



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



House Bill No. 7172

Introduced by CIBAC Party-List Representative
EDUARDO “BRO. EDDIE” C. VILLANUEVA

EXPLANATORY NOTE

The bill seeks to update the three-decade-old law Republic Act No. 7796 otherwise known as the Technical Education and Skills Development Authority (TESDA) Act of 1994. It aims to improve the efficiency and effectiveness of TESDA operations to meet current labor market demands and strengthen the quality of Technical-Vocational Education and Training through structural and operational reforms. Based on the recommendations of the Second Congressional Commission on Education (EDCOM II), there is a critical need to overhaul TESDA's charter to ensure that it effectively addresses contemporary challenges and opportunities in modern workforce development.

The bill proposes the establishment of dedicated units, such as the Planning Office for efficient resource allocation, the Skills Standards and Certification Office for industry linkage, and the National Institute for Technical Vocational Education and Training (NITVET) for research and development. Devolving training functions requires a major operational shift for Local Government Units (LGUs). Thus, the bill establishes Community and Local Skills Development Offices (CLSDOs). It is envisioned to empower local communities to address their unique workforce needs while TESDA maintains its role in providing capacity-building and oversight. A TESDA Development Fund is proposed to be established to support training institutions, industries, and LGUs in upgrading their capabilities.

These reforms hope to provide pathways for inclusive education by ensuring that marginalized groups – such as out-of-school youths, persons with disabilities, and indigenous peoples – gain access to skills development opportunities. The bill likewise introduces modern educational concepts such as micro-credentials, digital badges, and Recognition of Prior Learning, which are essential for adapting to rapidly changing industry and technological demands.

Finally, the bill aims to foster desirable values and moral character among learners, with an emphasis on work ethic, self-discipline, self-reliance, and nationalism.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


EDUARDO "BRO. EDDIE" C. VILLANUEVA



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HOUSE BILL NO. 7172

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AN ACT
MODERNIZING THE TECHNICAL EDUCATION AND SKILLS DEVELOPMENT
AUTHORITY (TESDA), REPEALING FOR THE PURPOSE REPUBLIC ACT NO.
7796, OTHERWISE KNOWN AS THE "TESDA ACT OF 1994"

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

1 **SECTION 1. Short Title.** - This Act shall be known as the "*TESDA Modernization*
2 *Act.*"
3

4 **SEC. 2. Declaration of Policy.** - It is hereby declared the policy of the State to
5 provide relevant, accessible high quality and efficient technical education and skills
6 development in support of the development of a high quality-assured Filipino
7 workforce that is responsive to and in accordance with the development goals and
8 priorities of the government.
9

10 The State shall also encourage active participation of various concerned sectors,
11 particularly private enterprises, being direct participants in and immediate
12 beneficiaries of a trained and skilled workforce, in providing technical education and
13 skills development opportunities.
14

15 **SEC. 3. Objectives.** - It is the goal and objective of this Act to:
16

17 a. Promote and strengthen the quality of technical education and skills
18 development programs to attain international competitiveness;

19 b. Focus technical education and skills development on meeting the changing
20 demands for quality-assured workforce;

21 c. Encourage innovation, continuous learning, growth-mindset, and collaboration
22 by disseminating the scientific and technical knowledge base of workforce
23 development programs;

24 d. Recognize and encourage the complementary roles of public and private
25 institutions in technical education and skills development and training system; and

1 e. Inculcate desirable values through the development of moral character with
2 emphasis on work ethic, self-discipline, self-reliance and nationalism.

3
4 **SEC. 4. Definition of Terms.** - As used in this Act, the following terms are
5 defined as follows:

