



HOUSE OF REPRESENTATIVES

H. No. 9051

BY REPRESENTATIVES CANAMA, BRAVO (A.), BIAZON, RODRIGUEZ (M.), PLAZA, MELLANA, ZUBIRI, PICHAY, SUANSING (E.), LAOGAN, RELAMPAGOS, CUA, GERON, MONTORO, PADUANO, AQUINO-MAGSAYSAY, SALON, ANDAYA, ESPINO, HERRERA-DY, ACOSTA, BATOCABE, TAMBUNTING, CATAMCO, UY (J.), NOGRALES (J.J.), GARCIA-ALBANO, MACAPAGAL-ARROYO, PALMA, AGLIPAY-VILLAR, DIMAPORO (A.), BAUTISTA-BANDIGAN, ROMUALDO, ARCILLAS, AMATONG, DIMAPORO (M.K.), NIETO, SACDALAN, LOBREGAT, MACEDA, OLIVAREZ, ABELLANOSA, DURANO, CELESTE, ERMITA-BUHAIN, BARBERS, UY (R.), SAVELLANO, BELMONTE (R.), TOLENTINO, ATIENZA, ROMERO, TREÑAS, ALONTE, CUEVA, SY-ALVARADO, SANDOVAL, TAN (M.), MANGUDADATU (S.), BOLILIA, BILLONES, PIMENTEL, SUANSING (H.), BRAVO (M.V.), ESCUDERO, CERAFICA, DY, VILLANUEVA, VELOSO, COSALAN, LOYOLA, DEL MAR, VILLARIN, BERTIZ, RAMOS, MANGAOANG, EUSEBIO, RADAZA, NAVA, ABU, LEACHON, DUAVIT, MARIÑO, YAP (M.), ANTONIO, AGARAO, LAZATIN, MARCOLETA, GASATAYA, UMALI, VARGAS-ALFONSO, VILLARICA, BATAOIL, YU, DEL ROSARIO, ERICE, SAGARBARRIA, VILLAFUERTE, PANGANIBAN, CORTUNA, BULUT-BEGTANG, FERRER (L.), ORTEGA (P.), HERNANDEZ (F.), ALBANO, GATCHALIAN, SILVERIO, DALIPE, SARMIENTO (C.), UNGAB, MALAPITAN, SAHALI, MADRONA, CARI, JALOSJOS, OCAMPO, ALMARIO, ADVINCULA, ESPINA, GO (A.C.), ROMUALDEZ, AGGABAO, DEFENSOR, CRISOLOGO, LOPEZ (B.), BAGUILAT, EVARDONE, FUENTEBELLA, BERNOS, MIRASOL, ACOP, GORRICETA, PINEDA, SALO, SIAO, PANOTES, TEJADA, GONZAGA, DE VERA, AMANTE, VARGAS, LANETE, TING, DALOG, ROQUE (R.N.), BAG-AO, BAGATSING, SANTOS-RECTO, REVILLA, ANGARA-CASTILLO, FLORES, CALIXTO-RUBIANO, ALMONTE, ALVAREZ (F.), BORDADO, GONZALES (A.D.), MANGUDADATU (Z.), NOEL, BANAL, CHIPECO, MENDOZA, ROBES, ONG (H.), CERILLES, OAMINAL, RODRIGUEZ (I.), FORTUN, ADIONG, NUÑEZ-MALANYAON, SEMA, MERCADO, CASTELO, LOPEZ (M.L.), CAGAS, MATUGAS, YAP (V.), GONZALEZ, GARCIA (J.E.), UNABIA, BIRON, ROMAN, YAP (A.), LEE, MARQUEZ, ABUEG, VELASCO-CATERA, AUMENTADO, CUARESMA, CHAVEZ, TUGNA, COLLANTES, ERIGUEL, DELOSO-MONTALLA, ROQUE (H.), CORTES, KHONGHUN, FERNANDO, TY, FORTUNO, ROA-PUNO, LIMKAICHONG, PAPANDAYAN, TEVES, FERRIOL-PASCUAL, CAMINERO, LOPEZ (C.), ARENAS, ENVERGA, BELMONTE (J.C.), CASTRO (F.H.), SARMIENTO (E.M.), ACOSTA-ALBA, GOMEZ,

