

TWENTIETH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



HOUSE OF REPRESENTATIVES
H. No. 1858

Introduced by **Representative Binky April M. Tupas**

AN ACT
CREATING THE DEPARTMENT OF TECHNICAL EDUCATION
TRAINING AND CERTIFICATION (DepTeTC), APPROPRIATING
FUNDS THEREFOR, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The Technical Education and Skills Development Authority (TESDA) was established through the enactment of Republic Act No. 7796 otherwise known as the "Technical Education and Skills Development Act of 1994" with the aim to encourage the full participation of and mobilize the industry, labor, local government units and technical vocational institutions in the skills development of the country's human resources.

The said Act integrated the functions of the former National Manpower and Youth Council (NMYC), the Bureau of Technical-Vocational Education of the Department of Education, Culture and Sports (BTVE-DECS) and the Office of Apprenticeship of the Department of Labor and Employment (DOLE) as a result of a national review of the state of Philippine education and manpower development which was undertaken by the Congressional Commission on Education back in 1991.

TESDA has been the leading authority managing technical skills education in the Philippines. Its major thrust is the formulation of a comprehensive development plan for middle-level manpower based on the National Technical Education and Skills Development Plan that includes apprenticeship, dual training system and other similar schemes.

TESDA is also improving its language course offerings in partnership with foreign embassies and international organizations consistent with the strategy to reposition technical vocational education and training (TVET) for global competitiveness. The language-related courses —Arabic, Mandarin, Korean, Italian and French —will be added to the existing courses under its National Skills Language Center (NLSC).

President Ferdinand Marcos Jr. said in his inaugural address on June 30 that “sharpening the language skills” of Filipino workers, including Overseas Filipino Workers (OFWs), is important to give them the advantage to survive and thrive in foreign countries.

It is imperative to review R.A. No. 7796 and empower the TESDA with the status of an executive department. This bill seeks to create the Department of Technical Education Training and Certification. The TESDA shall be subsumed under the said new Department. This new Department shall be the primary policy formulation, planning, coordinating, implementing, regulating and administrative entity of the government for technical education, training, and certification policies, plans and programs. It shall now be headed by a Secretary with three (3) Undersecretaries and three (3) Assistant Secretaries. There will be regional offices headed by Regional Directors. The existing TESDA Secretariat would be enlarged and empowered more.

With this proposed measure, the TESDA will be strengthened as an institution. It will have a better capacity to fulfill its mandate as the leading partner in the development of the Filipino workforce with world-class competence and positive work values.

The immediate passage of this bill is earnestly sought.


BINKY APRIL M. TUPAS

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

SECTION 1. *Short Title.* - This Act shall be known as the "Department of Technical Education Training and Certification (DepTeTC)."

SEC. 2. *Declaration of Policy and Objectives.* — It is hereby declared the policy of the State to provide relevant, accessible, high quality and efficient technical education, training and certification in support of the development of high-quality Filipino manpower responsive to and in accordance with Philippine development goals and priorities.

The State shall encourage active participation of various concerned sectors, public as well as private tech-voc institutions particularly private enterprises, being direct participants in and immediate beneficiaries of a technically educated and trained workforces, in providing technical education services and training opportunities.

It is the goal and objective of this Act to:

- a. Promote and strengthen the quality of technical education and training programs to attain global competitiveness.
- b. Focus technical education and training and certification on meeting the changing demands for quality manpower particularly in support of the industrialization thrust of the country;
- c. Encourage critical and creative thinking by disseminating the scientific and technical knowledge base of manpower development programs;

- d. Recognize and encourage the complementary roles of public and private institutions in technical education and skills development and training systems;
- e. Inculcate desirable values through the development of moral character with emphasis on work ethic, self-discipline, self-reliance, and nationalism;
- f. Strongly support the implementation of the Philippine Qualification Framework (E.O. 83 s. 2012), the Ladderized Education Program (RA 10647) and the Dual Technical Training System (R.A. 7686);
- g. Maximize returns to the country's investment in technical education and training through an efficient graduates' employment facilitation program within the framework of the national employment service network system; and
- h. Help in the poverty alleviation efforts by providing the marginalized and vulnerable segments of the country's population access to income generating Technical Education and Training opportunities.