- 6 a. *Apprentice* refers to a person undergoing training for an approved
7 apprenticeable occupation during an established period assured by an
8 apprenticeship agreement;
- 9 b. *Apprenticeship* refers to an enterprise-based education and training (EBET)
10 program that covers higher levels of competencies covered by National
11 Certificates (NC) 3 and above. Apprenticeship shall be for trainees at least
12 eighteen (18) years old;
- 13 c. *Apprenticeship Agreement* refers to a contract wherein a prospective
14 employer binds himself to train the apprentice who in turn accepts the terms
15 of training for a recognized apprenticeable occupation emphasizing the rights,
16 duties and responsibilities of each party;
- 17 d. *Apprenticeable Occupation* refers to an occupation officially endorsed by a
18 tripartite body and approved for apprenticeship by the Authority;
- 19 e. *Applied Bachelor's Degree* refers to a generally four-year degree program
20 that combines academic learning with a substantial proportion of practical or
21 on-the-job experience, targeted for specific career paths instead of academic
22 or research-focused outcomes;
- 23 f. *Associate Degrees* refer to post-secondary qualifications attained after
24 completion of the K to12 basic education program, normally requiring a
25 minimum of two years of study. It equips learners with specialized skills for
26 gainful employment in related professions, while also providing the academic
27 preparation necessary for progression to baccalaureate programs;
- 28 g. *Bachelor's Degree Program* refers to an undergraduate university degree
29 that requires the completion of a secondary-level education and involves 4
30 years of full-time study for most programs, consisting of general education
31 courses and specialized subjects focused on a major degree;
- 32 h. *Competency-Based Training* refers to a system by which the learner acquires
33 a competency or a qualification based on demonstrated ability;
- 34 i. *Community-Based Technical Vocational Education and Training (CTVET)*
35 refers to TVET programs intended to address specific needs of the
36 community or local government unit that may be delivered in an informal or
37 formal setting, implemented with assistance and coordination of the authority;
38 and
- 39 j. *Community-Training and Employment Coordinators* refers to personnel of
40 local government units trained by the authority to plan, organize, manage and
41 monitor community-based training and enterprise development programs of
42 local governments;
- 43 k. *Diploma* refers to a credential awarded after completing a compressed and
44 technically-focused program, specializing in a particular trade or vocational
45 skill, and corresponds to a level 5 qualification in the PQF framework;
- 46 l. *Doctoral Degree* refers to the highest academic degree, earned by
47 conducting significant research and producing original work, typically in a
48 Doctor of Philosophy (PhD) or a practice-based professional doctorate;
- 49 m. *Dual System/Training* refers to a delivery system of quality technical and
50 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;
- n. *Ladderized Education* refers to the harmonization of all education and training mechanisms that allow students and workers to progress between technical-vocational 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 educational system;
 - o. *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;
 - p. *Master's Degree* refers to a postgraduate academic program that provides advanced and specialized knowledge and skills beyond a bachelor's degree;
 - q. *Micro-credentials* refer to records of focused learning achievement that verifies what the learner knows, understands, or can do. It meets the standards required by relevant quality assurance frameworks and offers flexibility, making it stackable and targeted toward specific competencies that can be assessed and verified;
 - r. *Polytechnic College or Technological College* refers to a college that offers the following:
 - i. at least three (3) or more programs that grant or award NC levels 4-5 in TESDA's National Competency Assessment scale, that provide pathways towards bachelor's degree programs offered by the same institution;
 - ii. three (3) or more ladderized and/or applied bachelor's degree programs, and
 - iii. a highly-specialized or technical industry on-the-job training program for all of its offered programs;
 - s. *Polytechnic Institute or Technological Institute* refers to post-secondary education institutions with a focused and technical industry-driven or curricula, that offer at least three (3) or more programs that grant or award National Certificates (NC) to qualified recipients, with a corresponding diploma or similar credential and an established on-the-job training program;
 - t. *Polytechnic University or Technological University* refers to a university that offers the following:
 - i. all of the cited qualifications for a polytechnic or technological college;
 - ii. three (3) or more masteral or doctoral programs in applied fields including but not limited to highly technical or technologically-focused professions such as engineering or other applied sciences; and
 - iii. an expansive and direct linkage of its degree programs to practical engagements with applicable industries;
 - u. *Philippine Qualifications Framework (PQF)* refers to the national policy that describes the levels of educational qualifications and sets standards for learning outcomes across all education and training sectors in the Philippines,

- 1 namely basic education, technical-vocational education and training (TVET),
2 higher education, and post-graduate scale of completion;
- 3 v. *Private Enterprises* refers to an economic system under which property of all
4 kinds can be privately owned and in which individuals, alone or in association
5 with another, can embark on a business activity. This includes industrial,
6 agricultural, or agro-industrial establishments engaged in the production,
7 manufacturing, processing, repacking or assembly of goods including
8 service-oriented enterprises;
- 9 w. *Quality-assured Workforce* refers to those:
- 10 i. who have acquired practical skills and knowledge through formal or
11 non-formal education and training equivalent to at least a secondary
12 education but preferably a post-secondary education with a
13 corresponding associate degree or diploma, as defined in this Act;
- 14 ii. skilled workers who have become highly competent in their trade or
15 craft as attested by industry;
- 16 x. *Recognition of Prior Learning (RPL)* refers to the acknowledgement of a
17 person's skills and knowledge acquired through previous training, work or life
18 experience, which may be used to grant status, credit, or qualification. It is
19 also defined as a process of identifying, documenting, assessing, and
20 certifying formal, non-formal and informal learning outcomes against
21 standards used in formal education and training. Thus, RPL provides an
22 opportunity for people to acquire qualifications or credits towards a
23 qualification or exemptions (from all or part of the curriculum, or even
24 exemption from an academic prerequisite for entering a formal study
25 program) without going through a formal education or training program;
- 26 y. *Skill* refers to the acquired and practiced ability to carry out a task or job;
- 27 z. *Skills Development* refers to the process through which learners and workers
28 are systematically provided with learning opportunities to acquire or upgrade,
29 or both, their ability, knowledge and behavior pattern required as
30 qualifications for a job or range of jobs in a given occupational area;
- 31 aa. *Technical Education* refers to the education process designed at post-
32 secondary and lower tertiary levels, officially recognized as non-degree
33 programs, including associate degrees and diploma programs, aimed at
34 preparing technicians, para-professionals and other categories of skilled
35 workers by providing them with a broad range of general education,
36 theoretical, scientific and technological studies, and related job skills training;
- 37 bb. *Technical-Vocational Education and Training (TVET)* refers to the education
38 or training process where it involves, in addition to general education, the
39 study of technologies and related sciences and acquisition of practical skills
40 relating to occupations in various sectors of economic life and social life,
41 comprises formal (organized programs as part of the school system) and
42 non-formal (organized classes outside the school system) approaches;
- 43 cc. *Tertiary Education* refers to formal post-secondary programs offered by
44 degree-granting colleges, universities, and diplomas offered by TVIs. It shall
45 encompass both higher education and TVET.
- 46 dd. *Trade* refers to any group of interrelated jobs or any occupation which is
47 traditionally or officially recognized as craft or artisan in nature requiring
48 specific qualifications that can be acquired through work experience and/or
49 training;