AN ACT
REORGANIZING THE COOPERATIVE DEVELOPMENT AUTHORITY,
REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 6939, CREATING THE
COOPERATIVE DEVELOPMENT AUTHORITY

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

1 Section 1. **Short Title.** - This Act shall be known as the "Cooperative
2 Development Authority Charter of 2018."
3

4 Sec. 2. **Declaration of Policy.** - It is the policy of the State to promote the
5 viability and growth of cooperatives as instruments of equity, social justice and
6 economic development.
7

8 The State recognizes cooperatives as associations organized for the economic
9 and social betterment of their members, operating business enterprises based on
10 mutual aid, and founded upon internationally accepted cooperative principles and
11 practices. The State also recognizes the Cooperative Development Authority as
12 primarily responsible for the institutional development and regulation of cooperatives
13 through partnership with the cooperative sectors and the academe. Accordingly, the
14 State recognizes the right of the cooperatives to initiate and foster within their own
15 ranks cooperative promotion, organization, training, information gathering, audit and
16 support services, with government assistance where necessary. In furtherance of this
17 policy, the National Economic and Development Authority (NEDA) and the
18 Department of Trade and Industry (DTI) shall include the promotion of growth and
19 expansion of cooperatives as major and indispensable components of national
20 development plans. The Department of Finance (DOF) shall provide the mechanism
21 to ensure availability of resources to implement such plans.

3 The government and all its branches, subdivisions, instrumentalities and
4 agencies shall continue to provide technical guidance, financial assistance and other
5 services to enable the cooperatives to develop into viable and responsive economic
6 enterprises towards a strong cooperative movement, free from condition which
7 infringes upon the objectives and character of cooperatives. The State shall, except as
8 provided in this Act, maintain the policy of non-interference in the management and
9 operation of cooperatives.

10 **Sec. 3. Cooperative Development Authority.** - The Cooperative Development
11 Authority (CDA) created under Republic Act No. 6939, hereinafter referred to as the
12 Authority, is hereby reorganized and strengthened to carry out the provisions of this
13 Act and those of Republic Act No. 9520, otherwise known as the "Philippine
14 Cooperative Code of 2008".

15 The Authority shall have its head office in the National Capital Region (NCR),
16 and shall maintain the existing sixteen (16) Extension Offices. In the case of the NCR,
17 the same shall be comprised of field district offices and shall maintain offices and
18 branches in such other places as the proper conduct of its business shall require.

19 The Authority shall be attached to the Department of Trade and Industry for
20 policy and program coordination.

21 **Sec. 4. Powers, Functions and Responsibilities.** - The Authority shall have the
22 following powers and functions:

23 a) Develop and formulate, in consultation with the cooperative sector and
24 other concerned institutions, appropriate regulations, standards, rules, orders,
25 guidelines and/or circulars to implement this Act and the Philippine Cooperative
26 Code of 2008 to ensure the safe and sound operation of cooperatives;

27 b) Formulate, adopt and implement integrated and comprehensive plans
28 and programs on cooperative development consistent with the national policy on
29 cooperatives and establish an integrated framework on cooperative development for
30 all government agencies;

31 c) Register all cooperatives including amendments to their Articles of
32 Cooperation and By-Laws, and in cases of divisions, mergers, and consolidations.

33 d) Authorize the establishment of branches and satellite offices of
34 cooperatives;

35 e) Issue Certificate of Recognition to Laboratory Cooperatives organized
36 and managed principally by minors;

37 f) Exercise supervision and jurisdiction over all types and categories of
cooperatives registered with the Authority;

1 g) Require the submission of annual reports, audited financial statements,
2 and such reports in compliance with the Philippine Cooperative Code of 2008, in such
3 forms as may be prescribed by the Authority;

4 h) Create an information system from the reports and other documents
5 submitted by cooperatives;

6 i) Collect existing accounts receivables from the transfer of funds from the
7 Department of Agriculture (DA) under PD 175, as amended, and such other funds
8 coursed through the Authority, or to otherwise enter into compromise agreements or
9 the condonation of said accounts, subject to rules and regulations as may be prescribed
10 by the Authority and the Commission on Audit (COA);

11 j) Promulgate and issue guidelines on the specific use and utilization of
12 statutory funds and obligations that will achieve the real intent and spirit of
13 establishing such funds and obligations for the benefit of the cooperatives and
14 communities they serve;

