

REPUBLIC ACT NO. 7796

AN ACT CREATING THE TECHNICAL EDUCATION AND  
SKILLS DEVELOPMENT AUTHORITY, PROVIDING FOR  
ITS POWERS, STRUCTURE AND FOR OTHER PURPOSES

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

SECTION 1. *Title.* – This Act shall be known as the  
"Technical Education and Skills Development Act of 1994" or the  
"TESDA Act of 1994."

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

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

SEC. 3. *Statement of Goals and Objectives.* – It is the goal  
and objective of this Act to:

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

b) Focus technical education and skills development on  
meeting the changing demands for quality middle-level manpower;

c) Encourage critical and creative thinking by disseminating the scientific and technical knowledge base of middle-level manpower development programs;

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

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

SEC. 4. *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 post-secondary and lower tertiary levels, officially recognized as non-degree programs aimed at preparing technicians, para-professionals and other categories of middle level workers 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

1) who have acquired practical skills and knowledge through formal or non-formal education and training equivalent

to at least a secondary education but preferably a post-secondary education with a corresponding degree or diploma; or

2) 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 task;

h) "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;

i) "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;

j) "Apprenticeship" training within employment with compulsory related theoretical instructions involving a contract between an apprentice and an employer on an approved apprenticeable occupation;

k) "Apprentice" is a person undergoing training for an approved apprenticeable occupation during an established period assured by an apprenticeship agreement;

l) "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;

m) "Apprenticeable Occupation" is an occupation officially endorsed by a tripartite body and approved for apprenticeship by the authority;

n) "Learners" refer to persons hired as trainees in semi-skills and other industrial occupations which are non-apprenticeable. Learnership programs must be approved by the Authority;

o) "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;

p) "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;

q) "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.

*SEC. 5. Technical Education and Skills Development Authority: Creation.* – To implement the policy declared in this Act, there is hereby created a Technical Education and Skills Development Authority (TESDA), hereinafter referred to as the Authority, which shall replace and absorb the National Manpower and Youth Council (NMYC), the Bureau of Technical and Vocational Education (BTVE) and the personnel and functions pertaining to technical-vocational education in the regional offices of the Department of Education, Culture and Sports (DECS) and the apprenticeship program of the Bureau of Local Employment of the Department of Labor and Employment.

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

SEC. 7. *Composition of the TESDA Board.* – The TESDA Board shall be composed of the following:

The Secretary of Labor and Employment	Chairperson
Secretary of Education, Culture and Sports	Co-Chairperson
Secretary of Trade and Industry	Co-Chairperson
Secretary of Agriculture	Member
Secretary of Interior and Local Government	Member
Director-General of the TESDA Secretariat	Member

In addition, the President of the Philippines shall appoint the following members from the private sector: two (2) representatives, from the employer/industry organization, one of whom shall be a woman; three (3) representatives, from the labor sector, one of whom shall be a woman, and two (2) representatives of the national associations of private technical-vocational education and training institutions, one of whom shall be a woman. As soon as all the members of the private sector are appointed, they shall so organize themselves that the term of office of one-third (1/3) of their number shall expire every year. The member from the private sector appointed thereafter to fill vacancies caused by expiration of terms shall hold office for three (3) years.

The President of the Philippines may, however, revise the membership of the TESDA Board, whenever the President deems it necessary for the effective performance of the Board's functions through an administrative order.

The TESDA Board shall meet at least twice a year, or as frequently as may deemed necessary by its Chairperson. In the absence of the Chairperson, a Co-Chairperson shall preside. In case any member of the Board representing the Government cannot

attend the meeting, he or she shall be regularly represented by an undersecretary or deputy-director general, as the case may be, to be designated by such member for the purpose.

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

SEC. 8. *Powers and Functions of the Board.* – The Authority shall primarily be responsible for formulating, continuing, coordinated and fully integrated technical education and skills development policies, plans and programs taking into consideration the following:

a) the State policy declared herein of giving new direction and thrusts to efforts in developing the quality of Filipino human resource through technical education and skills development;

b) the implementation of the above-mentioned policy requires the coordination and cooperation of policies, plans, and programs of different concerned sectors of Philippine society;

c) equal participation of representatives of industry groups, trade associations, employers, workers and government shall be made the rule in order to ensure that urgent needs and recommendations are readily addressed; and

d) improved linkages between industry, labor and government shall be given priority in the formulation of any national-level plan.