- ee. *Trainees* refer to persons who are participants in a vocational, administrative or technical training program for the purpose of acquiring and developing job-related skills;
- ff. *Trainors/Trainers* refer to 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;
- gg. *TVET institute or TVI* refers to postsecondary education institutions that offer short-term non degree, diploma or certificate technical-vocational education and training programs or courses;
- hh. *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; and
- ii. *Work-Based Learning* refers to learning that occurs in a real work environment and equips individuals with the necessary skills to obtain, maintain, and progress in their jobs and careers.

SEC. 5. Technical Education and Skills Development Authority. – To implement the policy declared in this Act, pursuant to the provisions of Republic Act 7796, the Technical Education and Skills Development Authority (TESDA), hereinafter referred to as the Authority, shall continue to exercise its mandate in accordance with the provisions of this Act, and other applicable laws thereto. The Authority shall be attached to the Office of the President.

SEC. 6. Composition of the Authority. – The Authority shall be composed of the Board of Advisers and TESDA.

SEC. 7. Board of Advisers. – There is hereby created a Board of Advisers which shall serve as the policy direction and functional oversight body of TESDA. The Board shall convene twice a year.

The Board of Advisers shall be composed of the following:

Director-General of TESDA	Co-Chairperson
Secretary of Labor and Employment	Co-Chairperson
Secretary of Education	Co-Chairperson
Secretary of Trade and Industry	Member
Secretary of Agriculture	Member
Secretary of Interior and Local Government	Member
Chairperson of the Commission on Higher Education	Member

1 In addition, the President of the Philippines shall appoint the following members
2 from the private sector, upon the recommendation of the Board of Advisers: four (4)
3 representatives, from the employer/industry organization, six (6) representatives, from
4 the labor sector, two (2) representatives of the national associations of private
5 technical-vocational education and training institutions, and two (2) representatives
6 from the business and investment sectors. As soon as all the members of the private
7 sector are appointed, they shall so organize themselves that the term of office of one-
8 third (1/3) of their number shall expire every year. The member from the private sector
9 appointed thereafter to fill vacancies caused by expiration of terms shall hold office for
10 three (3) years.

11
12 In the absence of the Chairperson, a Co-Chairperson shall preside. In case any
13 member of the Board representing the Government cannot attend the meeting, he or
14 she shall be regularly represented by an undersecretary or deputy-director general, as
15 the case may be, to be designated by such member for the purpose.

16
17 The benefits, privileges and emoluments of the Board shall be consistent with
18 existing laws and rules.

19
20 **SEC. 8. Powers and Functions of the Board of Advisers.** – The Authority shall
21 primarily be responsible for policy-making on matters concerning Technical-Vocational
22 Education and Training. The Board of Advisers shall have the following powers:

- 23
24 a. Approve an annual roadmap for Philippine Technical Education, in
25 alignment with National Development Goals and the Philippine
26 Development Plan, as applicable;
- 27 b. Provide new direction and thrusts to efforts in developing the quality of
28 human resources through Technical Education and Skills Development,
29 pursuant to the provisions of Republic Act No. 12124, otherwise known as
30 the "Expanded Tertiary Education Equivalency and Accreditation Program,"
31 Republic Act No. 11962, otherwise known as the "Trabaho Para sa Bayan
32 Act," and Republic Act No. 12063, otherwise known as the "Enterprise-
33 Based Education and Training Framework Act";
- 34 c. Initiate the regular evaluation of existing TVET programs, including their
35 quality, implementation, and outcomes, in view of ensuring relevance of
36 TVET policies and programs;
- 37 d. Review and propose programs and policies to ensure that learner eligibility
38 requirements for TVET programs are flexible, aligned with specific
39 qualification nature and context, and responsive to industry standards and
40 learners' unique learning capacities and needs, thereby promoting inclusive
41 education and enabling access for learners with literacy gaps and
42 disabilities;
- 43 e. Prioritize the adoption and institutionalization of industry standards and
44 industry-based assessment and certification systems;
- 45 f. Ensure linkages between industry, labor, and government in the formulation
46 of national level plans;
- 47 g. Approve the Philippine Labor Force Competitiveness Program under
48 section 5 of Republic Act No. 11230; and
- 49 h. Exercise all other powers incidental or necessary to the accomplishment of
50 the aims and objectives of the Board.

1 **SEC. 9. Power to Review and Recommend Action.** – The Authority, through
2 its Director-General and Secretariat, shall review and recommend action to concerned
3 authorities on proposed technical assistance programs and grants-in-aid for technical
4 education or skills development, or both, including those which may be entered into
5 between the Government of the Philippines and other nations, including international
6 and foreign organizations, both here and abroad.
7

8 **SEC. 10. Director-General.** – The TESDA shall be headed by a Director-
9 General. The Director-General shall be appointed by the President of the Philippines
10 and shall enjoy the benefits, privileges and emoluments equivalent to the rank of a
11 Secretary. The Director-General shall exercise general supervision and control over
12 its technical and administrative personnel.
13

14 **SEC. 11. Powers and Functions of the Director-General.** – The Director-
15 General of the Authority shall have the following powers and functions:

- 16 a) To exercise oversight over the implementation of the current system of
17 accreditation of Technical-Vocational Education and Training (TVET)
18 programs conducted by public and private institutions,
- 19 b) To promulgate, after due consultation with industry groups, trade associations
20 and employers, workers, and technical vocational institutions, the policies,
21 plans, programs and guidelines as may be necessary for the effective
22 implementation of this Act, through the Secretariat;
- 23 c) To restructure the entire sub-sector consisting of all institutions and programs
24 involved in the promotion and development of quality-assured workforce
25 through upgrading, merger and/or phase-out following a user-led strategy, as
26 deemed necessary;
- 27 d) To ensure the coordination and cooperation of the policies, plans, and
28 programs of the different concerned sectors of Philippine society, including
29 collaboration with the Department of Education (DepEd) for Senior High
30 School (SHS) and with the Commission on Higher Education (CHED) for the
31 development and expansion of ladderized curriculum, under Republic Act
32 10647 or the Ladderized Education Act of 2014, and the Expanded Tertiary
33 Education Equivalency and Accreditation Program on higher education under
34 Republic Act 12124;
- 35 e) To coordinate with DepEd for aligning K to 12 education to facilitate the
36 incorporation and improvement of SHS TVET programs pursuant to Republic
37 Act 10533 or the Enhanced Basic Education Act of 2013;
- 38 f) To work closely with DepEd to ensure systemic support and opportunities for
39 access to National Certification programs for out of school youth, Alternative
40 Learning System (ALS) learners, learners with disabilities, indigenous people
41 and other potentially marginalized learners, consistent with the provisions of
42 the Alternative Learning System Act under Republic Act No. 11510 and the
43 Inclusive Education Act under Republic Act No. 11650, including provision of
44 support for scholarships, as well as other equitable pathways to access for
45 formal TVI opportunities;
- 46 g) To support the development of an adequate supply of educators across all
47 aspects of Philippine education, including for learning facilitators for ALS
48 learners consistent with the provisions of Republic Act No.11510, early
49 childhood care and development service providers pursuant to Republic Act
50 No. 12199, learning support aids under Republic Act No. 11650, and other