15 k) Prescribe and collect reasonable fees, fines or charges in the performance
16 of its registration and regulatory functions;

17 l) Require registered cooperatives to develop business continuity plans to
18 address all kinds of risks;

19 m) Grant awards, recognition and incentives to cooperatives, partners and
20 leaders;

21 n) Administer all grants and donations exclusively intended for
22 cooperatives coursed through the Authority for cooperative development, without
23 prejudice to the right of cooperatives to directly receive and administer such grants
24 and donations upon agreement with the grantors and donors thereof;

25 o) Conduct regular inspection or examination of a cooperative in
26 accordance with the rules and regulations promulgated by the Authority and, when
27 deemed necessary, conduct an examination and investigation to protect the interest
28 and welfare of the members of cooperatives and the general public.

29 For this purpose, cooperative federations, unions and the alliance of
30 cooperatives representing all types and categories of cooperatives as the consultative
31 and coordinating body of the Authority, may be requested by the Authority, in
32 accordance with the Philippine Cooperative Code of 2008 and its implementing rules
33 and regulations to assist in the inspection and examination of a cooperative;

34 p) Develop and conduct management and training programs that will
35 provide members of cooperatives with the entrepreneurial capabilities, managerial
36 expertise, and technical skills required for efficient operation of their cooperatives and
37 inculcate in them the true spirit of cooperativism and provide, when necessary,
38 technical and professional assistance to ensure the viability and growth of

- 1 cooperatives with special concern for agrarian reform, fishery and the economically
2 depressed sector;
- 3 q) Conduct investigations, file necessary charges, discipline, suspend
4 and/or remove erring officers and members of the cooperative for violation of
5 cooperative laws, rules, regulations, issuances of the Authority, the articles of
6 cooperation and by-laws, after due process, and direct the general assembly to replace
7 the suspended/removed officers, in accordance with the rules and regulations as may
8 be promulgated by the Authority;
- 9 r) Order the suspension or cancellation of the Certificate of Registration of
10 cooperatives and/or the revocation of the Letter of Authority and/or Certificate of
11 Authority to establish and operate satellite or branch offices, respectively, after due
12 notice and hearing for non-compliance with lawful orders, rules and regulations of
13 the Authority, including the articles of cooperation and by-laws of the cooperative
14 subject to the conditions as defined in the implementing rules and regulations of this
15 Act;
- 16 s) Order the dissolution and liquidation of cooperatives as well as the
17 transfer of all or substantially all of their assets and liabilities;
- 18 t) Compel the cooperative to call a general or representative assembly, as
19 deemed necessary, under the supervision of the Authority with the participation of
20 their respective cooperative federations or unions, subject to the criteria or conditions
21 to be defined in the implementing rules and regulations issued for this purpose;
- 22 u) Hear and decide inter-cooperative and intra-cooperative disputes,
23 controversies and/or conflicts, without prejudice to the filing civil and criminal cases
24 by the parties concerned before the regular courts: provided, that all decisions of the
25 CDA are appealable directly to the Court of Appeals;
- 26 v) Adopt and implement a dispute resolution mechanism that will settle
27 conflicts between and among members, officers, and directors of cooperatives, and
28 between and among cooperatives in accordance with Article 137 of Republic Act 9520,
29 the "Philippine Cooperative Code of 2008", and Republic Act No. 9285, otherwise
30 known as the "Alternative Dispute Resolution Act of 2004". However, in case of
31 election related issues, the aggrieved party may elevate the case for adjudication to
32 the Authority without undergoing through the alternative dispute resolution;
- 33 w) Issue cease and desist orders to cooperatives and responsible parties
34 specified under Article 137 of RA 9520 and such other orders and notices to preserve
35 the assets and documents of the cooperatives subject of the dispute or litigation;
- 36 x) Issue subpoena ad testificandum and subpoena duces tecum for the
37 parties to appear and produce documents in any proceedings of the Authority and in
38 appropriate cases, order the examination of all documents, papers, files and records

