

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. 2097

Introduced by HON. AMADO T. ESPINO, JR.

EXPLANATORY NOTE

The Local Government Code of 1991 effectively devolved the responsibility of delivering basic social services from the national government to the local government units. The law gave the local units the much needed latitude to chart their own course, taking into account the prevailing situation in the locality and consistent with the national agenda.

Specifically, the Code mandated the LGUs to be at the frontline in the anti-poverty program of government through the provision of appropriate and responsive interventions to ensure and promote the welfare and development of the people. Critical in this effort is local development planning, that area which identifies priorities for investments in the strategic, medium and long-term.

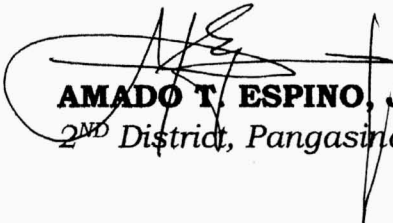
One of the main focuses of local development planning is human resources development, investing in human capital and capability-building efforts to meet the demands of the times. And integral in human resource development is technical-vocational education and training.

It is therefore the intent of this House Bill to institutionalize skills development planning at the local government units. The formulation and implementation of a comprehensive skills blueprint to be incorporated in the municipal, city or provincial development plan springs from the need to address the prevailing problems of limited education and employment opportunities in both rural and urban areas, of the marginalized and disadvantaged sectors and communities.

Further, the law would put in place an institutional arrangement where concerned national agencies, the local governments, non-

government organizations, the industry, the tech-voc institutions, socio-civic groups and other members of civil society are tapped to achieve the objectives of the Act. Also, the skills plan would encompass development activities such as needs assessment, labor market information, skills and entrepreneurial trainings, incentives mechanisms, among other things.

Accordingly, corresponding funds from the Internal Revenue Allotment of the local units, specifically from the 20% local development fund, shall be appropriated by this Act to operationalize the local skills development plan.



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**AN ACT TO INSTITUTIONALIZE SKILLS DEVELOPMENT
PLANNING AT THE LOCAL LEVEL, APPROPRIATING
FUNDS THEREFOR AND FOR OTHER PURPOSES**

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

SECTION 1. **Title.** This Act shall be known as the
“**Institutionalization of Local Skills Development Planning Act of
2004**”.

SECTION 2. **Declaration of Policy.** It is hereby declared the policy
of the State to ensure efficient allocation in the development of highly
skilled manpower through technical education and skills development
programs and thereby assist in the utilization of skills through effective
employment oriented initiatives and strategies.

SECTION 3. **Objectives.** This Act shall have the following
objectives:

- a) Develop the capabilities through training interventions of
partners in the local government units and in the formulation,
implementation, evaluation and revision of the skills
development plan as regards Section 21 of R.A. 7796 and
Section 284 of the Local Government Code;
- b) Maximize available but often limited resources, develop and
implement a comprehensive skills development plan that is
responsive to the current needs of the community and
consequently institutionalizing it at the local level as a
component of the municipality, city, provincial development;

- c) Recognize, solicit and enjoin the participation of concerned local and national government agencies and non-government agencies in the promotion and implementation of the skills development plan;
- d) Develop local technical-vocational education and training policies and programs that will enhance or enable less privileged individuals to become contributors to the development of their community;
- e) Develop target clientele through skills training and assist in the utilization of skills through micro-entrepreneurial activities as one gateway to community development;
- f) Provide assistance in events that will showcase the skills of target clientele; and
- g) Provide incentive mechanisms to recognize exceptionally skilled clienteles and assist them in the utilization of skills through employment either in wage or self-employment.

SECTION 4. **Definition of Terms.** For purposes of this Act, the following terms shall mean:

- a) "Skills" refers the acquired and practiced ability to carry out a task or job.
- b) "Skills Development" refers to the process through which the learners and workers are systematically provided with learning opportunities to acquire or upgrade or both their ability, knowledge and behavior pattern required as qualifications for a job or range of jobs on a given occupational area;
- c) "Technical Vocational Education" refers to the education process designed at post secondary and lower tertiary levels, officially recognized as non-degree programs aimed at preparing technicians, para-professionals and other categories of middle-level workers by providing them with a broad range of general education, theoretical, scientific and technological studies and related job skills training.
- d) "Skills Development Planning" refers to the process of properly identifying market and employment oriented programs through environment scanning and needs assessment in order to

maximize the localities available manpower and natural resources for community development.

SECTION 5. ***Institutionalization of Local Skills Development Planning.*** Local skills development plan, hereafter referred to as Plan, is hereby institutionalized in the Philippines in accordance with the provisions of this Act.

SECTION 6. ***Coverage.*** The Plan shall cover various development efforts and activities such as:

- a) Needs Assessment/Environmental Scanning
- b) Labor Market Information/Relevant Researchers for Policy/Program Formulation
- c) Skills/Entrepreneurial Training
- d) Incentives Development/Mechanisms

SECTION 7. ***Formulation of Skills Development Plan.*** All provinces, cities and municipalities shall prepare a Skills Development Plan addressing the skills development activities of the locality following Section 16 on General Welfare and Section 17 on Basic Services and Facilities of the Local Government Code of the Philippines and other related provisions.

The Plan shall be formulated through the contributory efforts of the local government units, the Technical Education and Skills Development Authority (TESDA) and other national government agencies, identified industrial firms, non-government organizations (NGOs) and other entities in consideration of community needs, market and employment-oriented skills development interventions.

The formulation of the Plan shall follow the regular planning and budget calendar of the local government units. The Plan shall be anchored on existing long-term, medium-term and strategic local plans.

SECTION 8. ***Integration of the Plan.*** All local government units shall integrate skills development concerns in the formulation of the Comprehensive Development Plan, Annual Investment Plan and the Comprehensive Land Use Plan.

It is the responsibility of the Provincial, City and Municipal Planning Development Coordinators and the Community Training and Employment Coordinators to ensure that skills development programs, projects and activities are integrated in the local planning process: background profile, physical study, sectoral reports and local investment

program. Such programs, projects and activities will be consolidated to represent the local Skills Development Plan.

SECTION 9. **Implementation of the Plan.** All local government units shall create, when there is none within the existing structure of the local level, a unit/section which will be tasked to implement the Plan. Corresponding staff shall be assigned to supervise, handle and enhance local skills development planning and manpower development.

All local government units shall ensure that the Plan implemented is responsive to and responsive of the spirit and intent of the Local Government Code of 1991.

SECTION 10. **Monitoring and Evaluation of the Plan and Its Implementation.** The Department of the Interior and Local Government (DILG) and TESDA shall be tasked to monitor and evaluate the implementation of the local Plans.

SECTION 11. **Appropriations.** All local government units, taking into consideration their income classification, shall appropriate funds from its Internal Revenue Allotment specifically from the 20% local development fund for the implementation of the Plan.

Appropriations may also come from internal/local sources and grants/loans from external and foreign funding agencies.

The Department of Budget and Management (DBM) shall provide technical assistance to the local units to ensure resource allocation.

SECTION 12. **Amendatory Provision.** This Act amends pertinent provisions of the Local Government Code of 1991 and Republic Act 7796.

SECTION 13. **Separability Clause.** If for any reason any provision of this Act is declared invalid or unconstitutional, the rest shall not be affected thereby.

SECTION 14. **Repealing Clause.** All laws, decrees, orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 15. **Effectivity.** This Act shall take effect after completion of its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved.