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}

SENATE

S. No. 2063

(In Substitution of Senate Bill Nos. 305, 1341 and 1934)

PREPARED BY THE COMMITTEES ON COOPERATIVES; CIVIL SERVICE, GOVERNMENT REORGANIZATION AND PROFESSIONAL REGULATION; FINANCE; AND WAYS AND MEANS WITH SENATORS ZUBIRI, AQUINO IV, ANGARA, GORDON, EJERCITO, PACQUIAO, HONASAN II AND GATCHALIAN AS AUTHORS THEREOF

AN ACT STRENGTHENING AND 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  
2 the “Cooperative Development Authority Charter of 2018”.

3 SEC. 2. *Declaration of Policy.* – It is hereby declared  
4 the policy of the State to promote the viability and growth  
5 of cooperatives as instruments of equity, social justice and  
6 economic development and to create an agency, in

1 fulfilment of the mandate in Section 15, Article XII of the  
2 1987 Constitution.

3         Toward this end, the State shall recognize  
4 cooperatives as associations organized for the economic  
5 and social betterment of their members, operating business  
6 enterprises based on mutual aid, and founded upon  
7 internationally accepted cooperative principles and  
8 practices. The State recognizes the Cooperative  
9 Development Authority (CDA) as primarily responsible for  
10 the institutional development and regulation of  
11 cooperatives through partnership with the cooperative  
12 sectors. Accordingly, the State recognizes the right of the  
13 cooperatives to initiate and foster within their own ranks  
14 cooperative promotion, organization, training, information  
15 gathering, audit and support services, with government  
16 assistance where necessary. In furtherance of this policy,  
17 the National Economic and Development Authority  
18 (NEDA) shall include the promotion of growth and  
19 expansion of cooperatives as major and indispensable  
20 components of national development plans. The

1 Department of Finance (DOF) shall provide the mechanism  
2 to ensure availability of resources to implement such plan.

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

13           SEC. 3. *Cooperative Development Authority (CDA).* –  
14 The Cooperative Development Authority (CDA) created  
15 under Republic Act No. 6939, hereinafter referred to as the  
16 Authority, is hereby strengthened and reorganized to carry  
17 out the provisions of this Act and those of Republic Act No.  
18 9520, otherwise known as the “Philippine Cooperative  
19 Code of 2008”.

1           The Authority shall have its national or head office in  
2 the National Capital Region (NCR), and shall maintain  
3 regional and provincial offices and in such places as the  
4 proper conduct of its business shall require. In the case of  
5 the NCR, the same shall be comprised of field district  
6 offices and shall maintain offices and branches in such  
7 other places as the proper conduct of its business shall  
8 require.

9           The Authority shall be an agency attached to the  
10 Office of the President for policy and program coordination.

11           SEC. 4. *Powers, Functions and Responsibilities.* – The  
12 Authority shall have the following powers and functions:

13           (a) Develop and formulate, in consultation with the  
14 cooperative sector and other concerned institutions,  
15 appropriate regulations, standards, rules, orders,  
16 guidelines and/or circulars to implement this Act and the  
17 Philippine Cooperative Code of 2008 to ensure the effective  
18 and sound operation of cooperatives;

19           (b) Formulate, adopt and implement integrated and  
20 comprehensive plans and programs on cooperative

1 development consistent with the national policy on  
2 cooperatives and establish an integrated framework on  
3 cooperative development for all government agencies;

4 (c) Register all cooperatives including amendments  
5 to the Articles of Cooperation and By-Laws (ACBL),  
6 division, merger, and consolidation.

7 (d) Authorize the establishment of branches and  
8 satellite offices of cooperatives;

9 (e) Issue Certificate of Recognition to organized  
10 Laboratory Cooperatives;

11 (f) Exercise supervision and jurisdiction over all  
12 types and categories of cooperatives registered with the  
13 Authority;

14 (g) Require the submission of annual reports,  
15 audited financial statements, and such reports in  
16 compliance with the Philippine Cooperative Code of 2008,  
17 in such forms as may be prescribed by the Authority;

18 (h) Create an information system from the reports  
19 and other documents submitted by cooperatives;

1 (i) Collect existing accounts receivables from the  
2 transfer of funds from the Department of Agriculture (DA)  
3 under Presidential Decree No. 175, as amended, and such  
4 other funds coursed through the Authority, or to otherwise  
5 enter into compromise agreements or the condonation of  
6 said accounts, subject to rules and regulations as may be  
7 prescribed by the Authority and the Commission on Audit  
8 (COA);

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

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

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

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

1 (n) Administer all grants and donations exclusively  
2 intended for cooperatives coursed through the Authority  
3 for cooperative development, without prejudice to the right  
4 of cooperatives to directly receive and administer such  
5 grants and donations upon agreement with the grantors  
6 and donors thereof;

7 (o) Conduct regular inspection or examination of a  
8 cooperative in accordance with the rules and regulations  
9 promulgated by the Authority and, when deemed  
10 necessary, conduct examination and investigation to  
11 protect the interest and welfare of the members of  
12 cooperatives and the general public.