- 1 of any cooperative or person under investigation as may be necessary for the proper
2 disposition of cases before it;
- 3 y) Cite for contempt any person guilty of misconduct in the presence of the
4 Authority which seriously interrupts any hearing or inquiry and impose a fine of not
5 more than Five thousand pesos (Php5,000.00) or imprisonment of not more than ten
6 (10) days, or both. Acts constituting indirect contempt as defined under Rule 71 of the
7 Rules of Court shall be punished in accordance with the said Rule;
- 8 z) Implement and enforce its decision and orders with the assistance of
9 deputized law enforcement agencies or the local government unit concerned as may
10 be necessary;
- 11 aa) Recognize an alliance of cooperatives representing all types and
12 categories which shall function as the overall consultative and coordinating body with
13 the Authority.
- 14 bb) Establish a consultative mechanism consistent with Section 17 of this Act
15 in order to provide the cooperative sector a system to ensure participation on matters
16 concerning government plans, programs, and policies affecting cooperatives;
- 17 cc) Coordinate with the provincial, municipal or city cooperative offices the
18 adoption and implementation of national plans, programs and policies on cooperative
19 development, and to establish partnerships in the promotion, organization, and
20 development of cooperatives within the jurisdiction of the local government units;
- 21 dd) Establish the formation and organization of cooperative development
22 councils in the national, regional, provincial, city and municipal levels in order to
23 provide the cooperative movement a system for policy consultation and program
24 coordination in accordance with the guidelines to be prescribed by the Authority;
- 25 ee) Collaborate with concerned agencies that can provide technical,
26 professional, marketing assistance including transfer of technology trainings to ensure
27 the viability, growth, competitiveness and innovativeness of cooperatives giving
28 special concern for agriculture, fishery and the economically depressed sectors;
- 29 ff) Provide assistance on cooperative product development and facilitate
30 their marketing both in the domestic and international market in coordination with
31 the concerned agencies;
- 32 gg) Represent the CDA as a voting member in the governing board of the
33 Land Bank of the Philippines (LBP) and the Development Bank of the Philippines
34 (DBP) to advance cooperative development;
- 35 hh) Represent the CDA in the sectoral and Regional Development Council
36 (RDC), as a regular voting member thereof;

1 ii) Establish linkages with the academe and other institutions, both local
2 and international, for education, training and research for cooperatives;

3 jj) Formulate, adopt and implement an educational and technological
4 exchange program both in domestic or international levels;

5 kk) Formulate, adopt and implement, in a manner consistent with Sec. 16 of
6 this Act, a standard of training for cooperative officers or members which shall focus
7 on basic cooperative principles and values, good governance, business and
8 entrepreneurial management, human resource management, risk management,
9 conflict management, and technical skills required for the efficient and effective
10 operations of the cooperatives;

11 ll) Establish and maintain a continuing educational and capability-building
12 program for the Authority; and

13 mm) Exercise such other powers and functions as may be necessary to
14 implement the provisions of this Act and of the Philippine Cooperative Code of 2008;

15 **Sec. 5. Members of the Board of Directors** – The Authority shall have a Board
16 of Directors, which shall be the collegial policy-making body of the Authority. It shall
17 be composed of the Chairperson, with the rank and privilege of an Undersecretary,
18 and six (6) members of the Board, with the rank and privilege of an Assistant
19 Secretary, all of whom shall be chosen among the nominees from the cooperative
20 sector. There shall be one board director from each of the following cluster:

- 21 a) Credit and Financial Services /Banking and Insurance
- 22 b) Consumers/Marketing/ Producers and Logistics
- 23 c) Human Services: Health/Housing/ Workers/ Labor Service
- 24 d) Education/ Advocacy
- 25 e) Agriculture/ Agrarian/ Aquaculture Farmers/Dairy/Fisherfolks
- 26 f) Public Utilities: Electricity/ Water/ Communications/ Transport

27 The Secretaries of the Department of Trade and Industry and the Department
28 of Interior and Local Government shall serve as ex-officio members of the Board and
29 may designate an alternate in a permanent capacity with a rank of Undersecretary and
30 whose acts shall be considered as the acts of the principal.

31 There shall be a lawyer and a representative from the women's cooperative
32 sector as members of the Board of Directors.

