

**IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT NO 10390,  
OTHERWISE KNOWN AS AN “ACT REVITALIZING THE PEOPLE’S TELEVISION  
NETWORK, INCORPORATED”**

**RULE 1 – GENERAL PROVISIONS**

**Section 1. Short Title and Purpose**

These implementing Rules and Regulations, herein, referred to as IRR, is promulgated pursuant to Section 20 of Republic Act No. 10390<sup>1</sup> (RA 10390), otherwise known as “An Act Revitalizing the People’s Television Network, Incorporated” for the purpose of prescribing the necessary rules and regulations for the revitalization of the sole television network of the Government of the Philippines (GOP).

These IRR are applicable to the provisions of Republic Act No. 7306<sup>2</sup> (RA 7306) not otherwise revised, amended or repealed by RA 10390.

**Section 2. Declaration of Policy**

As the sole government broadcast network, the People’s Television Network, Inc. aims to make available to the people an efficient and nationwide broadcasting service and provide alternative programming that is geared towards public service broadcasting.

In consonance with the Constitutional recognition of the vital role of communication and information in nation-building, and the important aspect played by the broadcasting industry, it is hereby declared as the policy of the state to:

- a. Fully develop communication structures suitable to the needs and aspirations of the nation and in accordance with a policy that respects the freedom of the speech and of the press;
- b. Give priority to education, science and technology, arts, culture, and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development;
- c. Develop the broadcasting industry as a medium for the development, promotion and advancement of Filipino nationalism, culture and values that serve as an instrument in the struggle for Filipino sovereignty, identity, national unity and integration;
- d. Harness the resources of the government and the private sector towards a close, continuous and balanced cooperation in order to take advantage of technological advances in the broadcasting industry;
- e. Maintain a broadcast industry system that serves as a vital link for participative democracy and effective government information dissemination through developmental communication, free from any political or partisan influence and held accountable directly to the people;
- f. Encourage the development and broadcast of balanced programs which feature, among others, educational, wholesome entertainment, cultural public affairs and sports; and
- g. Provide quality alternative programs for the benefit and moral upliftment of the citizenry.

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<sup>1</sup>An Act Amending Republic Act No. 7306, entitled “An Act Providing for the Establishment of the People’s Television Network, Incorporated, defining its power and functions, providing for its sources of funding and for other purposes”.

<sup>2</sup>An Act Providing for the establishment of the People’s Television Network, Incorporated, defining its powers and function, providing for its sources of funding and for other purposes.”

### Section 3. Definition of terms

For purposes of this IRR, the following terms, words or phrases shall mean or be understood as follows:

- a. **PTV Law** – The provisions of RA 10390 and the relevant provisions of RA 7306 not otherwise amended or repeated by RA 10390;
- b. **IRR** – These Implementing Rules and Regulations pursuant to Section 20 of RA 10390;
- c. **Network** – The People’s Television Network, Incorporated created under RA 7306;
- d. **PCOO** – The Presidential Communications Operations Office;
- e. **Secretary** – The PCOO Secretary;
- f. **Board** – The Board of Directors of the Network;
- g. **Council** – The Advisory Council of the Network;
- h. **Officers and Employees** – Any person receiving compensation from the Network, whose hiring, appointment, employment, promotion, disciplinary control and other terms and conditions of employment is under the scope and in accordance with the rules and regulations of the Civil Service Commission;
- i. **Compensation** – Income derived from the rendition of services under and Employer-Employee relationship in accordance with the Compensation and Position Classification System (CPSC) for GOCCs to be developed by the Governance Commission for GOCCs (GCG) pursuant to the provisions of R.A. No. 10149<sup>33</sup>
- j. **Contract of Service Personnel or COS Personnel** – Persons hired by the Network on a Contract of Services basis as defined under Civil Service Commission Memorandum Circular No. 40, s.1998, as amended;
- k. **Contract of Service Fee** – compensation due to a Contract of Service Personnel as indicated in the Contract of Service;
- l. **Legitimate People’s Organization** – any legally constituted organizations and associations, registered with the Securities and Exchange Commission that perform a variety of service and humanitarian functions and bring citizen concerns to Government, and advocate and monitor policies that address the needs of the public;
- m. **Non-government Organization (NGOs)** – any legitimate, non-profit organization and associations, registered with the Securities and Exchange Commission, which operates independently from the government or any of its agencies, bureaus or offices;
- n. **Normalized Situation** – situation wherein at least seventy percent (70%) of the plantilla positions and the fifty percent (50%) of the creative and artistic positions are filled up after the reorganization.

