classification shall be based on proven  
21 competence and qualifications such as appropriate academic and professional  
22 background, broad levels of responsibility and other relevant considerations as  
23 may be prescribed by the Board.

24       SEC. 13. *Promotion in Rank.* - The Board shall provide for the  
25 criteria which shall be the basis for promotion in rank. The criteria to be  
26 established shall include, but shall not be limited to, performance,  
27 qualifications and proven competence. The Board shall recommend to the

1 President qualified CESOs who meet the criteria prescribed by the Board for  
2 promotion in rank.

3 SEC. 14. *Mobility in the Career Executive System.* – A CESO may be  
4 assigned to any position in the System without diminution in rank and salary.  
5 The tour of duty of each CESO shall be for a period of three (3) years. During  
6 this period, the CESO shall not be transferred to another office or position  
7 without consent. In filling a vacancy, the head of agency shall give preference  
8 and priority to those who have been appointed to rank or conferred CES  
9 eligibility. The Board shall provide information on vacancies, an updated list  
10 of available qualified persons who may be assigned, and such other  
11 mechanisms to assist the head of agency in the process of selection.

12 SEC. 15. *Appointment to Positions in the Career Executive System.* –  
13 A CESO and CESE shall be given priority in appointments to vacant positions  
14 in the System. In exceptional cases, a non-CESO and non-CESE may be  
15 appointed to a position in the System on a temporary status but may be  
16 replaced once a CESO or CESE becomes available. Officials who are in  
17 Salary Standardization Law (SSL) – exempt agencies shall likewise be  
18 required to be CESEs before being appointed in the System. Career  
19 undersecretaries, assistant secretaries and other officials of similar rank in the  
20 System shall preferably come from the roster of CESOs and CESEs. The  
21 appointing authority shall choose from a list of at least three (3) eligibles who  
22 are qualified, available and willing to be appointed to the vacant position. The  
23 number of career undersecretaries, assistant secretaries and other officials of  
24 similar rank appointed to positions in the government shall conform to the  
25 number set by law. The Commission shall establish a mechanism to ensure  
26 that assignments to positions in the System conform to the standards prescribed  
27 under this Act.

1           SEC. 16. *Discipline* - Investigation and adjudication of administrative  
2 complaints against occupants of positions in the CES appointed by the  
3 President shall be vested with the President. In the case of non-presidential  
4 appointees, the same shall be vested concurrently with the head of the agency  
5 and the Civil Service Commission

6           SEC. 17. *Training and Career Development* - The Board shall  
7 establish a continuing program of training and career development of CESOs  
8 and CESEs

9           SEC. 18. *Performance Management* - The Board shall develop a  
10 system for periodic evaluation of the performance of occupants of positions in  
11 the CES, taking into account their accomplishments and managerial capability.  
12 This periodic evaluation system shall be the basis for the grant of incentives  
13 and awards, as well as for sanctions for poor performance.

#### 14   ARTICLE IV

#### 15   MISCELLANEOUS PROVISIONS

16           SEC. 19. *Review and Evaluation of the CESB System* - After the first  
17 three (3) years of implementation of this Act and every three (3) years  
18 thereafter, the Civil Service Commission shall convene an evaluation body that  
19 will conduct the evaluation of the Board and the OCES in order to assess the  
20 effectiveness of the CESB in managing the System. The body shall be  
21 composed of no less than three (3) heads of public and private institutions  
22 whose work is related to executive development within the framework of  
23 developing countries like the Philippines. At least two (2) of them should  
24 come from nongovernment organizations (NGOs).

25           The evaluation body shall conduct public consultations and indicate its  
26 evaluation reports and recommendations which portions have been the result of  
27 the said public consultations.

1 The evaluation body shall submit its report and recommendations to the  
2 Board, OCES, CSC and the appropriate committees in Congress.

3 *SEC. 20. Appropriations.* - The amount necessary for the initial  
4 implementation of this Act shall be charged against the current year's  
5 appropriations of the CESB. Thereafter, such sums as may be necessary for  
6 the continued implementation of this Act shall be included in the annual  
7 General Appropriations Act.

8 *SEC. 21. Transitory Provisions.* - The incumbent Chairman of the  
9 Board of the current Career Executive Service Board, as well as the other  
10 incumbent Board members, shall continue to exercise their duties and  
11 functions until the new Board shall have been created pursuant to this Act.  
12 The Career Executive System Board (New Board) created under this Act shall  
13 then succeed and take over the functions of the Career Executive Service  
14 Board (Old Board) and the composition and members of the New Board, as  
15 enumerated under Section 6 of this Act, shall assume their respective posts:  
16 *Provided, That:*

17 (a) All rights pertaining to the CESOs and CESEs which shall have  
18 accrued prior to the effectivity of this Act shall be respected;

19 (b) The personnel, assets, funds, grants and records of the current  
20 CESB secretariat are hereby transferred to the OCES; and

21 (c) Incumbent officials and employees of the current CESB secretariat  
22 shall continue to exercise their respective functions, duties and responsibilities  
23 with the corresponding benefits and privileges and shall be deemed absorbed  
24 by the OCES.

25 *SEC. 22. Implementing Rules and Regulations.* - The Board and the  
26 Commission shall promulgate jointly the implementing rules and regulations  
27 (IRR) as may be necessary to implement the intent and purposes of this Act.



1 Said IRR shall be published in the *Official Gazette* or in two (2) newspapers of  
2 general circulation

3 SEC. 23. *Repealing Clause* -- Article IV, Part III of the Integrated  
4 Reorganization Plan, as approved under Presidential Decree No. 1, as  
5 amended, is hereby repealed. All provisions of Executive Order No. 292, or  
6 the Revised Administrative Code of 1987 and Executive Order No. 891, series  
7 of 2010, that are inconsistent with this Act are hereby repealed. All other laws,  
8 rules and regulations or parts thereof that are inconsistent with the provisions  
9 of this Act are hereby repealed or modified accordingly.

10 SEC. 24. *Separability Clause*. -- If any part, section or provision of  
11 this Act is held invalid or unconstitutional, no other part, section or provision  
12 shall be affected by the invalidity or unconstitutionality thereof.

13 SEC. 25. *Effectivity Clause*. -- This Act shall take effect fifteen (15)  
14 days after its publication in the *Official Gazette* or in at least two (2)  
15 newspapers of general circulation

Approved,

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