SEC. 3. *Definition of Terms.* — As used in this Act:

- a. "Skill" shall mean the acquired and practiced ability to carry out a task or job;
- b. "Skills Development" shall mean the process through which 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 in a given occupational area.
- c. "Technical Education" shall refer to the education process designed at upper secondary and lower tertiary levels, aligned with the levels of the PQF, with the pathways to higher education through the credit transfer system based on learning outcomes aimed at preparing technicians, technologists, para-professionals and other categories of workers and/or entrepreneurs by providing them with a broad range of general education, theoretical, scientific and technological studies, and related job skills training.
- d. "Trade" shall mean any group of interrelated jobs or any occupation which is traditionally or officially recognized as craft or artisan in nature requiring specific qualifications that can be acquired through work experience and/or training.
- e. "Middle-Level Manpower" refers to those:

- i. who have acquired practical skills and knowledge through formal or non-formal education and training equivalent to at least a secondary education but preferably at post-secondary education with a corresponding degree of diploma; or
 - ii. skilled workers who have become highly competent in their trade or craft as attested by industry.
- f. "Private Enterprises" refers to an economic system under which property of all kinds can be privately owned and in which individuals, alone or in association with another, can embark on a business activity. This includes industrial, agricultural, or agro-industrial establishments engaged in the production, manufacturing, processing, repacking or assembly of goods including service-oriented enterprises.
- g. "Trainers" shall mean persons who direct the practice of skills towards immediate improvement in some tasks.
- h. "Training" is teaching or developing oneself or others, any skills and knowledge that relate to specific useful competencies.
- i. "Trainors/trainers" shall mean persons who provide training to trainers aimed at developing the latter's capacities for imparting attitudes, knowledge, skills and behavior patterns required for specific jobs, tasks, occupations or group of related occupations.
- j. "Trainees" shall mean persons who are participants in a vocational, administrative or technical training program for the purpose of acquiring and developing job-related skills.
- k. "Apprenticeship" training within employment with compulsory related theoretical instruction involving a contract between an apprentice and an employer on an approved apprenticeable occupation.
- l. "Apprentice" is a person undergoing training for an approved apprenticeable occupation during an apprenticeship agreement.
- m. "Apprenticeship Agreement" is a contract wherein a prospective employer binds himself to train the apprentice who in turn accepts the terms of training for a recognized apprenticeable occupation emphasizing the rights, duties and responsibilities of each party.
- n. "Apprenticeable Occupation" is an occupation officially endorsed by a tripartite body and approved for apprenticeable by the Authority.

- o. "Learners" refers to persons hired as trainees in semi-skilled and other industrial occupations which are non-apprenticeable. Learnership programs must be approved by the Authority.
- p. "User-Led" or "Market-Driven Strategy" refers to a strategy which promotes strengthened linkages between educational/training institutions and industry to ensure that appropriate skills and knowledge are provided by the educational system.
- q. "Dual System/Training" refers to a delivery system of quality technical and vocational education which requires training to be carried out alternately in two venues: in-school and in the production plant. In-school training provides the trainee the theoretical foundation, basic training, guidance, and human formation, while in-plant training develops his skills and proficiency in actual work conditions as it continues to inculcate personal discipline and work values.
- r. "Levy Grant System" refers to a legal contribution from participating employers who would be beneficiaries of the program (often as a percentage of the payroll) which is subsequently turned over or rebated to enterprises offering employee training programs.
- s. "Leading Technology Centers" refers to centers that provide high quality and efficient technical education, training and certification in support of the development of high-quality Filipino manpower responsive to and in accordance with Philippine development goals and priorities.
- t. "Philippine Qualifications Framework (PQF)" is a national policy which describes the levels of educational qualifications and sets the standards for qualifications outcomes. It is a quality assured national system for the development, recognition, and award of qualifications based on standards of knowledge, skills, and values acquired in different ways and methods by learners and workers of a certain country.
- u. "Laddered education" refers to the harmonization of all education and training mechanisms that allow students and workers to progress between technical vocational programs and higher education programs, or vice-versa. It opens opportunities for career and educational advancement to students and workers. It creates a seamless and borderless education and training system that will allow transfers in terms of flexible entry and exit between technical-vocational and higher education programs in the post-secondary school system.