13 For this purpose, the assistance of the local  
14 government units (LGUs)/Cooperative Development Offices  
15 (CDOs), cooperative federations and unions may be  
16 requested by the Authority;

17 (p) Conduct investigations, file necessary charges,  
18 discipline, suspend and/or remove erring officers and  
19 members for violation of cooperative laws, rules,  
20 regulations, issuance of the Authority, the ACBL, after due

1 process, and direct the general assembly to replace the  
2 suspended/removed officers, in accordance with the rules  
3 and regulations as may be promulgated by the Authority;

4 (q) Order the suspension or cancellation of the  
5 Certificate of Registration of cooperatives and/or the  
6 revocation of the Letter of Authority and/or Certificate of  
7 Authority to establish and operate satellite or branch  
8 offices, respectively, after due notice and hearing for  
9 noncompliance with lawful orders, rules and regulations of  
10 the Authority, including the ACBL of the cooperative  
11 subject to conditions as defined in the implementing rules  
12 and regulations (IRR) of this Act;

13 (r) Order the dissolution and liquidation of  
14 cooperatives as well as the transfer of all or substantially  
15 all of their assets and liabilities;

16 (s) Compel the cooperative to call a general or  
17 representative assembly, as deemed necessary, under the  
18 supervision of the Authority with the participation of their  
19 respective cooperative federations and/or unions, subject to



1 the criteria or conditions to be defined in the IRR issued for  
2 this purpose;

3 (t) Hear and decide inter-cooperative and intra-  
4 cooperative disputes, controversies and/or conflicts,  
5 without prejudice to filing civil and criminal cases by the  
6 parties concerned before the regular courts: *Provided*, That  
7 all decisions of the CDA are appealable directly to the  
8 Court of Appeals;

9 (u) Adopt and implement a dispute resolution  
10 mechanism that will settle conflicts between and among  
11 members, officers, and directors of cooperatives, and  
12 between and among cooperatives in accordance with  
13 Article 137 of Republic Act No. 9520, the "Philippine  
14 Cooperative Code of 2008", and Republic Act No. 9285, the  
15 "Alternative Dispute Resolution Act of 2004", however, in  
16 case of election related issues, the aggrieved party may  
17 elevate the case for adjudication to the Authority without  
18 need to go through alternative dispute resolution;

19 (v) Issue cease and desist orders to cooperatives, and  
20 other necessary orders/notices to preserve the assets and

1 documents of the cooperatives subject of the disputes or  
2 litigations;

3 (w) Issue subpoena and summon witnesses to appear  
4 and produce documents in any proceedings of the  
5 Authority and in appropriate cases, order the examination  
6 of all documents, papers, files and records of any  
7 cooperative or person under investigation as may be  
8 necessary for the proper disposition of cases before it;

9 (x) Cite for contempt any person guilty of  
10 misconduct in the presence of the Authority which  
11 seriously interrupts any hearing or inquiry and impose a  
12 fine of not more than Five thousand pesos (P5,000.00) or  
13 imprisonment of not more than ten (10) days, or both. Acts  
14 constituting indirect contempt as defined under Rule 71 of  
15 the Rules of Court shall be punished in accordance with  
16 the said Rule;

17 (y) Implement and enforce its decision and orders  
18 with the assistance of deputized law enforcement agencies  
19 or the LGU concerned as may be necessary;

1           (z) Recognize an apex organization or national  
2 alliance representing all types and categories of  
3 cooperatives which shall function as the overall  
4 consultative and coordinating body with the Authority, for  
5 this purpose, the pertinent provisions of the Philippine  
6 Cooperative Code of 2008 are hereby amended accordingly;

7           (aa) Establish a consultative mechanism consistent  
8 with Section 18 in order to provide the cooperative sector a  
9 system to ensure participation on matters concerning  
10 government plans, programs, and policies affecting  
11 cooperatives;