The Board, shall have the following powers:

1) promulgate, after due consultation with industry groups, trade associations, employers, workers, policies, plans, programs and guidelines as may be necessary for the effective implementation of this Act;

2) organize and constitute various standing committees, subsidiary groups, or technical working groups for efficient integration, coordination and monitoring technical education and skills development programs at the national, regional, and local levels;

3) enter into, make, execute, perform and carry-out domestic and foreign contracts subject to existing laws, rules and regulations;

4) 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;

5) approve trade skills standards and trade tests as established and conducted by private industries;

6) establish and administer a system of accreditation of both public and private institutions;

7) establish, develop and support institutions' trainers' training and/or programs;

8) lend support and encourage increasing utilization of the dual training system as provided for by Republic Act No. 7686;

9) 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 Authority;

10) allocate resources, based on the Secretariat's recommendations, for the programs and projects it shall undertake pursuant to approved National Technical Education and Skills Development Plan;

11) determine and approve systematic funding schemes such as the Levy and Grant scheme for technical education and skills development purposes;

12) create, when deemed necessary, an Advisory Committee which shall provide expert and technical advice to the Board to be chosen from the academe and the private sector: *Provided*, That in case the Advisory Committee is created, the Board is hereby authorized to set aside a portion of its appropriation for its operation; and

13) Sperform such other duties and functions necessary to carry out the provisions of this Act consistent with the purposes of the creation of TESDA.

SEC. 9. *Power to Review and Recommend Action.* – The Authority shall review and recommend action to concerned authorities on proposed technical assistance programs and grants-in-aid for technical education or skills development, 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. 10. *The TESDA Secretariat.* – There is hereby created a Technical Education and Skills Development Authority Secretariat which shall have the following functions and responsibilities:

a) to establish and maintain a planning process and formulate a national technical education and skills development plan in which the member-agencies and other concerned entities of the Authority at various levels participate;

b) to provide analytical inputs to policy decision-making of the Authority on allocation of resources and institutional roles and responsibilities as shall be embodied in annual agencies technical education and skills development plans, in accordance with the manpower plan for middle-level skilled workers as approved by the Authority;

c) to recommend measures, and implement the same upon approval by the Authority, for the effective and efficient implementation of the national technical education and skills development plan;

d) to propose to the Authority the specific allocation of resources for the programs and projects it shall undertake pursuant to approved national technical education and skills development plan;

e) to submit to the Authority periodic reports on the progress and accomplishment of work programs of implementation of plans and policies for technical educational and skills development;

f) to prepare for approval by the Authority an annual report to the President on technical education and skills development;

g) to implement and administer the apprenticeship program as provided for in Section 18 of this Act;

h) to prepare and implement upon approval by the Authority a program for the training of trainers, supervisors, planners and managers as provided for in Section 23 of this Act;

i) to enter into agreement to implement approved plans and programs and perform activities as shall implement the declared policy of this Act; and

j) to perform such other functions and duties as may be assigned by the Board:

SEC. 11. *Director-General.* – The TESDA Secretariat shall be headed by a Director-General, who shall likewise be a member of the TESDA Board. The Director-General shall be appointed by the President of the Philippines and shall enjoy the benefits, privileges and emoluments equivalent to the rank of Undersecretary.

As Chief Executive Officer of the TESDA Secretariat, the Director-General shall exercise general supervision and control over its technical and administrative personnel.

SEC. 12. *Deputy Directors-General.* – The Director-General shall be assisted by two (2) Deputy Directors-General to be appointed by the President of the Philippines on recommendation of the TESDA Board. One to be responsible for Vocational and Technical Education and Training and one to be responsible for Policies and Planning.

The Deputy Directors-General shall enjoy the benefits, privileges and emoluments equivalent to the rank of Assistant Secretary.

SEC. 13. *Chief of Services for Administration.* – The Director-General shall also be assisted by a Chief of Services for Administration who shall be a Career Service Official to be appointed by the TESDA Board.

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

a) Planning Office (PO) - The Planning Office shall be under the Office of the Deputy Director-General and shall have the following functions:

1) to design and establish planning processes and methodologies which will particularly enhance the efficiency of resource allocation decisions within the technical education and skills development sector;

2) to lead in the preparation and periodic updating of a national plan for technical education and skills development which shall become the basis for resource allocation decisions within the sector;

3) to conduct researches, studies and develop information systems for effective and efficient planning and policymaking within the sector;

4) to develop and implement programs and projects aimed at building up planning capabilities of various institutions within the sector; and

5) to perform such other powers and functions as may be authorized by the Authority.

b) Skills Standards and Certification Office (SSCO). - The Skills Standards and Certification Office shall be under the office of the Deputy Director-General and shall have the following functions:

1) to develop and establish a national system of skills standardization, testing and certification in the country;

2) to design, innovate and adopt processes and methodologies whereby industry groups and workers' guilds take note on progressively the responsibility of setting skills standards for identified occupational areas, and the local government units actively participate in promoting skills standards, testing and certification;

3) to establish and implement a system of accrediting private enterprises, workers' associations and guilds and public institutions to serve as skills testing venues;

4) to conduct research and development on various occupational areas in order to recommend policies, rules and regulations for effective and efficient skills standardization, testing and certification system in the country; and

5) to perform such other duties and functions as may be authorized.

c) National Institute for Technical Vocational and Education Training (NITVET). - The National Institute for Technical Vocational and Education Training shall be under the office of the Deputy Director-General and shall have the following functions:

1) to serve as the research and development arm of the government in the field of technical-vocational education and training;

2) to develop curricula and program standards for various technical-vocational education and training areas;

3) to develop and implement and integrated program for continuing development of trainers, teachers and instructors within the technical education and skills development sector;

4) to develop programs and projects which will build up institutional capabilities within the sector; and

5) to perform such other powers and functions as may be authorized.

d) Office of Formal Technical Vocational Education and Training (OFFVET). - The Office of Formal Technical Vocational Education and Training to be under the office of the Deputy Director-General and shall have the following functions:

1) to provide policies, measures and guidelines for effective and efficient administration of formal technical-vocational education and training programs implemented by various institutions in the country;

2) to establish and maintain a system for accrediting, coordinating, integrating, monitoring and evaluating the different formal technical-vocational education and training programs *vis-a-vis* the approved national technical education and skills development plan;

3) to establish and maintain a network of institutions engaged in institutionalized technical-vocational education and training particularly with local government units; and

4) to perform such other duties and functions as may be authorized.

e) Office of the Non-Formal Technical-Vocational Education and Training (ONFTVET). - The Office of the Non-Formal Technical-Vocational Education and Training to be under the Office of the Deputy Director-General and shall have the following functions:

1) to provide direction, policies and guidelines for effective implementation of non-formal community-based technical-vocational education and training;

2) to accredit, coordinate, monitor and evaluate various non-formal technical-vocational education and training programs implemented by various institutions particularly, by local government units;

3) to establish and maintain a network of institutions including local government units, non-government organizations, implementing non-formal, community-based technical-vocational education and training;

4) to perform such other powers and functions as may be authorized.

f) Office of Apprenticeship (OA).- The Office of Apprenticeship shall be under the Office of the Deputy Director-General and shall have the following functions:

1) to provide direction, policies and guidelines on the implementation of the Apprenticeship system;

2) to accredit, coordinate, monitor and evaluate all apprenticeship schemes and programs implemented by various institutions and enterprises;

3) to establish a network of institutions and enterprises conducting apprenticeship schemes and programs;

4) to perform such other powers and functions as may be authorized.

g) 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:

1) to serve as Secretariat to Regional Technical Education Skills Development (TESDA) Committees;

2) to provide effective supervision, coordination and integration of technical education and skills development programs, projects and related activities in their respective jurisdiction;

3) to develop and recommend TESDA programs for regional and local-level implementation within the policies set by the Authority;

4) 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 Director-General and shall have the following functions:

1) to serve as Secretariat to Provincial TESDA Committees;

2) 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;

3) to review and recommend TESDA programs for implementation within their localities; and

4) to 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.

SEC. 17. *Consultants and Technical Assistance, Publication and Research.* – In pursuing its objectives, the Authority 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. 18. *Transfer of the Apprenticeship Program.* – The Apprenticeship Program of the Bureau of Local Employment of the Department of Labor and Employment shall be transferred to the Authority which shall implement and administer said program in accordance with existing laws, rules and regulations.

SEC. 19. *Technical Education and Skills Development Committees.* – The Authority shall establish Technical Education and Skills Development Committees at the regional and local levels to coordinate and monitor the delivery of all skills development activities by the public and private sectors. These committees shall likewise serve as the Technical Education and Skills Development Committees of the Regional and local development councils. The composition of the Technical Education and Skills Development Committees shall be determined by the Director-General subject to the guidelines to be promulgated by the Authority.

SEC. 20. *Skills Development Centers.* – The Authority shall strengthen the network of national, regional and local skills training centers for the purpose of promoting skills development.

This network shall include 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

skills development centers shall be administered and operated under such rules and regulations as may be established by the Authority in accordance with the National Technical Education and Skills Development Plan.