SEC. 4. Creation of a Department of Technical Education and Training (DepTeTC). — There is hereby created a Department of

Technical Education and Training (DepTeTC), hereinafter referred to as the Department, which shall replace and absorb the Technical Education and Skills Development Authority (TESDA) created under Republic Act No. 7796, as amended, and implement the policies of this Act.

SEC. 5. *Jurisdiction of the Department* — The Department shall be the primary policy formulation, planning, coordinating, implementing, regulating and administrative entity of the Government for technical education, training and certification agenda.

SEC. 6. *Powers and Functions*. — Other than the powers and functions of the TESDA Board under Section 8 of R.A. 7796, the Department shall have the following powers, functions and responsibilities:

- a. Formulate and recommend national policies and guidelines and conduct in-depth studies on all policy areas and options that will promote technical education, training, and certification in consultation with the relevant stakeholders;
- b. Assess, review, harmonize and coordinate all technical education, training, and certification policies and programs to ensure overall consistency and implementation of the national policies;
- c. Organize and constitute various standing committees, subsidiary groups, or technical working groups for efficient integration, coordination and monitoring technical education, training, and certification development programs at the national, regional, and local levels;
- d. Enter into, make, execute, perform and carry-out domestic and foreign contracts subject to existing laws, rules and regulations;
- e. Restructure the entire sub-sector consisting of all institutions and programs involved in the promotion and development of middle-level manpower through upgrading, merger and/or phase-out following a user-led strategy;
- f. Approve training standards and assessment packages as established and conducted by private industries;
- g. Establish and administer a system of accreditation of both public and private institutions;
- h. Establish, develop and support institutions' trainers' training and/or programs;
- i. Exact reasonable fees and charges for such tests and trainings conducted and retain such earnings for its own use, subject to guidelines promulgated by the Department;

- j. Allocate resources for the programs and subjects it shall undertake pursuant to approved National Technical Education and Training Plan;
- k. Determine and approve systematic funding schemes such as the Levy and Grant scheme for technical education and training purposes;
- l. Create, when deemed necessary, an Advisory Committee which shall provide expert and technical advice to the Secretary to be chosen from the academe and the private sector: Provided, That in case the Advisory Committee is created, the Department is hereby authorized to set aside a portion of its appropriation for its operation; and
- m. Promulgate rules and regulations for the implementation on its policies and related laws;
- n. To perform such other functions as maybe needed to achieve its goals and objectives to the fullest and as may be provided by this Act.

SEC. 7. *Power to Review and Recommend Action.* - The Department shall review and recommend action to concerned authorities on proposed technical assistance programs and grants-in-aid for technical education or training, or both, including those which may be entered into between the Government of the Philippines and other nations, including international and foreign organizations, both here and abroad.

SEC. 8. *Composition.* — The Department shall be headed by a Secretary. The Department proper shall be composed of the Office of the Secretary, the Offices of Undersecretaries, and Assistant Secretaries and Regional and Assistant Regional Directors.

The TESDA Board created under Sections 6 and 7 of R.A. 7796 is hereby abolished.

SEC. 9. *Secretary of Technical Education, Training and Certification.*
- The Secretary shall be appointed by the President of the Republic of the Philippines, subject to confirmation by the Commission on Appointments. The Secretary shall have the following functions:

- a. Provide executive direction and supervision over the entire operations of the Department and its attached agencies;
- b. Establish policies and standards for the effective, efficient and economical operation of the Department, in accordance with the programs of the government;

