

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'22 SEP -7 P 3 :29

SENATE
S. No. 1293

RECEIVED BY 

Introduced by Senator Jinggoy Ejercito Estrada

AN ACT
ADJUSTING THE MONTHLY PENSION AND DISABILITY BENEFITS OF
RETIREEES OF THE DEPARTMENT OF FOREIGN AFFAIRS, AND
APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

Republic Act No. 7157 or the Philippine Foreign Service Act was enacted on September 19, 1991. Its main objective is to reorganize and strengthen the Philippine Foreign Service in order to, among others, provide suitable salaries, allowances and benefits that will attract personnel from all walks of Philippine life and to appoint persons to the highest positions in the Service solely on the basis of merit and demonstrated capability in the promotion of national interests¹.

The same law provides that "the President upon recommendation of the Secretary may, as soon as practicable, submit for enactment by Congress a foreign affairs retirement and disability system, taking into account the difficulties of foreign service personnel in setting aside sufficient savings to take care their eventual retirement in the Philippines due to old age or some other disability, with the increased burden of establishing a home in the Philippines after completion of their tour of duty abroad²."

Unfortunately, after three decades, the aforementioned provision remained unimplemented as there exists no law to support the decent retirement scheme for our foreign service officers. It has come to our attention that our ambassadors and

¹ Title I Section 4 of Republic Act No. 7157.

² Title XI Insurance and Retirement System, Section 62 of RA No. 7157.

chiefs of mission, who were the faces and frontliners of Philippine diplomacy, had been receiving measly and unconscionable retirement packages.

Considering their important role and functions in implementing the foreign policy based on its three main pillars of preservation and enhancement of national security, promotion and attainment of economic security, and the protection of rights and promotion of the welfare and interests of Filipinos overseas, it is only fitting that the country accords them the dignity and respect for their many years of dedicated service to the nation. This measure aims to ensure appropriate and just pension and disability benefits for the Department of Foreign Affairs (DFA) personnel in recognition of their professionalism and sacrifice in performing a myriad of sensitive and complex tasks overseas, especially during emergencies, wartime, and times of crises.

In view of the foregoing, the passage of this legislation is hereby endorsed.



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 "*Foreign Service*
2 *Retirement Act.*"

3 Sec. 2. *Declaration of Policy.* – Article XVI, Section 8 of the Constitution states
4 that "the State shall from time to time review to upgrade the pensions and benefits
5 due to retirees of both government and private sectors." It is the policy of this bill to
6 provide adequate and reasonable retirement program to the members of the
7 Philippine Foreign Service and to implement Section 62 of Republic Act No. 7157 also
8 known as the "Philippine Foreign Service Act of 1991" which provides that "That the
9 President upon recommendation of the Secretary may, as soon as practicable,
10 submit for enactment by Congress a foreign affairs retirement and disability system,
11 taking into account the difficulties of foreign service personnel in setting aside
12 sufficient savings to take care their eventual retirement in the Philippines due to old
13 age or some other disability, with the increased burden of establishing a home in the
14 Philippines after completion of their tour of duty abroad."

15 Sec. 3. *Coverage.* – This Act shall apply to all retired officers and employees
16 of the Department of Foreign Affairs (DFA) who:

- 1 a) served in the Department for at least 15 years; and
2 b) are eligible to receive a monthly pension from the Government Service
3 Insurance System (GSIS).

4 All other officers and employees of the DFA who have also retired after
5 serving in the DFA but who have not complied with all the above mentioned
6 requirements shall be covered by applicable benefits under the GSIS Act, as
7 amended.

8 *Sec. 4. Adjustment of Monthly Pension.* – The monthly pension benefits of all
9 retirees of the DFA, as provided under Republic Act No. 7157, shall be automatically
10 adjusted at the same rate as any future or subsequent increase in the salary grade
11 of the same rank he or she retired from.

12 *Sec. 5. Additional Entitlements.* – All officers and employees covered by
13 Section 1 of this Act, shall be eligible for disability and death benefits in the same
14 manner provided under the GSIS Act, as amended, and other relevant laws.

15 *Sec. 6. Retroactive Effect.* – The benefits under this Act shall also be granted
16 to all retirees of the DFA who retired prior to the effectivity of this Act in the same
17 manner provided in Section 2 hereof.

18 *Sec. 7. Survivorship Benefits.* – In case of death of a DFA retiree or personnel
19 who has met the requirements provided in Section 1, the following shall be entitled
20 to receive the adjusted retirement benefits that the deceased was receiving or
21 entitled to receive: (a) his or her surviving dependent spouse, during his or her
22 lifetime, or until he or she remarries; and (b) dependent children. Said benefits shall
23 be distributed or apportioned in accordance with the GSIS Act, as amended.

24 *Sec. 8. Appropriation and Funding Source.* – The differential funding
25 requirements for the initial implementation of this Act shall be sourced from any
26 available savings of the DFA.

27 Thereafter, the annual differential amount necessary for GSIS to pay the
28 adjusted monthly pension and other benefits to implement the provisions of this Act
29 shall be included in the General Appropriations Act annually. The funding thereof
30 shall be sourced from the DFA's annual consular income as a percentage thereof.

31 *Sec. 9. Implementing Rules and Regulations.* – Within (90) days after the
32 effectivity of this Act, DFA shall issue the necessary rules and regulations for the

1 effective implementation of this Act, in coordination with relevant government
2 agencies.

3 Sec. 10. *Separability Clause.* – If any provision or part hereof is held invalid or
4 unconstitutional, the remainder of the law or the provision or part not otherwise
5 affected shall remain valid and subsisting.

6 Sec. 11. *Repealing Clause.* – Any law, presidential decree or issuance,
7 executive order, letter of instruction, administrative order, rule, or regulation
8 contrary to or inconsistent with the provisions of this Act are hereby repealed,
9 modified, or amended accordingly.

10 Sec. 12. *Effectivity.* – This Act shall take effect fifteen (15) days after its
11 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,