33 **Sec. 6. Powers and Functions of the Board** – The Board as a collegial body shall
34 be responsible for policy formulation, strategic planning and direction setting of the
35 agency, to wit:

1 (a) Formulate policies, rules and regulations consistent with the provisions
2 of the Philippine Cooperative Code of 2008 and this Act;

3 (b) Adopt implementing rules and regulations for the conduct of the
4 internal operations of the Authority;

5 (c) Organize the operating structure and functions of the Authority;

6 (d) Approve and adopt the annual budget of the Authority;

7 (e) Provide executive direction to the Authority, delineating the respective
8 roles of the governments, local government units (LGUs), people's organizations,
9 private sector and non-government organizations (NGOs) in the promotion and
10 development of the cooperative sector;

11 (f) Approve annual, medium-term and long-term cooperative
12 development plans of the Authority consistent with the over-all socio-economic
13 development policy of the national government;

14 (g) Conduct regular policy consultations with the cooperative sector,
15 government agencies, LGUs, people's organizations, private sector, NGOS, and other
16 stakeholders on the Authority's policies, programs and initiatives;

17 (h) Decide cases involving cooperatives that are submitted to the Board for
18 resolution;

19 (i) Authorize the Chairperson or the Administrator to enter into contracts
20 or agreements in behalf of the Authority;

21 (j) Adopt and submit the annual proposed budget of the Authority to the
22 President through the Department of Budget and Management (DBM); and

23 (k) Formulate rules and regulations and exercise such other powers as may
24 be required to implement the objectives of this Act;

25 **Sec. 7. Qualifications of the Chairperson and the Members of the Board.** -
26 The Chairperson and the Members of the Board must possess the following
27 qualifications:

28 a) A natural-born Filipino citizen;

29 b) A holder of any bachelor's degree;

30 c) Five (5) years of experience as an officer of a cooperative in the cluster
31 one represents; and

32 d) Residents of the Philippines for at least five (5) years prior to
33 appointment.

1 Any person appointed as Chairperson or Member of the Board shall, upon
2 appointment, divest oneself of any direct or indirect pecuniary interest or dealings
3 with any cooperative.

4 **Sec 8. Removal from Office.** - The Chairperson and the Members of the Board
5 may be removed from office for cause.

6 The person appointed for the unexpired term shall be eligible for
7 reappointment provided the unexpired term is less than one-half of the approved
8 tenure.

9 **Sec. 9. Meetings of the Board.** - The Board shall meet at least once a month for
10 the transaction of its regular business. Under exceptional circumstances, special
11 meetings may be called by the Chairperson or majority of the Members to discuss and
12 decide urgent matters. A majority vote by the entire Board shall be required for a
13 decision. The Chairperson shall only vote in case of a tie.

14 The meeting shall be presided by the Chairperson. However, in the absence of
15 the Chairperson, the most senior Member of the Board in terms of appointment shall
16 serve as the Acting Presiding Officer, or the Board shall elect from among themselves
17 an Acting Presiding Officer.

18 All regular and special meetings of the Board shall be held at the head office
19 in Metro Manila or in any other place as may be determined by the Board.

20 **Sec. 10. Office of the Administrator.** - The Administrator of the Authority shall
21 be the Executive Director and shall be assisted by a Deputy Executive Director. The
22 Executive Director shall be appointed by the Board of Directors and shall execute and
23 administer the policies, decisions, orders and resolutions approved by the Board and
24 shall have the general executive direction and supervision of the work and operation
25 of the Authority.

26 There shall be five (5) Deputy Administrators appointed by the Board of
27 Directors who shall assist the Executive Director who will be charged with the
28 following specific concerns:

- 29 a) Support Services;
- 30 b) Institutional Development;
- 31 c) Legal Affairs and Registration; and
- 32 d) Supervision, Examination and Field Operations
- 33 e) Credit Surety Fund

34 **Sec. 11. Qualifications of the Administrator.** - The Administrator must
35 possess the following qualifications:

- 36 a) Natural-born Filipino citizen;

- 1 b) Holder of any bachelor's degree;
- 2 c) Must possess the necessary Civil Service Eligibility; and
- 3 d) Five (5) years of experience as an officer of a cooperative or official or
4 employee in a government office or non-governmental organization dealing with
5 cooperatives.

6 A person appointed as Administrator shall, upon appointment, divest oneself
7 of any and all direct or indirect pecuniary interest with any cooperative.