- 1 applicable laws for ensuring adequate development and supply of educators,
2 and education personnel, in coordination with the Teacher Education Council,
3 consistent with Republic Act No. 11713;
- 4 h) To uphold equal participation of representatives of industry groups, trade
5 associations, employers, workers, and government in order to ensure that
6 urgent needs and recommendations are readily addressed;
 - 7 i) To rationalize classifications of TVET institutions, including Technical
8 Vocational Institutions (TVIS), TESDA Technology Institutions (TTS),
9 Polytechnic or Technological Institutes, Polytechnic or Technological
10 Colleges, and Polytechnic or Technological Universities to promote program
11 differentiation and complementarity, address program overlaps, and
12 discontinue programs with little to no industry demand in specific localities;
 - 13 j) To collaborate with CHED in developing and implementing a typology for
14 tertiary education in the country, in view of differentiating regulations,
15 supports, and standards of excellence, in a way that better reflects the unique
16 mandates and roles of tertiary education institutions;
 - 17 k) To recommend and approve reasonable fees and charges for such
18 competency assessments and trainings conducted and retain such earnings
19 for its own use, subject to guidelines promulgated by the Authority;
 - 20 l) To determine and approve systematic funding schemes such as the levy and
21 grant scheme for technical education and skills development purposes;
 - 22 m) To facilitate devolution of skills-based training and TVET programs to local
23 government units and private sectors through a system of coordination and
24 engagement with the relevant local government units and industry;
 - 25 n) To coordinate with relevant departments for the continued enhancement of
26 the Ladderized Education Program under Republic Act No. 10647;
 - 27 o) To approve the provision of funding for post-secondary state-run TVIs under
28 Republic Act No. 10931,
 - 29 p) p. To approve enterprise-based education and training programs (EBET)
30 under Republic Act No. 12063, and delegate oversight, monitoring and
31 implementation to the EBET office under section 14(f) of this Act;
 - 32 q) To oversee and facilitate full devolution of training programs to local
33 government units through the Community and Local Skills Development
34 Office, pursuant to Section 25; and
 - 35 r) To perform such other powers and functions as may be authorized by the
36 Board of advisers.

37
38 **SEC. 12. The TESDA Secretariat.** – There is hereby created a Technical
39 Education and Skills Development Authority Secretariat which shall have the following
40 functions and responsibilities:

- 41 a) To establish and maintain a planning process and formulate a national
42 technical education and skills development plan in which the member-
43 agencies and other concerned entities of the Authority at various levels
44 participate;
- 45 b) To establish, develop and support institutions' trainers' training and/or
46 programs;
- 47 c) To provide analytical inputs to policy decision-making on allocation of
48 resources and institutional roles and responsibilities as shall be embodied in
49 annual agencies technical education and skills development plans, in

- 1 accordance with the manpower plan for quality-assured Filipino workforce as
2 approved by the Authority;
- 3 d) To recommend measures, and implement the same upon approval by the
4 Authority, for the effective and efficient implementation of the National
5 Technical Education and Skills Development Plan;
- 6 e) To propose to the Board of Advisers and the Director-General the specific
7 allocation of resources for the programs and projects it shall undertake
8 pursuant to approved National Technical Education and Skills Development
9 Plan;
- 10 f) To submit periodic reports on the progress and accomplishment of work
11 programs of implementation of plans and policies for technical educational
12 and skills development;
- 13 g) To prepare an annual report to the President on technical education and skills
14 development;
- 15 h) To prepare and implement a program for the training of trainers, supervisors,
16 planners and managers under the oversight and guidance of the Director-
17 General;
- 18 i) To enter into agreements, whether local and international, to implement
19 approved plans and programs and perform activities as shall implement the
20 declared policy of this Act;
- 21 j) To allocate resources, based on the Board of Adviser's recommendations, for
22 the programs and projects it shall undertake pursuant to approved National
23 Technical Education and Skills Development Plan;
- 24 k) To submit a proposal for the creation, institutionalization and funding of
25 industry boards, in terms of their composition, sector, and functions; and
- 26 l) All other duties and functions to perform their mandate, as determined by the
27 Director-General.
28

29 **SEC. 13. Deputy Directors-General.** – The Director-General shall be assisted
30 by six (6) Deputy Directors-General to be appointed by the President of the Philippines.
31 One to be responsible for Policies and Planning; one for Training Programs
32 Development, Registration, Accreditation and Monitoring and Evaluation; one for Skills
33 Assessment and Certification; one for Scholarship, Learners Welfare, and Career
34 Guidance, one for Administration and Innovation, and one for Finance and Legal
35 Affairs.
36

37 The Deputy Directors-General shall enjoy the benefits, privileges and
38 emoluments equivalent to the rank of an Undersecretary.
39

40 **SEC. 14. Structural Organization and Personnel.** – The TESDA Secretariat,
41 in addition to the offices of the Director-General, Deputy Director-Generals and Chief
42 of Services for Administration shall be composed of the following offices to be headed
43 by an Executive Director to be appointed by the Director-General and shall have the
44 rank and emoluments of Director IV.
45

- 46 a) Planning Office (PO) - The Planning Office shall have the following functions:
47 i. To design and establish planning processes and methodologies which
48 will particularly enhance the efficiency of resource allocation decisions
49 within the technical education and skills development sector;