- c. Review and approve request for financial and manpower resources of all operating offices of the Department;
- d. Designate and appoint officers and employees of the Department, excluding the Undersecretaries and Assistant Secretaries, Regional and Assistant Regional Directors, in accordance with the Civil Service laws, rules and regulations;
- e. Coordinate with LGUs, other government agencies and public and private interest groups, including non-government organizations (NGOs) and people's organizations (POs) on Department policies and initiatives;
- f. Prepare and submit to the President through the Department of Budget and Management (DBM) an estimate of the necessary expenditures of the Department during the next fiscal year;
- g. Undertake consultations with other members of the Cabinet and officers of the government relating to technical education, training, and certification development concerns;
- h. Advise the President on the promulgation of executive and administrative orders and formulation of regulatory and legislative proposals on matters pertaining to technical education, training, and certification development;
- i. Promulgate rules, regulations and other issuances in carrying out the Department's mandate, objective, policies, plans, programs and projects; and
- j. Perform such other functions as may be provided by law or assigned by the President.

SEC. 10. *Undersecretaries.* — The Secretary shall be assisted by three (3) Undersecretaries who shall be appointed by the President upon recommendation of the Secretary: Provided, That two (2) of the Undersecretaries shall be career officers.

SEC. 11. *Assistant Secretaries.* — The Secretary shall be assisted by three (3) Assistant Secretaries who shall be appointed by the President upon recommendation of the Secretary: Provided, That two (2) of the Assistant Secretaries shall be career officers.

SEC. 12. *Qualifications.* — No person shall be appointed Secretary, Undersecretary, or Assistant Secretary of the Department unless he or she is a resident of the Philippines, of good moral character, of proven integrity, and with at least seven (7) years of relevant experience.

SEC. 13. *Bureaus, Services, and Personnel.* — The Department in addition to the offices of the Secretary, Undersecretaries and Assistant

Secretaries shall be composed of the following Bureaus/Services to be headed by an Executive Director to be appointed by the President upon the recommendation of the Secretary. The Executive Directors shall have the rank and emoluments of a Director IV.

A. Planning Bureau (P.B.)

- i. Designs and establishes planning processes and methodologies which will particularly enhance the efficiency of resource allocation decisions within the technical education and training sector;
- ii. Orchestrates the formulation of the National Technical Education and Training Plan/Sectoral Plan/Regional/Provincial and maintains annual periodic review and updating of the plans;
- iii. Orchestrates legislative liaisoning and coordination;
- iv. Maintains existing and establishes new frameworks to optimize the roles of the sub-national TET Committees;
- v. Conducts fora, researches, studies and develops labor and education and training market information and knowledge management systems for effective and efficient planning and policy making within the sector;
- vi. Prepares and issues Labor Market Intelligence Reports (LMIR) on a regular basis;
- vii. Conducts Impact Evaluation Studies (IES) of Technical Education Training and Certification programs;
- viii. Initiates and mobilizes external TETC financing from local and international bodies in support of the broad investments and development programs under the NTETP and the corporate plan;
- ix. Designs and develops special projects for foreign assistance

B. Partnerships and Employment Facilitation Bureau (PEFB)

- i. Establishes and maintains effective and efficient institutional arrangements with partners and stakeholders to provide direct participation in the various functions of the Department and access to TETC programs and services;

- ii. Develops and implements placement schemes designed for the effective utilization of TET graduates either through wage and self-employment using partnership and linkages with various employers and industries within the framework of the national employment service network;
- iii. Provides technical assistance and training support to the network of DepTETC employment facilitation centers all over the country;
- iv. Establishes and maintains linkages with industry groups, employers, workers, academe, civil society organizations/NGOs, NGAs, LGUs, basic sectors and national and international networks and organizations related to TE and T;
- v. Conducts studies on Public-Private Partnerships (PPP) and similar arrangements in aid of policy making;
- vi. Engages partners/stakeholders in the identification and prioritization of the skills needs of the basic sectors for skills training and employment opportunities;
- vii. Develops and administer systems and procedures in the monitoring and evaluation of programs related to partnerships, linkages and placement;
- viii. Performs such other functions as may be authorized.

