

NINETEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
Third Regular Session

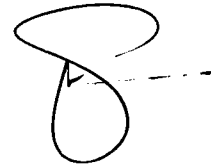
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25 JAN 22 P2:29

SENATE

S. No. 2935

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Introduced by Senator Jinggoy Ejercito Estrada

AN ACT
CREATING AN ADVANCED STUDIES DEVELOPMENT PROGRAM FOR
EXCEPTIONAL EMPLOYEES FROM THE GOVERNMENT AND THE PRIVATE
SECTOR AND FOR OTHER PURPOSES

EXPLANATORY NOTE

With the constant and rapid developments in the world of work and the environment around which it revolves, advanced studies indeed increasingly becomes an important tool to enable the employees to cope with the challenges. Through further studies, they are able to expand their knowledge, enhance their skills, and elevate their quality of work. Beyond these, employees are able to maximize their potentials because completion of advanced studies contribute to their career development, increased productivity and earning potential, enforced confidence and motivation, and expanded network and job opportunities.

These benefits also redound to the employers and their clientele. Productive and motivated employees make up efficient and effective organizations. They are also the main instruments in meeting the expectations and satisfaction of their clientele.

While the benefits of advanced studies are limitless, their accessibility to employees, both from the private and public sector, remains limited. One of the

most common restricting factors to employees in pursuing post-graduate studies is the high cost of tuition and related fees.

The "*Pensionado Act*" seeks to establish a Pensionado Program under the Commission on Higher Education (CHED) which shall cater to employees both in the public and private sector, as well as self-employed individuals. It will coordinate with various local and international sponsors for the availment of their fellowships, scholarships, and training grants for advanced studies that may be availed of by the employees.

The selection of scholars, who are referred to as "Pensionado", will be stringent to ensure that they deserve the financial and non-financial assistance that will be granted to them. They will also be required to render service after their studies to become part of a corps of specialists who will share their knowledge and skills to their colleagues.

The Pensionado Program is visualized to be a relevant mechanism to achieve a productive citizenry who contribute to the nation's economic development.

In view of the foregoing, the immediate passage of this bill is highly recommended.



JINGGOY EJERCITO ESTRADA

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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 “*Pensionado Act*”.

2 Sec. 2. *Declaration of Policies.* – Human resources developments are
3 essential for economic development and progress. In the pursuit of economic
4 development and progress, the State shall give priority to the creation of a critical
5 mass of elite professionals who shall take the lead in harnessing science, technology,
6 and related disciplines towards accelerating the productivity of the country’s human
7 resources.

8 Consonant with this thrust, it is hereby declared a policy of the State to devise
9 a program for exceptionally able and highly motivated employees, preferably aged
10 thirty (30) to forty (40) years, from the government, the private sector and/or the
11 self-employed to undertake advanced studies in a branch of science, technology, or
12 related fields of learning on which depends the development and progress of the
13 country. As such, it shall provide for fellowships to enable them to pursue advanced
14 studies or research in their field of expertise.

15 The State shall develop a critical mass of first-rate specialists in various
16 disciplines and areas of specializations vital to national development to form a

1 collective national “think tank” who shall place continuously their knowledge and
2 skills at the service of the nation, be it in industry, the academe, or the highest
3 policy-making levels of government, with the government taking the lead in
4 harnessing their knowledge and skills for the greatest good of the country.

5 Sec. 3. *Definition of Terms.* – For purposes of this Act, the following terms
6 are hereunder defined as follows:

7 (a) *Post-graduate* refers to a formal degree course program of training /
8 research requiring at least a Master’s Degree for entry; a student pursuing
9 such program;

10 (b) *Advanced studies* refer to a post-graduate problem-oriented program of
11 studies and/or research, not necessarily leading to a degree, undertaken
12 for further specialization or advanced knowledge in a specific field of
13 study, or to acquire specialized knowledge and/or skills in a particular area
14 of science or technology; and

15 (c) *Pensionado* refers to a Filipino citizen selected and supported by the
16 Philippine government under this program to undertake advanced studies
17 in selected institutions of higher learning or recognized research centers,
18 in fields relevant to the officially-declared priority areas for development.