12           (bb) Coordinate with the provincial, city, or  
13 municipal cooperative offices the adoption and  
14 implementation of national plans, programs and policies on  
15 cooperative development, and to establish partnership in  
16 the promotion, organization, and development of  
17 cooperatives within the jurisdiction of the LGUs;

18           (cc) Establish the formation and organization of  
19 cooperative development councils in the national, regional,  
20 provincial, city and municipal levels in order to provide the

1 cooperative movement a system for policy consultation and  
2 program coordination in accordance with the guidelines to  
3 be prescribed by the Authority;

4 (dd) Collaborate with concerned agencies to provide  
5 technical, professional and marketing assistance to ensure  
6 the viability, growth, competitiveness and innovativeness  
7 of cooperatives, giving special concern for agriculture,  
8 fishery and the economically depressed sectors;

9 (ee) Provide assistance on cooperative product  
10 development and facilitate their marketing both in the  
11 domestic and international market in coordination with  
12 the concerned agencies;

13 (ff) Represent the CDA in the sectoral and Regional  
14 Development Council (RDC) as a regular voting member  
15 thereof;

16 (gg) Establish linkages with the academe and other  
17 institutions, both local and international, for education,  
18 training and research for cooperatives;

1           (hh) Formulate, adopt and implement an educational  
2     and technological exchange program both in domestic or  
3     international levels;

4           (ii) Formulate, adopt and implement, in a manner  
5     consistent with Section 17 of this Act, a standard of  
6     training for cooperative officers or members which shall  
7     focus on basic cooperative principles and values, good  
8     governance, business and entrepreneurial management,  
9     human resource management, risk management, conflict  
10    management, and technical skills required for the efficient  
11    and effective operations of the cooperatives;

12          (jj) Establish and maintain a continuing educational  
13    and capability-building program for the Authority;

14          (kk) Develop and conduct management and training  
15    programs that will provide members of cooperatives with  
16    entrepreneurial capabilities, managerial expertise, know-  
17    how on value chain, and technical skills required for the  
18    efficient operation of their cooperatives and inculcate in  
19    them the true spirit of cooperativism, and provide when  
20    necessary, technical and professional assistance to ensure

1 the viability and growth of cooperatives with special  
2 concern for agrarian reform, fishery and economically  
3 depressed sectors;

4 (ll) To represent CDA as voting member in the  
5 governing board of the Landbank of the Philippines (LBP)  
6 to advance cooperative development; and

7 (mm) Exercise such other powers and functions as  
8 may be necessary to implement the provisions of this Act  
9 and of the Philippine Cooperative Code of 2008.

10 SEC. 5. *Members of the Board.* – The Authority shall  
11 have a Board, which shall be the collegial policy-making  
12 body of the Authority. It shall be composed of the  
13 Chairperson, and six (6) members of the Board, all of  
14 whom shall be appointed by the President, chosen from  
15 among the nominees of the cooperative sector with one (1)  
16 Board Member from each of the following representing a  
17 cluster of cooperatives:

18 (a) Credit and financial services, banking and  
19 insurance

20 (b) Consumers, marketing, producers, and logistics

1           (c) Human services: health, housing, workers, and  
2 labor service

3           (d) Education and advocacy

4           (e) Agriculture, agrarian and aquatics: farmers,  
5 dairy, and fisherfolk

6           (f) Public utilities: electricity, water, communications,  
7 and transport

8           The Secretaries of the DOF and the Department of  
9 the Interior and Local Government (DILG) shall serve as  
10 *ex officio* members of the Board. The *ex officio* members  
11 shall have the same voting rights as that of the regular  
12 members of the Board. The *ex officio* members shall not  
13 receive additional remuneration except *per diem* on Board  
14 meetings actually attended.

15           The Chairperson of the Board shall have the rank  
16 and privileges of an Undersecretary, while the members  
17 shall have the ranks and privileges of an Assistant  
18 Secretary.

19           The Secretaries of the DOF and the DILG as *ex officio*  
20 members of the Board may designate an alternate in a

1 permanent capacity who shall be at least Assistant  
2 Secretary in rank and whose acts shall be considered as  
3 the acts of the principal.

4 There shall be at least one (1) lawyer member of the  
5 Board, and, as far as practicable, gender balance be  
6 observed in the membership of the Board.