SEC. 21. *Formulation of a Comprehensive Development Plan for Middle-Level Manpower.* – The Authority 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, after adoption by the Authority, be updated periodically and submitted to the President of the Philippines for approval. Thereafter, it shall be the plan for technical education and skills development for the entire country within the framework of the National Development Plan. The Authority shall direct the TESDA Secretariat to call on its member-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 skills development;
- c) accelerate the employment-generation efforts 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 skills development plan. The budget to support such plans shall be subject to review and endorsement by the Authority to the Department of Budget and Management.

The Authority shall evaluate the efficiency and effectiveness of agencies skills development program and schemes to make them conform with the quantitative and qualitative objectives of the national technical education and skills development plan.

*SEC. 22. Establishment and Administration of National Trade Skills Standards.* – There shall be national occupational skills standards to be established by TESDA-accredited industry committees. The Authority shall develop and implement a certification and accreditation program in which private industry groups and trade associations are accredited to conduct approved trade tests, and the local government units to promote such trade testing activities in their respective areas in accordance with the guidelines to be set by the Authority.

The Secretary of Labor and Employment shall determine the occupational trades for mandatory certification.

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

*SEC. 23. 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 trainors' 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. 24. *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. 25. *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 Authority 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 Authority which shall assess and evaluate such programs to ensure their efficiency and effectiveness.

SEC. 26. *Industry Boards.* – The Authority shall establish effective and efficient institutional arrangements with industry boards and such other bodies 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 Authority's objectives.

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

SEC. 28. *Skills Development Opportunities.* – The Authority shall design and implement an effective and efficient delivery system for quality technical education and skills development opportunities particularly in disadvantaged sectors, 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.

SEC. 29. *Devolution of TESDA's Training Function to Local Governments.* – In establishing the delivery system provided

for in the preceding Section, the Authority shall formulate, implement and finance a specific plan to develop the capability of local government units to assume ultimately the responsibility for effectively providing community-based technical education and skills development opportunities: *Provided, however,* That there shall be formulated and implemented, and effective and timely retraining of TESDA personnel that would be affected by the devolution to ensure their being retained if the concerned local government units would not be able to absorb them.

SEC. 30. *Skills Olympics.* – To promote quality skills development in the country and with the view of participating in international skills competitions, the Authority, with the active participation of private industries, shall organize and conduct annual National Skills Olympics. The Authority, through the TESDA Secretariat, 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 international skills olympics.

SEC. 31. *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. 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, 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
- d) any other income generated by the Authority.

The TESDA Board 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. 32. *Scholarship Grants.* – 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.

SEC. 33. *TESDA Budget.* – The amount necessary to finance the initial implementation of this Act shall be charged against the existing appropriations of the NMYC and the BTVE. Thereafter, such funds as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 34. *Transitory Provisions.* – a) Within two (2) months after the approval of this Act, the President shall, in consultation with the Secretary of Labor and Employment and the Secretary of Education, Culture and Sports, appoint the private sector representatives of the TESDA Board.

b) Within three (3) months after the appointment of the private sector representatives, the President shall, upon the recommendation of the Board, appoint the Director-General.

c) Within four (4) months after the appointment of the Director-General, the Board shall convene to determine the organizational structure and staffing pattern of the Authority.

d) Within one (1) year after the organization of the Authority, the Board shall commission an expert group on funding

schemes for the TESDA Development Fund, as provided in Section 31, the results of which shall be used as the basis for appropriate action by the Board.

e) The personnel of the existing National Manpower and Youth Council (NMYC) of the Department of Labor and Employment and the Bureau of Technical and Vocational Education (BTVE) of the Department of Education, Culture and Sports, 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 Authority shall have been approved by the Board: *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 approved by the Board 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. 35. *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.

SEC. 36. *Implementing Rules and Guidelines.* – The TESDA Board 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 TESDA Board shall submit to the Committees on Education, Arts and Culture of both Houses of Congress copies of the implementing rules and guidelines within thirty (30) days after its promulgation.

Any violation of this Section shall render the official/s concerned liable under R.A. No. 6713, otherwise known as the "Code of Conduct and Ethical Standards for Public Officials and Employees" and other existing administrative and/or criminal laws.

SEC. 37. *Repealing Clause.* – All laws, presidential decrees, executive orders, presidential proclamations, rules and regulations or parts thereof contrary to or inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 38. *Separability Clause.* – If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

SEC. 39. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete publication in two (2) newspapers of general circulation.

Approved, August 25, 1994.