19 Sec. 4. *Establishment of Pensionado Program.* – There shall be established
20 under the Commission on Higher Education (CHED), in coordination the Department
21 of Science and Technology (DOST), the Department of Trade and Industry (DTI),
22 the National Economic and Development Authority (NEDA), the private sector and
23 non-government organizations (NGOs) a fellowship program to be called as the
24 Pensionado Program for Filipinos employed in the government and the private
25 sector, and those who are self-employed.

26 The Program shall pool together all fellowships, scholarships, training grants
27 sponsored or extended by foreign government, agencies and other bodies, as well as
28 by local agencies and organizations, whether public or private, intended for
29 advanced studies in international centers of advanced learning, scholarship and
30 research.

31 Sec. 5. *Establishment of a National Secretariat; Functions and Composition.* –
32 There shall be established a National Secretariat with the following functions:

- 1 (a) Identify and assist in negotiations with sponsors of fellowships,
2 scholarships and grants;
3 (b) Provide assistance to the selection panel in accomplishing its work;
4 (c) Provide the Pensionados continuing assistance from the time of selection
5 thru the time of their return to the country, including assistance for the
6 productive utilization of their newly-gained expertise;
7 (d) Serve as the administrative arm of the government for the program; and
8 (e) In general, promulgate and implement the policies and guidelines
9 governing the Program.

10 The National Secretariat shall be headed by an Executive Officer with the rank
11 of Assistant Secretary, to be appointed by the President of the Republic of the
12 Philippines, upon the recommendation of CHED. The members of the Secretariat
13 shall consist of representatives from CHED, NEDA, DTI, and DOST. These
14 representatives shall be seconded to the Secretariat for a period of one (1) year,
15 subject to renewal every year. Service rendered thereat shall be considered as part
16 of their performance for promotions purposes.

17 *Sec. 6. Number of Pensionados and Length of Grant.* – There shall be
18 selected twenty-four (24) Fellows annually – three (3) Fellows for each priority
19 discipline / industry field of the eight (8) vital disciplines or areas of specializations
20 identified by the CHED in consultation with the NEDA as frontiers or new areas
21 essential for pushing the economic and social development thrusts of the country.
22 The scholarship shall be for a period not exceeding three (3) years.

23 *Sec. 7. Selection Process.* – There shall be a Selection Panel under the
24 Secretariat consisting of three (3) university presidents and two (2) eminent
25 members from the academe to be appointed by the CHED. They shall serve on a
26 staggered basis for the purposes of continuity and consistency, each for a term of
27 three (3) years. The Selection Panel shall make the final selection of the
28 Pensionados from among the nominees from the academe, industry and research
29 centers. The integrity and objectives of the program are paramount considerations
30 for the panel in making the selection.

31 *Sec. 8. Qualifications.* – In order to qualify for the Fellowship Program, the
32 applicant must be:

- 1 (a) a Filipino citizen;
- 2 (b) gainfully employed;
- 3 (c) a college degree graduate, with honors;
- 4 (d) with demonstrated leadership and proven exceptional performance in
- 5 his/her present work;
- 6 (e) enthusiastic in undergoing further training; and
- 7 (f) willing to sign a contract requiring him/her to return to his/her job in
- 8 another capacity after training.

9 Sec. 9. *Place of Study.* – The Pensionados shall be sent to a foreign country
10 well-known for its advanced stage in particular discipline of area of specialization.
11 Training and education may be an academic institution, research and development
12 (R&D) center or a major industrial establishment with R&D program. It may or may
13 not lead to an advanced academic degree.

14 Sec. 10. *Assistance to Grantees.* – The Pensionado is entitled to the following
15 benefits:

- 16 (a) Up to three (3) years leave with pay, including allowances and other
- 17 benefits;
- 18 (b) One economy round-trip air fare to and from the host country plus other
- 19 travel expenses required for foreign travel;
- 20 (c) Clothing allowance to be determined by the Secretariat;
- 21 (d) Monthly stipend while on study abroad, of such amount to be determined
- 22 by the Secretariat;
- 23 (e) Books / instructional materials / research allowance of such amount to be
- 24 determined by the Secretariat; and
- 25 (f) Health, travel and insurance fees of such amount to be determined by the
- 26 Secretariat.