7 *SEC. 6. Powers and Functions of the Board.* – The  
8 Board as a collegial body shall be responsible for policy  
9 formulation, strategic planning and direction setting of the  
10 agency and shall exercise the following functions:

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

14 (b) Adopt IRR for the conduct of the internal  
15 operations of the Authority;

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

18 (d) Approve the work and financial plan of the  
19 Authority;



1 (e) Provide overall direction to the Authority,  
2 defining the respective roles of the national government  
3 agencies (NGAs), LGUs, people's organizations, private  
4 sector and nongovernment organizations (NGOs) in the  
5 promotion and development of the cooperative sector;

6 (f) Approve annual, medium-term and long-term  
7 cooperative development plans of the Authority consistent  
8 with the over-all socio-economic development policy of the  
9 national government;

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

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

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

1 (j) Approve and submit the annual proposed budget  
2 of the Authority to the President through the Department  
3 of Budget and Management (DBM); and

4 (k) Formulate rules and regulations and exercise  
5 such other powers as may be required to implement the  
6 objectives of this Act.

7 SEC. 7. *Qualifications of the Chairperson and the*  
8 *Members of the Board.* – The Chairperson and the  
9 Members of the Board must possess the following  
10 qualifications:

11 (a) Natural-born Filipino citizen;

12 (b) Holder of any bachelor's degree;

13 (c) With five (5) years of experience as an officer of a  
14 cooperative in the cluster that he or she represents; and

15 (d) Shall be residents of the Philippines for at least  
16 five (5) years prior to appointment.

17 Any person appointed as Chairperson or Member of  
18 the Board shall, upon appointment, divest himself or  
19 herself of any direct or indirect pecuniary interest or  
20 dealings with any cooperative.

1           SEC. 8. *Term of Office.* – The Chairperson and  
2 Members of the Board shall serve for a term of six (6)  
3 years, without reappointment: *Provided, That,* an  
4 appointed chairperson or a board member who has served  
5 for less than one-half (1/2) of the full term shall be eligible  
6 for reappointment.

7           SEC. 9. *Removal from Office.* – The Chairperson and  
8 the Members of the Board may be removed from office for  
9 cause.

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

17          The meeting shall be presided by the Chairperson.  
18 However, in the absence of the Chairperson, the most  
19 senior Member of the Board in terms of appointment shall  
20 serve as the Acting Presiding Officer, or in his absence the

1 Board shall elect from among themselves an Acting  
2 Presiding Officer.

3 All regular and special meetings of the Board shall be  
4 held at the head office of the Authority or in any other  
5 place as may be determined by the Board.

6 SEC. 11. *Office of the Administrator.* - The  
7 Administrator of the Authority shall be the Chief  
8 Executive Officer (CEO) and shall be appointed by the  
9 President from among the recommendees of the Board, and  
10 shall have the rank of Assistant Secretary. The  
11 Administrator who shall be a career officer, shall execute  
12 and administer the policies, decisions, orders and  
13 resolutions approved by the Board and shall have the  
14 general executive direction and supervision of the work  
15 and operation of the Authority.

16 The Administrator shall be assisted by five (5)  
17 Deputy Administrators who will be assigned to the  
18 following specific concerns:

- 19 (a) General Administration and Support Services;  
20 (b) Developmental Services;

- 1 (c) Legal Affairs;
- 2 (d) Registration, Supervision and Examination; and
- 3 (e) Credit Surety Fund (CSF).

4 SEC. 12. *Qualifications of the Administrator.* – The  
5 Administrator must possess the following qualifications:

- 6 (a) Natural-born Filipino citizen;
- 7 (b) Holder of any bachelor's degree;
- 8 (c) Must possess the necessary Civil Service  
9 Eligibility; and
- 10 (d) With five (5) years of experience as an officer of a  
11 cooperative or official or employee in a government office or  
12 nongovernmental organization dealing with cooperatives.

13 Any person appointed as Administrator shall, upon  
14 appointment, divest himself or herself of any direct or  
15 indirect pecuniary interest or dealings with any  
16 cooperative.

17 SEC. 13. *Powers and Functions of the Administrator.*  
18 – The Administrator of the Authority shall have the  
19 following powers and functions:

1 (a) Prepare, consolidate and submit periodic reports  
2 for the consideration of the Board;

3 (b) Implement a human resource management  
4 system in accordance to existing Civil Service laws, rules  
5 and regulations that will promote professionalism and  
6 excellence in accordance with sound principles of  
7 management;

8 (c) Prepare the proposed annual and supplemental  
9 budget of the Authority for the consideration and approval  
10 of the Board;

11 (d) Submit report to the President of the Philippines  
12 and Congress on the performance and accomplishment of  
13 the Authority on an annual basis;

14 (e) To appoint personnel lower than the deputy  
15 administrators; and

16 (f) Perform such other functions as may be required  
17 by law.

