



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



TWENTIETH (20TH) CONGRESS
First Regular Session

HOUSE BILL NO. **5679**

Introduced by KAMANGGAGAWA Partylist
Representative **ELIJAH R. SAN FERNANDO**

EXPLANATORY NOTE

Cooperatives have long been at the forefront of advancing inclusive and sustainable development in the Philippines. As self-help enterprises owned and democratically governed by their members, cooperatives empower Filipinos to collectively respond to economic insecurity, build community resilience, and uplift sectors that have long been excluded from traditional financial and market systems. From farmers' cooperatives that stabilize food supply chains, to workers' cooperatives that provide dignified employment, the cooperative model embodies the spirit of bayanihan in pursuit of shared prosperity.

Despite their critical role in grassroots development, cooperatives face persistent challenges that undermine their sustainability, efficiency, and growth. Many suffer from weak governance, insufficient capitalization, lack of professional management, and limited access to quality training and research support. These structural constraints are further aggravated by the lack of institutionalized mechanisms for cooperative education and technical capacity-building, particularly among the youth who will inherit and shape the future of the movement.

Article XII, Section 15 of the 1987 Philippine Constitution affirms the State's policy "to promote the viability and growth of cooperatives as instruments of social justice and economic development." Republic Act No. 9520, or the Philippine Cooperative Code of 2008, echoes this mandate by recognizing the need to strengthen the cooperative sector through education, training, and information dissemination. Yet,

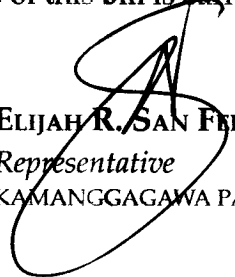
to this day, no dedicated national institution exists to serve as a hub for cooperative studies, research, capacity-building, and innovation at a scale responsive to the sector's evolving needs.

This bill seeks to establish the National Center for Cooperative Development (NCCD) in the Polytechnic University of the Philippines (PUP), which has a longstanding legacy of pioneering cooperative education. As early as 1969, PUP (then the Philippine College of Commerce) was designated a training center for non-agricultural cooperatives.¹ It launched the country's first Bachelor in Cooperatives program in 1989 and has since produced generations of cooperative practitioners, advocates, and educators. The University's track record and mandate as a state institution for accessible, pro-people education make it the ideal home for a national center to champion cooperative advancement.

The proposed Center shall provide integrative and holistic services to the entire cooperative sector. It will offer undergraduate degrees with specializations in cooperative leadership and social enterprise management, while also developing modular training programs, popular education materials, and continuing education services for existing cooperative officers and members. The NCCD shall likewise engage in applied research, offer strategic consultancy to micro and small cooperatives, facilitate field deployment programs, and host national and international cooperative conferences. It shall also serve as a bridge for knowledge-sharing between Philippine cooperatives and their counterparts in the Southeast Asian region, aligning its work with the Sustainable Development Goals, Ambisyon Natin 2040, and the Philippine Development Plan.

Through the creation of this Center, this measure not only strengthens the foundations of cooperative education and development, but also affirms the State's commitment to building an economy that is democratic, equitable, and socially just. It envisions a future where cooperatives are not merely alternative institutions but central pillars of a resilient and inclusive national economy.

In solidarity with the working class, the passage of this bill is earnestly sought.



ELIJAH R. SAN FERNANDO
Representative
KAMANGGAGAWA PARTYLIST

¹ Memorandum Order No. 251, S. 1969



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AN ACT
ESTABLISHING THE NATIONAL CENTER FOR COOPERATIVE DEVELOPMENT
IN THE POLYTECHNIC UNIVERSITY OF THE PHILIPPINES AND
APPROPRIATING FUNDS THEREFORE

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 “Polytechnic University of the Philippines National Center for Cooperative Development Act.”

SEC. 2. Declaration of Policy. – It is hereby declared the policy of the State to promote the viability, growth, and sustainability of cooperatives as vital instruments of economic development, social equity, and democratic participation. The State recognizes these institutions as transformative vehicles that embody the principles of self-help, mutual aid, and collective empowerment that contribute to advancing inclusive growth, addressing structural poverty, and fostering community resilience.

Pursuant to this policy, the State shall institutionalize mechanisms for cooperative education, research, and capacity-building to ensure the continuing development of competent, values-driven, and socially committed cooperative leaders and practitioners. The State likewise affirms the importance of providing an enabling environment where cooperatives may thrive free from external interference, while enjoying the benefits of technical, academic, and policy support from public institutions.