- 1 ii. To lead in the preparation and periodic updating of a national plan for
2 technical education and skills development which shall become the
3 basis for resource allocation decisions within the sector;
4 iii. To conduct research, studies and develop information systems for
5 effective and efficient planning and policymaking within the sector;
6 iv. To develop and implement programs and projects aimed at building up
7 planning capabilities of various institutions within the sector; and
8 v. To perform such other powers and functions as may be authorized by
9 the Authority.
- 10
- 11 b) Skills Standards and Certification Office (SSCO) - The Skills Standards and
12 Certification Office shall take responsibility as the principal linkage with
13 industry to establish competency standards, assessment arrangements
14 including recognition of prior learning, quality assurance and certification
15 systems. The SSCO shall have the following functions:
16
- 17 i. To develop and establish a national system of skills standardization,
18 testing and certification in the country;
19 ii. To design, innovate and adopt processes and methodologies whereby
20 industry groups and workers' guilds take note on progressively the
21 responsibility of setting skills standards for identified occupational
22 areas, and the local government units actively participate in promoting
23 skills standards, testing and certification;
24 iii. To establish and implement a system of accrediting private enterprises,
25 workers associations and guilds and public institutions to serve as
26 skills testing venues;
27 iv. To conduct research and development on various occupational areas
28 in order to recommend policies, rules regulations for effective and
29 efficient skills standardization, testing and certification system in the
30 country; and To perform such other duties and functions as may be
31 authorized.
- 32
- 33 c) National Institute for Technical Vocational and Education Training (NITVET)
34 - The National Institute for Technical Vocational and Education Training shall
35 have the following functions:
36
- 37 i. To serve as the research and development arm of the government in
38 the field of technical-vocational education and training;
39 ii. To develop curricula and program standards for various technical-
40 vocational education and training areas;
41 iii. To develop and implement and integrated program for continuing
42 development of trainors, teachers and instructors within the technical
43 education and skills development sector;
44 iv. To develop programs and projects which will build up institutional
45 capabilities within the sector; and
46 v. To perform such other powers and functions as may be authorized.
- 47
- 48 d) Office of Formal Technical Vocational Education and Training (OFFVET) -
49 The Office of Formal Technical Vocational Education and Training shall have
50 the following functions:

- 1 i. To provide policies, measures and guidelines for effective and efficient
2 administration of formal technical-vocational education and training
3 programs implemented by various institutions in the country;
4 ii. To establish and maintain a system for accrediting, coordinating,
5 integrating, monitoring and evaluating the different formal technical-
6 vocational education and training programs vis-a-vis the approved
7 National Technical Education and Skills Development Plan;
8
9 iii. To establish and maintain a network of institutions engaged in
10 institutionalized technical-vocational education and training particularly
11 with local government units; and
12
13 iv. To perform such other duties and functions as may be authorized.
14
15 e) Office of the Non-Formal Technical-Vocational Education and Training
16 (ONFTVET) - The Office of the Non-Formal Technical-Vocational Education
17 and Training shall have the following functions:
18
19 i. To provide direction, policies and guidelines for effective implementation
20 of non-formal community-based technical-vocational education and
21 training;
22 ii. To accredit, coordinate, monitor and evaluate various non-formal
23 technical-vocational education and training programs implemented by
24 various institutions particularly, by local government units;
25 iii. To establish and maintain a network of institutions including local
26 government units, non-government organizations, implementing non-
27 formal, community-based technical-vocational education and training;
28 iv. To perform such other powers and functions as may be authorized.
29
30 f) Enterprise-Based Education and Training (EBET) Office - Pursuant to the
31 provisions of Republic Act No. 12063, the Office shall have the following
32 functions:
33
34 i. To provide direction, policies and guidelines on the implementation of
35 the systems;
36 ii. To accredit, coordinate, monitor and evaluate all enterprise-based
37 education and training schemes and programs implemented by various
38 institutions and enterprises;
39 iii. To establish a network of institutions and enterprises conducting
40 enterprise-based education and training schemes and programs; iv. To
41 perform such other powers and functions as may be authorized.
42
43 g) Community and Local Skills Development Office (CLSDO) - The Community
44 and Local Skills Development Office shall have the following functions:
45 i. To facilitate and implement the devolution of the Authority's training
46 function to local government units, pursuant to Section 25 of this Act;

- ii. To provide overall capacity-building training for community-based technical education and skills development of the local community under a particular local government unit;
- iii. To provide formal training, guidance and oversight of community-training and employment coordinators designated by local government units; and
- iv. To maintain a system of coordination between the Authority and the local government unit, to ensure full devolution and autonomy of community-based education and skills development.

h) Regional TESDA Offices - The Regional TESDA Offices shall be headed by Regional Directors with the rank and emoluments of Director IV to be appointed by the President. The Regional TESDA Offices shall be under the direct control of the Director-General and shall have the following functions:

- i. To serve as Secretariat to Regional TESDA Committees;
- ii. To provide effective supervision, coordination and integration of technical education and skills development programs, projects and related activities in their respective jurisdiction;
- iii. To develop and recommend TESDA programs for regional and local-level implementation within the policies set by the Authority;
- iv. To perform such other duties and functions as may be deemed necessary.