C. Incentives and Scholarship Bureau

- i. Develops and implements incentive schemes and packages to encourage the participation of employers and workers in technical education and training in industry;
- ii. Develops and implements scholarship and grant packages designed to provide access to the Departments clientele particularly the unemployed, underemployed, the working poor and the marginalized;
- iii. Develops and administer systems and procedures in the monitoring and evaluation of programs related to incentive and scholarship administration;
- iv. Performs such other functions as may be authorized.

D. National Institute for Technical Education and Training (NITET)

- i. Recommends policies and guidelines for the maintenance and enhancement of the efficiency and effectiveness in the management and operations of the TETC delivery in schools, centers, enterprises and communities within acceptable standards set;
- ii. Serves as the technology research and development arm of the government in the field of TET;
- iii. Develops, orchestrates the implementation of continuing development programs for trainers, teachers and instructors, panners/stakeholders in the TET sector;
- iv. Develops and orchestrates the implementation of a national career guidance program and system;
- v. Conducts studies and researches, formulates policies and guidelines for the optimum/sustainable utilization of existing specialized training centers/institutions (e.g. KorPhil, TTCTCE, TWC, LSI and other centers of technical excellence;
- vi. Identifies appropriate venues, from the network of public and private TET providers, as laboratory and pilot-testing/incubation sites in the development of training regulation, competency standards, assessment tools, curricula, learning materials, mock-ups and simulators;
- vii. Promote and conduct an annual national skills competition and handles the participation of the country in international skills tilts;
- viii. Performs such other functions as may be authorized.

E. Qualification and Standards Bureau (QSB)

- i. Conducts research and development on various occupational areas in order to recommend policies, rules and regulations for effective and efficient competency standardization, assessment and certification system in the country;
- ii. Establishes and implements a system of accrediting experts from private enterprises, group of workers' associations and public institutions for the development/updating of competency standards, curriculum exemplars;

- iii. In collaboration with industry bodies, develops and establishes a national system of competency standardization and development for TET in the country;
- iv. Facilitates the development, validation and evaluation of competency standards in identified appropriate venues from the network of public and private TET providers;
- v. Maintains the Philippine TVET Qualifications Framework (PTQF) as part of the Philippine Qualifications Framework (PQF);
- vi. Responsible for international benchmarking and comparability of standards with other economies/countries; and
- vii. Performs such other powers and functions as may be authorized.

F. Accreditation and Certification Bureau (ACB)

- i. Develops, maintains, and manages the national assessment and certification program, systems and procedures;
- ii. Establishes and maintains the implementation of a quality-assured system of accrediting trainers, assessors and assessment centers in partnership with industries, training centers/institutions;
- iii. Establishes and maintains a system of registering, accrediting TET programs/providers in the schools, centers, enterprises and communities;
- iv. Undertakes compliance review and rating system of TESD programs implemented by various TVIs;
- v. Keeps custody of pertinent assessment and certification records and maintains a registry of Certified Workers, Trainers, and Accredited Competency Assessors and Accredited Competency Assessment Centers;
- vi. Maintains a compendium of registered TESD programs;
- vii. Conduct researches/studies to ensure quality delivery and implementation of assessment and certification and program registration;

- viii. Develops mechanisms to continuously ensure integrity of the assessment and certification and program registration; and
- ix. Performs such other functions as may be authorized.

G. Administrative Service (AS)

- i. Provides overall policies, systems, programs and guidelines in the area of human resource management and development, procurement management, legal management, building and facilities maintenance, records management and cash management;
- ii. Establishes a monitoring and reporting system on administrative services;
- iii. Orchestrates the implementation, review and redevelopment of HRD Plan in support of the Corporate Plan and the NTTDP;
- iv. Leads in the establishment and implementation of integrated HR systems;
- v. Provides administrative, general and legal services; and
- vi. Performs such other functions as may be authorized.

H. Financial and Management Service (FMS)

- i. Orchestrates and supports the implementation of the agency quality management systems (QMS);
- ii. Provides overall policies, systems, programs and guidelines on the management and utilization of Department's financial resources;
- iii. Establishes a monitoring and reporting system on the management and utilization of Department's financial resources; and
- iv. Performs such other functions as maybe authorized.