27 Sec. 11. *Program Funding.* – The cost of each fellowship grant shall be
28 shared by the Pensionado's employer and the National Government. The employer
29 pays the salary, allowances and other benefits due the Fellow as employed for the
30 whole period of the advanced studies overseas while the National Government, thru
31 the Program, shall be responsible for items b, c, d, e, and f as enumerated in
32 Section 10 of this Act. With the transfer of all pertinent foreign and local grants for

1 coordination under the Program, the government through the Program, may
2 negotiate bilateral arrangements with host governments, host universities, host
3 research institutions and host corporations to share at least fifty percent (50%) of
4 the total cost of items b, c, d, e, and f under Section 10 hereof.

5 The National Government may also negotiate bilateral agreements with host
6 governments, host universities, research institutions and corporations to enable our
7 scholars to stay abroad and continue their studies or training at a minimal cost to
8 the National Government. A sharing program can be established where the host
9 government, host-universities, research institutions and corporations can shoulder
10 the expenses of the scholars while abroad.

11 Sec. 12. *Service Obligation.* – Immediately upon completion of the studies or
12 training, a Fellow shall be required to return to their job or in another capacity
13 approved by the Secretariat and serve on a full-time basis for a minimum period
14 equivalent to twice the period covered by the fellowship grant. In addition, the
15 Fellow shall be required to hold seminars or training sessions for employees from the
16 government and the private sectors on topics related to the course or training that
17 he/she has completed. Any recipient of the program who has not completed his
18 course shall reimburse the fellowship grant in cash or through equivalent service.
19 Any Pensionado who violates the service obligation imposed under this Section shall
20 reimburse the sponsoring agency or company and the National Government of the
21 fund assistance received under this Act in full or in part as the case may be.

22 Sec. 13. *Mechanism for Utilization of Returned Fellows.* – There shall be
23 established and developed a National Network of Specialized Institutes for Advanced
24 Studies in universities selected by CHED in consultation with the DOST and other
25 appropriate agencies to be determined by the Secretariat to provide returning
26 scholars an office, laboratory, library and conference facilities for their continuing
27 activities. The Institute shall also serve as a place for an Exchange Program and
28 Collaborative Research among local and international scientists and scholars in
29 priority areas of research and development.

30 Sec. 14. *Appropriations.* – The amount needed to initially implement the
31 provisions of this Act shall be charged against the appropriations of the current year
32 of the concerned departments and agencies. Thereafter, such sums as may be

1 necessary for its continued implementation shall be included in the appropriation of
2 the concerned departments and agencies in the annual General Appropriations Act.

3 Sec. 15. *Transfer of Other Fellowship, Scholarship, and Training Grants.* – All
4 foreign and locally sponsored fellowship, scholarship and training grants will be
5 transferred to the program for coordination. With respect to government employees
6 who may be affected by the transfer, the pertinent rules and regulations of the Civil
7 Service Commission (CSC) shall apply.

8 Sec. 16. *Implementing Rules and Regulations.* – Within ninety (90) days from
9 the approval of this Act, CHED, in coordination with NEDA, DTI, DOST, and CSC, and
10 upon consultation with the private sector stakeholders, shall promulgate the
11 necessary rules and regulations for the effective implementation of the provisions
12 hereof.

13 Sec. 17. *Separability Clause.* – If any provision or part hereof is held invalid
14 or unconstitutional, the remainder of the law or the provision or part not otherwise
15 affected shall remain valid and subsisting.

16 Sec. 18. *Repealing Clause.* – Any law, presidential decree or issuance,
17 executive order, letter of instruction, administrative order, rule, or regulation
18 contrary to or inconsistent with the provisions of this Act are hereby repealed,
19 modified, or amended accordingly.

20 Sec. 19. *Effectivity.* – This Act shall take effect fifteen (15) days after its
21 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,