8 **Sec. 12. Powers and Functions of the Administrator.** - The Administrator of
9 the Authority shall have the following powers and functions:

- 10 a) Prepare, consolidate and submit periodic reports for the consideration
11 of the Board;
- 12 b) Implement a human resource management system consistent with the
13 Civil Service Code that will promote professionalism and excellence in accordance
14 with sound principles of management;
- 15 c) Prepare the proposed annual and supplemental budget of the Authority
16 for the consideration and approval of the Board;
- 17 d) Report on the performance and accomplishment of the Authority to the
18 President and Congress of the Philippines on a periodic basis.
- 19 e) Represent the Authority in all undertakings and where its presence is
20 required; and
- 21 f) Perform such other functions as may be required by law.

22 **Sec. 13. Registration for Tax Exemption.** - The Authority shall furnish the
23 Bureau of Internal Revenue (BIR), LGUs which include provincial, highly urbanized
24 and independent cities, and other concerned agencies a certified list of duly registered
25 cooperatives for purposes of tax exemptions.

26 Any public official or employee who violates or in any manner circumvents
27 this provision shall be dealt with in accordance with Article 140 of the Philippine
28 Cooperative Code of 2008.

29 **Sec. 14. Prohibition.** - Except as provided for under Article 130 of the
30 Philippine Cooperative Code of 2008, the use by any person or organization of the
31 word "cooperative", "coop" "co-op" and "koop" in their business name, unless duly
32 registered with the Authority, shall be prohibited and shall be penalized under Article
33 140 of the Philippine Cooperative Code of 2008.

34 **Sec. 15. Settlement of Disputes.** - As far as practicable, disputes between and
35 among members, officers, and directors of cooperatives, and between and among
36 cooperatives shall be settled in accordance with Article 137 of Republic Act 9520, the

1 "Philippine Cooperative Code of 2008", and Republic Act No. 9285, the "Alternative
2 Dispute Resolution Act of 2004", and Section 4 (u) of this Act.

3 **Sec. 16. Training Standards for Cooperative Officers and Members.** - The
4 Authority, in partnership with learning and training institutions shall formulate
5 standards of training for cooperative officers and members to ensure compliance
6 thereof.

7 The Authority may accredit organizations other than cooperatives but duly
8 registered under Philippine laws and engaged in cooperative promotion,
9 organization, research and education, as non-academic training institutions.

10 Upon request, State Colleges and Universities (SUCs) shall provide technical
11 assistance and guidance to cooperatives in the communities where they are located.
12 The SUCs may engage the support and participation of unions and federations of
13 cooperatives in the implementation of this provision.

14 **Sec. 17. Partnership with the Cooperative Sector.** A strong partnership
15 between the Authority, the cooperative sector and the academe shall be established in
16 implementing the developmental functions of the Authority as stated under Section
17 4, paragraphs (a), (b), (aa), (bb), (cc), (dd), (ee), (ii) and (ll) of this Act to ensure the
18 maximum participation of the cooperative sector on matters of government plans,
19 projects and policies affecting cooperatives.

20 The Authority, the cooperative sector and the academe shall formulate
21 guidelines for the implementation of the partnership and the establishment of an
22 alliance of cooperatives representing all types and categories of cooperatives that shall
23 function as overall consultative and coordinating body with the Authority.

24 The Authority shall recognize cooperative unions and federations organized
25 under Sections 24 and 25 of RA 9520, of the Philippine Cooperative Code of 2008, and
26 shall issue guidelines to promote and develop these secondary cooperatives.

27 **Sec. 18. Cooperatives in the Education System.** - The history, philosophy,
28 concepts, values, principles and practices of cooperatives and their role in nation
29 building, shall be part of the curriculum of both in formal and non-formal education.

30 Notwithstanding existing laws, memoranda, and directives, cooperativism as
31 a tool for self-empowerment and nation building shall be included in the curricula of
32 senior students in all the secondary level institutions and in the syllabus of any social
33 and civic studies subjects.

34 Cooperatives development and administration may be offered as a field of
35 study in the baccalaureate, post baccalaureate and masteral programs in SUCs:
36 *Provided,* That SUCs may also offer the courses on a non-traditional approach under
37 the equivalency program of such SUCs accrediting the equivalent training that an
38 officer has undertaken to the relevant subject offering in the curriculum: *Provided,*

1 *further*, that in cases where the SUCs do not offer a separate academic program in
2 cooperative development and administration, the SUCs shall include a 3-unit subject
3 in the curricula of accountancy, agribusiness, agriculture, agricultural economics,
4 business, community development, economics, education, environmental sciences,
5 social sciences, political economy and other curricula that can be instrumental in the
6 development of cooperatives.