I. Internal Control and Quality Management Service

- i. Develops and implements internal performance and process standards to ensure personnel and organizational efficiency and effectiveness;
- ii. Monitors and ensure the maintenance of the ISO status of the Department and/or its subdivisions;

- iii. Performs other functions as maybe authorized;

SEC. 14. *Regional Offices.* — The Regional Offices shall be headed by Regional Directors with the rank and emoluments of Director IV to be appointed by the President. The Regional Offices shall be under the direct control of the Secretary and shall have the following functions:

- a. Directs implementation of technical education, training, and certification programs, projects and related activities in the region;
- b. Develops and recommends technical education, training, and certification programs for local level implementation within set policies;
- c. Deploys policies to stakeholders;
- d. Manages technical education, training, and certification resources in the region;
- e. Plans and implements policy inputs; and
- f. Performs other functions as may be authorized.

SEC. 15. *The Provincial / District Offices.* — The Provincial/District Offices shall be headed by Provincial/District Directors who shall have the rank and emoluments of a Director III. The Provincial Offices shall have the following functions:

- a. Serves as secretariat to the Provincial technical education and training Committees;
- b. Provides technical assistance to the LGUs for effective supervision, coordination, integration of all technical education and training programs within their localities;
- c. Reviews and recommends priority technical education and training programs within their localities; and
- d. Performs such other functions as may be authorized.

SEC. 16. *Schools and Centers.* — The Technical Education and Training delivery of the Department composed of leading technology centers, demonstration as well as regular institutions shall have the following functions:

- a. Provide demonstration of leading training technology or regular technical education and training programs relevant to the needs

of the economy as well as specific groups considered as marginalized and/or vulnerable in accordance with the national technical education, training, and certification agenda;

- b. Conducts applied research and development programs and provides extension services in coordination with ROs/POs;
- c. Conducts outreach programs in coordination with ROs/POs;
- d. Initiates resource and income-generation programs; and
- e. Performs such other functions as may be authorized.

SEC. 17. *Compliance with the Salary Standardization Law.* — The compensation and emoluments of the officials and employees of the Department shall be in accordance with the salary standardization law and other applicable laws under the national compensation and classification plan.

SEC. 18. *Consultants and Technical Assistance, Publication and Research.* - In pursuing its objectives, the Department is hereby authorized to set aside a portion of its appropriation for the hiring of services of qualified consultants, and private organizations for research work and publication in the field of technical education and skills development. It shall avail itself of the services of other agencies of the Government as may be required.

SEC. 19. *Formulation of a Comprehensive Development Plan for Middle-Level Manpower.* — The Department shall formulate a comprehensive development plan for middle-level manpower based on a national employment plan or policies for the optimum allocation, development and utilization of skilled workers for employment entrepreneurship and technology development for economic and social growth. This plan shall be updated periodically and submitted to the President of the Philippines for approval. Thereafter, it shall be the plan for the technical education, training, and certification for the entire country within the framework of the National Development Plan. The Department shall direct through its offices to call on public agencies, the private sector and the academe to assist in this effort. The comprehensive plan shall provide for a reformed industry-based training program including apprenticeship, dual training system and other similar schemes intended to:

- a. Promote maximum protection and welfare of the worker-trainee;
- b. Improve the quality and relevance and social accountability of technical education and Training;

- c. Accelerate the employment-generation effort of the government; and
- d. Expand the range of opportunities for upward social mobility of the school-going population beyond the traditional higher levels of formal education. All government and non-government agencies receiving financial and technical assistance from the government shall be required to formulate their respective annual agency technical education and skills development plan in line with the national technical education and training plan. The budget to support such plans shall be subject to review and endorsement by the Department to the DBM. The Department shall evaluate the efficiency and effectiveness of agencies skills development program and schemes to make them conform to the quantitative and qualitative objectives of the national technical education and skills development plan.

SEC. 20. *Technical Education and Training Committees.* — The Department shall establish Technical Education and Training Committees at the regional and local levels to coordinate and monitor the delivery of all training activities by the public and private sectors. These committees shall likewise serve as the Technical Education and Training Development Committees of the Regional and local development councils. The compositions of the Technical Education and Training Committees shall be determined by the Secretary of DepTeTC.