18 SEC. 14. *Registration for Tax Exemption.* – The  
19 Authority shall furnish the Bureau of Internal Revenue  
20 (BIR), LGUs which include provincial, highly urbanized

1 and independent cities, and other concerned agencies a  
2 certified list of duly registered cooperatives for purposes of  
3 tax exemptions.

4 Any public official or employee who violates or in any  
5 manner circumvents this provision shall be dealt with in  
6 accordance with Article 140 of the Philippine Cooperative  
7 Code of 2008.

8 SEC. 15. *Prohibition.* – Except as provided for under  
9 Article 130 of the Philippine Cooperative Code of 2008, the  
10 use by any person or organization of the word  
11 “cooperative”, “coop”, “co-op” and “koop” in their business  
12 name, unless duly registered with the Authority, shall be  
13 prohibited and shall be penalized under Article 140 of the  
14 Philippine Cooperative Code of 2008.

15 SEC. 16. *Settlement of Disputes.* – As far as  
16 practicable, disputes between and among members,  
17 officers, and directors of cooperatives, and between and  
18 among cooperatives shall be settled in accordance with  
19 Article 137 of Republic Act No. 9520, the “Philippine  
20 Cooperative Code of 2008”, and Republic Act No. 9285, The

1 "Alternative Dispute Resolution Act of 2004", and Section  
2 4(u) of this Act.

3       SEC. 17. *Training Standards for Cooperative Officers*  
4 *and Members.* – The Authority, in partnership with  
5 learning and training institutions with the cooperative  
6 sector, shall formulate standards of training requirements  
7 for cooperative officers and members to ensure compliance  
8 thereof.

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

13       Upon request of cooperatives, State colleges and  
14 universities (SUCs) shall provide technical assistance and  
15 guidance to cooperatives in the communities where they  
16 are located. The SUCs may engage the support and  
17 participation of unions and federations of cooperatives in  
18 the implementation of this provision.

19       SEC. 18. *Partnership with the Cooperative Sector.* – A  
20 strong partnership between the Authority and the



1 cooperative sector and the academe shall be established in  
2 implementing the developmental functions of the authority  
3 as stated herein Section 4, paragraphs (a), (b), (aa), (bb),  
4 (cc), (dd), (ee), (ii), and ll and Section 17 to ensure the  
5 maximum participation of the cooperative sector on  
6 matters of government plans, projects and policies  
7 affecting cooperatives.

8 The Authority and the cooperative sector and the  
9 academe shall formulate guidelines for the implementation  
10 of the partnership that may give rise to the recognition of  
11 an apex organization or national alliance representing all  
12 types and categories of cooperatives, as provided for under  
13 Section 4(z) of this Act, that shall function as overall  
14 consultative and coordinating body with the Authority.

15 The Authority shall recognize cooperative unions and  
16 federations registered under Articles 24 and 25 of the  
17 Philippine Cooperative Code of 2008, and issue guidelines  
18 to promote and develop these secondary cooperatives.

19 SEC. 19. *Cooperatives in the Education System.* – The  
20 history, philosophy, concepts, values, principles and

1 practices of cooperatives and their role in nation building,  
2 shall be part of the curriculum of both in formal and non-  
3 formal education.

4 Notwithstanding existing laws, memorandum orders  
5 and directives, cooperativism as a tool for self-  
6 empowerment and nation building shall be included in the  
7 curricula of senior students in all the secondary  
8 educational institutions and in the syllabus of any social  
9 and civic studies subject in the K-12 level.

10 Cooperatives development and administration may be  
11 offered as a field of study in the baccalaureate, post  
12 baccalaureate and masteral programs in SUCs: *Provided*,  
13 That SUCs may also offer the courses on a non-traditional  
14 approach under the equivalency program of such SUCs  
15 accrediting the equivalent training that an officer has  
16 undertaken to the relevant subject offering in the  
17 curriculum: *Provided, further*, That in cases where the  
18 SUCs do not offer a separate academic program in  
19 cooperative development and administration, the SUCs  
20 shall include a 3-unit subject in the curricula of

1 accountancy, agribusiness, agriculture, agricultural  
2 economics, business, community development, economics,  
3 education, environmental sciences, social sciences, political  
4 economy and other curricula that can be instrumental in  
5 the development of cooperatives.