In recognition of the indispensable role of knowledge production and human capital in the cooperative movement, the State shall support the establishment of a dedicated national center that will advance cooperative studies, strengthen academic and research linkages, and provide integrated services for the benefit of cooperatives and cooperative development stakeholders.

SEC. 3. *Establishment of the National Center for Cooperative Development.* – There is hereby established in the Polytechnic University of the Philippines (PUP) the National Center for Cooperative Development, hereinafter referred to as the “Center.”

The Center shall establish and expand program offerings focused on training poor but deserving Filipino youth to become the next generation of cooperative leaders and managers, thereby enhancing the resilience and sustainability of registered cooperatives in the country and contributing to economic recovery and national development.

It shall likewise serve as an integrative and holistic center that will cater to the needs of the entire cooperative sector, where their activities can be centralized in order to fulfill a much greater responsibility to address the needs of the cooperative sector in the Philippines and the Southeast Asian (SEA) region.

The program trajectory of the Center shall be aligned with the Sustainable Development Goals (SDGs), International Cooperative Development Agenda, the Philippine Development Plan (PDP), and Ambisyon Natin 2040, as it endeavors to address poverty, pursue economic development, promote empowerment, resiliency, and social innovation through cooperative social enterprise.

SEC. 4. *Functions of the Center.* – The Center shall have the following functions:

- (a) Offer a Bachelor of Science in Cooperatives degree program, which shall be a four-year course with specializations in Cooperative Social Enterprise Management and Cooperative Education and Community Development, designed to produce globally competitive graduates equipped with values-based managerial competence in cooperative organizing, leadership, and technopreneurship;
- (b) Implement field deployment programs through on-the-job training (OJT) that assign students and staff to micro, small, and medium cooperatives to provide support as research enumerators, marketing personnel, and administrative assistants;

- (c) Provide modular certificate programs and continuing education services for cooperative directors, officers, managers, and support staff through regional partnerships nationwide to enhance professional competencies;
- (d) Conduct applied research addressing gaps in cooperative literature and supporting legislative development, policy formulation, and evidence-based cooperative advancement through a dedicated cooperative research group;
- (e) Develop instructional modules, audio-visual materials, and popular education tools for elementary, junior high school, senior high school, higher education covering cooperative enterprise, social economy, and social entrepreneurship;
- (f) Operate a student laboratory cooperative facility where participants access cooperative products/services and earn OJT credits through documented volunteer work;
- (g) Host annual cooperative congresses, international conferences, and training workshops in collaboration with government agencies, industry partners, and SEA cooperative alliances;
- (h) Deliver consultancy services assisting cooperatives in strategic planning, performance auditing, and organizational development by leveraging faculty expertise;
- (i) Establish partnerships facilitating local-to-international knowledge exchange on best practices, pandemic resilience strategies, and community development initiatives in accordance with cooperative principles; and
- (j) Perform such other functions as may be necessary to carry out the purpose and objectives of the Center.

SEC. 5. *Delegation of Authority to the Board of Regents.* – The Board of Regents of the PUP is hereby authorized to establish the Center under the direct supervision of the Office of the President of the University. The Center shall have cooperative specialists with a high degree of competence and expertise in the disciplines of business management, financial management, and community development, who may be drawn within or outside the University.

SEC. 6. - *Implementing Authority.* - The Board of Regents of the University is hereby mandated to formulate implementing guidelines to carry out the provisions of this Act and to take appropriate steps to ensure that the establishment of the Center shall aim at the speedy realization and execution of its functions and objectives as stated above. Towards this end, the Board shall determine the structure, composition, and size of the Center's faculty and staff.

SEC. 7. - *Appropriations.* - The initial amount of One hundred fifty million pesos (P150,000,000.00) from any amount available in the Treasury of the Philippines shall be

added to the annual budget of PUP for the purpose of carrying out the initial implementation of this Act. Thereafter, such sums as may be necessary to carry out the provisions of this Act shall be included in the annual General Appropriations Act.

SEC. 8. - *Separability Clause.* — If any provision of this Act is declared unconstitutional, the remaining parts or provisions hereof not affected thereby shall remain in full force and effect.

SEC. 9. - *Repealing Clause.* — All laws, decrees, executive orders, implementing rules and regulations, issuances, or any part thereof inconsistent with the provisions of this Act are deemed repealed, amended, or modified accordingly.

SEC. 10. - *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,