SEC. 21. *Apprenticeship Program.* — The Department shall promote apprenticeship as a major mode of training rather than an employment arrangement and shall see to it that it is not subject to abuse by unscrupulous entities.

SEC. 22. *Technical Education and Training Centers.* — The Department shall establish and/or cause the establishment of a network of national, regional and local skills training centers for the purpose of promoting skills development. This network shall include leading training technology centers, skills training centers in vocational and technical schools, technical institutes, polytechnic colleges, and all other duly accredited public and private dual system educational institutions. The technical education and Training centers shall be administered and operated under such rules and regulations as may be established by the Department in accordance with the National Technical Education and Training Plan.

SEC. 23. *Establishment and Administration of National Training Standards.* - There shall be national training standards to be established by Department-accredited industry committees. The Department shall develop and implement a certification and accreditation program in which private industry groups and trade associations are accredited to conduct approved assessment packages, and the local government units to promote such assessment in their respective areas in accordance with the guidelines to be set by the Department. The Secretary shall determine the occupational trades for mandatory certification. All certificates relating to the national training standards and certification system shall be issued by the Department through its Regional and Provincial Offices. In consonance with the Philippine Qualification Framework (PQF), the Department shall closely collaborate with the Professional Regulation Commission (PRC) as regards to the assessment of technicians, master craftsman and technologists.

SEC. 24. *Administration of Training Programs.* — The Authority shall design and administer training programs and schemes that will develop the capabilities of public and private institutions to provide quality and cost-effective technical education and skills development and related opportunities. Such training programs and schemes shall include teacher's trainor's training, skills training for entrepreneur development and technology development, cost-effective training in occupational trades and related fields of employment, and value development as an integral component of all skills training programs.

SEC. 25. *Assistance to Employers and Organizations.* — The Authority shall assist any employer or organization engaged in skills training schemes designed to attain its objectives under rules and regulations which the Authority shall establish for this purpose.

SEC. 26. *Accreditation and Regulation of Technical Education and Training Programs.* — All technical education and training programs shall be duly accredited by the Department before it is offered to the public by any public, private entity or non-government organization. Noncompliance with the accreditation requirements of the Department shall be form part of the bases for the possible suspension or cancellation of the entities' license to operate issued by competent authorities.

SEC. 27. *Coordination of All Skills Training Schemes* - In order to integrate the national skills development efforts, all technical education and skills training schemes as provided for in this Act shall be coordinated with the Department particularly those having to do with the setting of trade skills standards. For this purpose, existing technical education, and skills training programs in the Government and in the private sector, specifically those wholly or partly financed with government funds, shall be reported to the Department which shall assess and evaluate such programs to ensure their efficiency and effectiveness. Noncompliance with the above-mentioned reportorial requirements could disqualify erring entities for any form of government assistance in field technical education and training.

SEC. 28. *Enterprise Based Partnerships and Linkages.* - The Department shall establish effective and efficient institutional arrangements with industry bodies and such other aggrupations or associations to provide direct participation of employers and workers in the design and implementation of skills development schemes, trade skills standardization and certification and such other functions in the fulfillment of the Department's objectives.

SEC. 29. *Inclusive Training Opportunities.* - The Department shall likewise design and implement a delivery system for community based technical education and training opportunities for the marginalized and disadvantaged sectors of the population, providing them with new tools of wealth creation and with the capability to take on higher value-added gainful activities and to share equitably in productivity gains eventually leading to poverty alleviation and reduction.

SEC. 30. *Skills Olympics.* - To promote quality skills development in the country and with the view of participating in international skills competitions, the Department, with the active participation of private industries, shall organize and conduct annual National Skills Olympics. The Department shall promulgate the necessary rules and guidelines for the effective and efficient conduct of Annual National Skills Olympics and for the country's participation in internationals skills Olympics.