6       SEC. 20. *Cooperatives in the Agriculture and Fishery*  
7 *Sector.* – The promotion and development of agricultural,  
8 agrarian and aqua cooperatives, farmers, dairy and  
9 fisherfolk in coordination with the Department of  
10 Agriculture (DA) and its attached agencies and  
11 government-owned and -controlled corporation  
12 (GOCCs), Department of Agrarian Reform (DAR), National  
13 Commission on Indigenous People (NCIP) and other  
14 government agencies shall be a priority program of the  
15 Authority to ensure food security and reduce rural poverty.

16       SEC. 21. *Cooperatives in the Banking System.* – The  
17 promotion and development of cooperative banks, as part  
18 of the banking system and of financial service cooperatives  
19 as defined in the Philippine Cooperative Code of 2008,  
20 shall be a special concern of the Authority which shall

1 undertake the necessary program towards this end in  
2 collaboration with the *Bangko Sentral ng Pilipinas* (BSP)  
3 and the cooperative sector concerned.

4       SEC. 22. *Cooperatives Engaged in Services Covered by*  
5 *Other Laws.* – Registered cooperatives shall secure the  
6 necessary licenses, franchises, certificate of authority and  
7 permits from other appropriate agencies with jurisdiction  
8 over their activities, if required by other existing laws,  
9 rules and regulations.

10       SEC. 23. *Reorganization of the Authority.* – The  
11 Authority shall be reorganized within one hundred twenty  
12 (120) days from the effectivity of this Act.

13       SEC. 24. *Transitory Provisions.* – Upon the effectivity  
14 of this Act, the personnel of the Authority shall, unless  
15 removed for cause and after due process, continue to  
16 perform their duties and responsibilities without  
17 diminution of their rank, salaries and other emoluments.

18       The CDA created under Republic Act No. 6939 is  
19 hereby reorganized and its employees are hereby absorbed  
20 in accordance with its staffing pattern, subject to Civil

1 Service Commission (CSC) laws, rules and regulations and  
2 DBM rules and regulations: *Provided, finally,* That those  
3 who opt to retire or to separate from office voluntarily shall  
4 be given separation pay computed based on DBM  
5 guidelines and regulations.

6 The incumbent Chairperson and Administrators shall  
7 continue to serve until the expiration of their term  
8 pursuant to Republic Act No. 6939.

9 All assets and liabilities of the current CDA as well as  
10 the unexpended appropriations shall be transferred to the  
11 reorganized CDA.

12 SEC. 25. *Appropriations.* – The amount necessary for  
13 the implementation of this Act shall be included in the  
14 annual General Appropriations Act.

15 SEC. 26. *The Joint Congressional Oversight*  
16 *Committee on Cooperatives (JCOCC).* – The Joint  
17 Congressional Oversight Committee created under Article  
18 138 of the Philippine Cooperative Code of 2008 shall  
19 review and monitor the implementation of this Act.

1           SEC. 27. *Implementing Rules and Regulations (IRR).*

2   – The Board shall, in consultation with the cooperative  
3   sector and other concerned government agencies, formulate  
4   the IRR within ninety (90) days upon the effectivity of this  
5   Act. The IRR shall take effect within fifteen (15) days after  
6   publication in the *Official Gazette* or in two (2) newspapers  
7   of general circulation. All subsequent amendments to the  
8   IRR shall also be published before taking effect.

9           SEC. 28. *Information Campaign.* – The Authority is  
10   mandated to conduct a massive information campaign on  
11   the provisions of this Act.

12           SEC. 29. *Repealing Clause.* – Republic Act No. 6939,  
13   creating the Cooperative Development Authority, is hereby  
14   repealed. All other laws, decrees, executive orders, rules  
15   and regulations or parts thereof inconsistent with the  
16   provisions of this Act are hereby amended or modified  
17   accordingly.

18           SEC. 30. *Separability Clause.* – If for any cause, any  
19   part of this Act is declared unconstitutional, the rest of the  
20   provisions shall remain in full force and effect.

1           SEC. 31. *Effectivity.* – This Act shall take effect fifteen  
2 (15) days after its complete publication in the *Official*  
3 *Gazette* or in at least two (2) newspaper of general  
4 circulation.

Approved,