7 **Sec. 19. Cooperatives in the Agriculture Sector and Fishery Sector.** - The
8 promotion and development of agricultural, agrarian and aqua cooperatives: farmers,
9 dairy and fisher folk and, in coordination with the Department of Agriculture (DA)
10 and its attached agencies and government-owned and controlled corporation
11 (GOCCs), Department of Agrarian Reform (DAR), and National Commission on
12 Indigenous People (NCIP) and other government agencies shall be a priority program
13 of the Authority to ensure food security and reduce rural poverty.

14 **Sec. 20. Cooperatives in the Banking System.** - The promotion and
15 development of cooperative banks, as part of the banking system and of financial
16 service cooperatives as defined in the Philippine Cooperative Code of 2008, shall be a
17 special concern of the Authority which shall undertake the necessary program
18 towards this end in collaboration with the Bangko Sentral ng Pilipinas (BSP) and the
19 cooperative sector concerned.

20 **Sec. 21. Cooperatives Engaged in Services Covered by Other Laws.** -
21 Registered cooperatives shall secure the necessary licenses, franchises, certificate of
22 authority and permits from other appropriate agencies with jurisdiction over their
23 activities, if required by other existing laws, rules and regulations.

24 **Sec. 22. Reorganization of the Authority.** - The Authority shall be reorganized
25 within one hundred twenty (120) days from the effectivity of this Act in accordance
26 with Republic Act No. 6656, otherwise known as the "Act To Protect the Security of
27 Tenure of Civil Service Officers and Employees in the Implementation of Government
28 Reorganization".

29 **Sec. 23. Transitory Provisions.** - Upon the effectivity of this Act, the personnel
30 of the Authority shall, unless removed for cause and after due process, continue to
31 perform their duties and responsibilities and shall receive their corresponding salaries
32 and benefits.

33 The CDA created under Republic Act No. 6939 is hereby reorganized and its
34 employees are hereby absorbed in accordance with its staffing pattern, subject to Civil
35 Service Commission (CSC) laws, rules and regulations and DBM rules and
36 regulations: Provided, finally, that those who opt to retire or to separate from office
37 voluntarily shall be given separation pay computed based on DBM guidelines and
38 regulations.

1 The incumbent Chairperson and Administrators shall continue to serve and act
2 as Chairperson and Members of the Board up to the end of their term under Republic
3 Act No. 6939.

4 All assets and liabilities of the current CDA as well as the unexpended
5 appropriations shall be transferred to the reorganized CDA.

6 **Sec. 24. Appropriations.** - The amount necessary to implement this Act shall
7 be charged against the current year's budget of the Cooperative Development
8 Authority. Thereafter, the amount necessary for its continued implementation shall
9 be included in the annual General Appropriations Act.

10 **Sec. 25. Implementing Rules and Regulations.** - Within sixty (60) days, the
11 Board shall, in consultation with the cooperative sector and other concerned
12 government agencies, formulate the implementing rules and regulations for the
13 effective implementation of the provisions of this Act.

14 **Sec. 26. Information Campaign.** - The Authority is mandated to conduct a
15 massive information campaign on the provisions of this Act upon its effectivity.

16 **Sec. 27. The Joint Congressional Oversight Committee on Cooperatives**
17 **(JCOCC).** - The Joint Congressional Oversight Committee created under Article 138
18 of the Philippine Cooperative Code of 2008 shall monitor the implementation of this
19 Act and its implementing rules and regulation.

20 **Sec 28. Repealing Clause.** - Republic Act No. 6939, creating the Cooperative
21 Development Authority, is hereby repealed. All other laws, decrees, executive orders,
22 rules and regulations or parts thereof inconsistent with the provisions of this Act are
23 hereby amended or modified accordingly.

24 **Sec. 29. Separability Clause** - If for any cause, any part of this Act is declared
25 unconstitutional, the rest of the provisions shall remain in full force and effect.

26 **Sec. 30. Effectivity Clause.** - This Act shall take effect fifteen (15) days after its
27 publication in the Official Gazette or in at least two (2) newspaper of general
28 circulation.

29 Approved,