SEC. 31. *The TET Development Fund.* -A Technical Education and Training Development Fund is hereby established, to be managed/administered by the Department, the income from which shall be utilized exclusively in awarding of grants and providing assistance to training institutions, industries, local government units for upgrading their capabilities and to develop and implement training and training-related activities. The contributions to the fund shall be the following:

- a. A one-time lump sum appropriation from the National Government;

- b. An annual contribution from the Overseas Workers Welfare Administration Fund, the amount of which should be part of the study on financing in conjunction with letter (D) of Section 34;
- c. Donations, grants, endowments, and other bequests or gifts, and any other income generated by the Department.

The Secretary shall be the administrator of the fund, and as such, shall formulate the necessary implementing guidelines for the management of the fund, subject to the following:

- i. unless otherwise stipulated by the private donor, only earnings of private contributions shall be used; and
- ii. no part of the seed capital of the fund, including earnings, thereof, shall be used to underwrite expenses for administration.

The Secretary shall appoint a reputable government-accredited investment institution as fund manager, subject to existing government regulations.

SEC. 32. *Technical Assistance, Incentives and Scholarship Grants.*

—The Department shall adopt a system of providing technical assistance, incentives and scholarship grants which shall be designed to encourage public and private sector and clientele participation in technical education and training activities along the priorities identified by the National Development Plan/Agenda.

SEC. 33. *Placement Centers.* — There shall be established a network of placement centers or PLACERS in all the Provincial/ District Offices to cater specifically to the job placement of TET institutions. These Centers shall be financed and administered by the Department but will form part of the National Employment Service Network of the DOLE.

SEC. 34. *Transfer of TESDA Secretariat.* - The TESDA Secretariat created under Section of R.A. 7996 shall comprise the manpower of the Department, Provided That, no employee shall be terminated by virtue of this transfer.

The laws and rules on government reorganization as provided under Republic Act No. 6656, otherwise known as the Reorganization Law, shall govern the transfer and reorganization process of the Department.

SEC. 35. *Structure and Staffing Pattern.* - Subject to the approval of the DBM, the Department shall determine its organizational structure, staffing pattern, qualification standards, and placement of personnel in the Department, its division units, services, and offices. Officers and

employees of the department shall be appointed in accordance with the civil service law, rules, and regulations.

SEC. 36. *Separation and Retirement from Service.* - Employees who are separated from service within six (6) months from the effectivity of this Act as a result of the abolition/reorganization under the provisions of this Act shall receive separation benefits to which they may be entitled under Executive Order No. 366, s. 2004: Provided, that those who are qualified to retire under existing retirement laws shall be allowed to retire and receive retirement benefits to which they may be entitled under applicable laws and issuances.

SEC. 37. *Transition Period.* - The personnel of the TESDA shall, in a holdover capacity, continue to perform their respective duties and responsibilities and receive their corresponding salaries and benefits until such time when the organizational structure and staffing pattern of the Department shall have been approved: Provided, That the preparation and approval of the said new organizational structure and staffing pattern shall, as far as practicable, respect and ensure the security of tenure and seniority rights of affected government employees. Those personnel whose positions are not included in the new staffing pattern or who are not reappointed or who choose to be separated as a result of the reorganization shall be paid their separation or retirement benefits under existing laws.

SEC. 38. *Appropriation.* - The amount needed for the initial implementation of this Act shall be taken from the current fiscal year's appropriation of TESDA as specified in Section 12 of this Act. Thereafter, the amount needed for the operation and maintenance of the Department shall be included in the General Appropriations Act.

SEC. 39. *Implementing Rules and Regulations.* — The Department shall issue, within a period of ninety (90) days after the effectivity of this Act, the rules and regulations for the effective implementation of this Act. The Department shall submit to concerned Committees of both Houses of Congress copies of the implementing rules and guidelines within (30) days after its promulgation.

SEC. 40. *Separability Clause.* - The provisions of this Act are hereby declared to be separable, and in the event one or more such provisions are held unconstitutional, the validity of the provisions shall not be affected thereby.

SEC. 41. *Repealing Clause.* - All laws, decrees, executive orders, rules and regulations, issuances, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION. 42. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,