SEC. 15. The Provincial TESDA Offices. – The Provincial Offices shall be headed by Skill Development Officers who shall have the rank and emoluments of a Director III.

The Provincial TESDA offices shall be under the direct control of the Regional Directors and shall have the following functions:

- a) To serve as Secretariat to Provincial TESDA Committees;
- b) To provide technical assistance particularly to local government units for effective supervision, coordination, integration and monitoring of technical-vocational education and training programs within their localities;
- c) To review and recommend TESDA programs for implementation within their localities; and
- d) Perform such other duties and functions as may be authorized.

Furthermore, the TESDA Secretariat may be further composed of such offices as may be deemed necessary by the Authority. The Director-General shall appoint such personnel necessary to carry out the objectives, policies and functions of the Authority subject to Civil Service laws, rules and regulations.

SEC. 16. Compliance with the Salaries Standardization Law. – The compensation and emoluments of the officials and employees of the Authority shall be in accordance with the salary standardization law and other applicable laws under the national compensation and classification plan. All directors duly appointed by the Director General shall serve at the corresponding plantilla position provided in the

1 salary grade of their appointment, and shall not be subject to diminution in the
2 corresponding salary grade and benefits afforded to that position.

3
4 **SEC. 17. Consultants and Technical Assistance, Publication and**
5 **Research.** – In pursuing its objectives, the Authority is hereby authorized to set aside
6 a portion of its appropriation for the hiring of services of qualified consultants, and
7 private organizations for research work and publication in the field of technical
8 education and skills development. It shall avail itself of the services of other agencies
9 of the Government as may be required.

10
11 **SEC. 18. Technical Education and Skills Development Committees.** – The
12 Authority shall establish Technical Education and Skills Development Committees at
13 the regional and local levels to coordinate and monitor the delivery of all skills
14 development activities by the public and private sectors. These committees shall
15 likewise serve as the Technical Education and Skills Development Committees of the
16 Regional and local development councils.

17
18 The composition of the Technical Education and Skills Development
19 Committees shall be determined by the Director-General subject to the guidelines to
20 be promulgated by the Authority.

21
22 **SEC. 19. Skills Development Centers.** – The Authority shall establish regional
23 centers shall serve as exemplars for niche, higher level qualifications, as well as
24 ladderized offerings, relative to the unique needs of the region, and in support of the
25 local public and private providers in the area. Said centers shall iterate new programs,
26 provide training for trainers, lead the formulation of responsive regional initiatives and
27 programs vis-a-vis local labor market information, and other similar initiatives. These
28 centers shall be administered and operated under such rules and regulations as may
29 be established by the Authority in accordance with the National Technical Education
30 and Skills Development Plan.

31
32 **SEC. 20. Establishment and Administration of National Trade Skills**
33 **Standards.** – There shall be national occupational skills standards to be established
34 by TESDA-accredited industry committees, prioritizing those established and
35 conducted by industries. The Authority shall develop and implement a certification and
36 accreditation program in which private industry groups and trade associations are
37 accredited to conduct approved trade tests, and the local government units to promote
38 such trade testing activities in their respective areas in accordance with the guidelines
39 to be set by the Authority.

40
41 This prioritization shall aim to shorten the development cycle of competency
42 standards, competency assessment tools and training regulations, and ensure timely
43 rollout of higher-level qualifications, thereby aligning workforce competencies with
44 emerging industry requirements.

45
46 The Director General shall determine the occupational trades for mandatory
47 certification.

48
49 All certificates relating to the national trade skills testing and certification system
50 shall be issued by the Authority through the TESDA Secretariat.

1 **SEC. 21. Recognition of Alternative Assessment Systems.** – The Authority
2 shall duly recognize and adapt industry-based and other systems of skills assessment,
3 qualification and certification, including but not limited to work-based learning,
4 competency-based training, recognition of prior learning, micro-credentials, and digital
5 badges.

6
7 **SEC. 22. Assistance to Employers and Organizations.** – In consonance with
8 Republic Act No. 12063, otherwise known as the "Enterprise-Based Education and
9 Training Framework Act", the Authority shall assist any employer or organization
10 engaged in skills training schemes designed to attain the objectives of relevant and
11 accessible skills training provision.

12
13 **SEC. 23. Industry Boards.** – The Authority shall establish effective and
14 efficient institutional arrangements with industry boards and such other bodies or
15 associations to provide direct participation of employers and workers in the design and
16 implementation of skills development schemes, trade skills standardization and
17 certification and such other functions in the fulfillment of the Authority's objectives.
18 These industry boards shall be formed in order to discuss broad-based policies and
19 direction of TESDA in determining the continuation, abolition and propagation of new
20 programs, skills training and other applicable proposals to meet industry needs.

