

10 February 2020

REPRESENTATIVE SABINIANO S. CANAMA

Chairperson
Committee on Cooperatives Development
House of Representatives
Batasan Complex, Batasan Hills
Quezon City

Dear **Representative Canama**:

We are pleased to submit the Department's position on House Bill No. 5925, entitled:

An Act Making the Position of a Cooperative Officer Mandatory in the Municipal, City and Provincial Levels, Amending for the Purpose Republic Act No. 7160, Otherwise Known as the Local Government Code of 1991

This is without prejudice to the Department's submission of additional inputs.

With my best regards.

Very truly yours,


RAMON M. LOPEZ
Secretary



OFFICE OF THE SECRETARY

Department of Trade and Industry

DTI Position on

House Bill No. 5925

An Act Making the Position of a Cooperative Officer Mandatory in the Municipal, City and Provincial Levels, Amending for the Purpose Republic Act No. 7160, Otherwise Known as the Local Government Code of 1991

The Department fully supports the objective of the bill in mandating the position of a cooperative officer in the municipal, city, and provincial levels as it would ensure that technical guidance, financial assistance, and other services are efficiently provided to cooperatives.

However, we maintain the need to delineate the duties and functions of the Cooperative Development Authority (CDA) personnel or the CDA in general relative to the appointed Local Government Unit (LGU) cooperative officer. To be specific, the DTI suggests for the Implementing Rules and Regulations (IRR) to ensure that there will be no encroachment on the regulatory power of the CDA.

Further, the Department notes that the Department of the Interior and Local Government (DILG) and the CDA have signed the Joint Memorandum Circular (JMC) No. 2019-01 dated 21 January 2019 for the cooperative promotion, organization, and development in LGUs, which enumerates the respective functions and powers of CDA and LGUs. The JMC may serve as basis for the implementation of the bill should it be signed into law.

The DTI is committed in strengthening the role of cooperatives in empowering economic, social, and cultural development. As such, we will continue to support existing cooperative laws, rules, and regulations that promote the growth and stability of cooperatives in their role as drivers of the economy.



Bureau of Trade and Industrial Policy Research

10 February 2020

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