21
22 To ensure coherence with the education system, said Boards shall work closely
23 with the Department of Education Bureau of Curriculum Development, the CHED
24 Technical Panels, as well as the PRC Professional Regulatory Boards to ensure and
25 enable smooth learning transitions, well-designed ladderized offerings, and alignment
26 in curriculum and assessment.

27
28 **SEC. 24. Incentives Schemes.** – The Authority shall develop and administer
29 appropriate incentive schemes to encourage government and private industries and
30 institutions to provide high-quality technical education and skills development
31 opportunities.

32
33 **SEC. 25. Devolution of TESDA's Training Function to Local Governments.**
34 – In establishing the delivery system provided for in the preceding Section, the
35 Authority shall formulate, implement and finance a specific plan to develop the
36 capability of local government units to assume ultimately the responsibility for
37 effectively providing community-based technical education and skills development
38 opportunities: Provided, however, That there shall be formulated and implemented,
39 and effective and timely retraining of TESDA personnel that would be affected by the
40 devolution to ensure their being retained if the concerned local government units would
41 not be able to absorb them.

42
43 **SEC. 26. Skills Olympics.** - To promote quality skills development in the country
44 and with the view of participating in international skills competitions, the Authority, with
45 the active participation of private industries, shall organize and conduct annual
46 National Skills Olympics. The Authority, through the TESDA Secretariat, shall
47 promulgate the necessary rules and guidelines for the effective and efficient conduct
48 of Annual National Skills Olympics and for the country's participation in international
49 skills olympics.

SEC. 27. The TESDA Development Fund. – A TESDA Development Fund is hereby established, to be managed/ administered by the Authority, 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. Furthermore, the TESDA Development Fund shall be reoriented to serve as the main source of support for the operations of the industry TVET boards (ITBs), which is crucial for ensuring the agency can effectively lead in developing a future-ready workforce and elevating the quality and relevance of TVET across the country. The contribution 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;
- c) Donations, grants, endowments, and other bequests or gifts; and
- d) Any other income generated by the Authority.

The Board of Advisers, through its Secretariat, 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: a) unless otherwise stipulated by the private donor, only earnings of private contributions shall be used; and b) no part of the seed capital of the fund, including earnings, thereof, shall be used to underwrite expenses for administration.

The Board shall appoint a reputable government-accredited investment institution as fund manager, subject to guidelines promulgated by the Board.

SEC. 28. Scholarship Grants. – Pursuant to the provisions of Republic Act No. 11230, the Authority shall adopt a system of allocation and funding of scholarship grants which shall be responsive to the technical education and skills development needs of the different regions in the country. This system shall include a systematic targeting mechanism to accurately identify and prioritize genuinely poor but committed scholars in every region, ensuring guaranteed allocation under mandatory appropriations and compliance with laws that expand TESDA's clientele.

Consistent with Republic Act No. 10687 or "Unified Student Financial Assistance System for Tertiary Education (UniFAST) Act", the Authority shall work closely with the UNIFAST Secretariat in conducting and/or commissioning reputable research organizations or universities, to undertake regular impact evaluations for its scholarship grants at least every three (3) years, with the aim of informing program design, subsidy amounts, and other needed interventions, in order to improve efficiency and efficacy of programs. Said studies shall be submitted to the TESDA Board, to the Department of Budget and Management, and to Congress.

SEC. 29. Automatic Review. – Every five (5) years, after the effectivity of this Act, an independent review panel composed of three (3) persons appointed by the President shall review the performance of the Authority and shall make recommendations, based on its findings to the President and to both Houses of Congress.

1 **SEC. 30. Implementing Rules and Regulations.** – The Board of Advisers
2 shall issue, within a period of ninety (90) days after the effectivity of this Act, the rules
3 and regulations for the effective implementation of this Act.
4

5 The Board of Advisers shall submit to the Committees on Higher and Technical
6 Education of both Houses of Congress copies of the implementing rules and
7 regulations within thirty (30) days after its promulgation.
8

9 Failure of the relevant government agencies to promulgate the IRR within the
10 specified period shall subject the heads of these government agencies to
11 administrative penalties under applicable civil service laws.
12

13 Should the IRR contain provisions that are contrary to this Act, the heads of the
14 government agencies responsible for such provision, when done in bad faith or with
15 gross negligence, shall be held administratively liable.
16

17 **SEC. 31. Separability Clause.** – If any portion or provision of this Act is
18 declared unconstitutional, the remainder hereof or any provisions not affected thereby
19 shall remain in force and effect.
20

21 **SEC. 32. Repealing Clause.** – Any law, presidential decree or issuance,
22 executive order, letter of instruction, rule, or regulation inconsistent with the provisions
23 of this Act is hereby repealed or modified accordingly.
24

25 **SEC. 33. Effectivity.** – This Act shall take effect fifteen (15) days after its
26 complete publication in the Official Gazette or in a newspaper of general circulation.
27

28 *Approved,*