### RULE II – CREATION AND DOMICILE

**Section 4. Creation**<sup>4</sup> – There shall be created a body corporate to be called “The People’s Television Network, Incorporated,” hereinafter referred to as the “Network,” which shall engage in television broadcasting in the Philippines. The Network shall be a government-owned and controlled corporation under a Board of Directors to be appointed by the President of the Philippines. It shall follow and comply with all the rules, regulations and policies of the Governance Commission for GOCCs (GCG).

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<sup>3</sup>An Act to Promote Financial Viability and Fiscal Discipline in Government-Owned or Controlled Corporations and to Strengthen the Role of the State in its Governance and Management to Make them more Responsive to the Needs of Public Interest and for Other Purposes

<sup>4</sup> Section 3. Title II of Republic Act No. 7306, entitled, “The Charter of the People’s Television Network, Incorporated”.

**Section 5. Corporate Existence<sup>5</sup>** – The corporate existence of the Network shall be for a period of fifty (50) years from the approval of RA 7306 (original charter), and shall be renewable for another fifty (50) years.

**Section 6. Domicile** – the Network shall have its principal office and domicile in the Metropolitan Manila area. It may also establish offices branches and/or stations in any part of the Philippines as its Board of Directors may see fit.

The President of the Philippines, upon the recommendation of the Department of Environment and Natural Resources and the National Mapping and Resource Information Authority, shall identify and appropriate alienable and disposable lands for the Network to establish and build its main broadcast center and major provincial stations.

### RULE III – FRANCHISE AND LICENSE TO OPERATE

**Section 7. Franchise Grant<sup>6</sup>**–Subject to the provision of the Constitution, laws, orders, decrees not inconsistent with RA 10390, the Network is hereby granted a franchise to construct, maintain and operate television broadcasting stations and satellite receiving and transmitting facilities in the Philippines for a period co-terminus with the corporate existence of the Network.

**Section 8. License to Operate** – The license to operate issued tot the Network by the National Telecommunications Commission (NTC), pursuant to Section 7 of RA 7306, shall be valid, unless otherwise revoked by the NTC.

### RULE IV – POWERS AND FUNCTIONS

**Section 9. Powers of the Network** – The Network shall have the following powers:

- a. To sue or be sued in its corporate name;
- b. To have continuous succession in its corporate name;
- c. To adopt and use a corporate seal;
- d. To adopt by-laws not contrary to law, morals, or public policy, and to amend or repeal the same in accordance with the provisions of existing laws;
- e. To acquire, purchase, receive, take or grant, hold, convey, sell, lease, pledge, mortgage, and otherwise deal with such real and personal property;
- f. To establish, purchase, install, construct, use and maintain national, regional, provincial and community stations and facilities for television broadcasting throughout and in any part of the country;
- g. To enter into joint ventures or partnerships with other broadcasting authorities and stations or international agencies or private organizations for the purpose of promoting its broadcasting services;
- h. To raise, borrow or obtain funds, from any source, private or government, foreign or domestic and to enter into any financial or credit arrangements in order to support and carry out its objectives and purposes, subject to the approval of the Monetary Board of the Bangko Sentral ng Pilipinas, upon the recommendation of the Department of Finance and to other pertinent laws governing public debt and expenditure;

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<sup>5</sup>Section 4. Title II of Republic Act No. 7306, entitled, "The Charter of the People's Television Network, Incorporated".

<sup>6</sup>Section 6. Title III of Republic Act No. 7306 entitled "The charter of the People's Television Network, Incorporated".

- i. To receive donations and grants from any source whether local or foreign and avail of official development assistance and concessional loans provided by foreign governments, foundations, or financial institutions;
- j. To enter into, make, perform and carry out contracts of any kind and description in furtherance of the corporate purpose with any person, firm, association of person;
- k. To accept corporate institutional support for developmental programs and to determine the conditions subject to which the said programs may be accepted for television transmission; and
- l. To exercise the general powers outlined in the Corporation Code of the Philippines, as well as such other incidental powers as may be necessary to carry on its activities.

**Section 10. Functions of the Network<sup>7</sup>** – It shall be the function of the Network:

- a. To serve primarily as a vehicle for the State for purposes of education, science and technology, arts, culture and sports in order to foster national pride and identity;
- b. To serve as a vehicle for bringing the Government closer to the people in order to enhance their awareness of the programs of the programs, policies, thrusts, and directions of the Government;
- c. To ensure that the programs broadcast by the Network, maintain a high general standard in all respects, and in particular, in respect to their content and quality and proper balance of educational, news, public affairs, entertainment, and sports programs;
- d. To serve as an effective outlet for alternative programming;
- e. To provide subsidized airtime to legitimate people’s organizations and non-government organizations (NGOs) in the promotion of their programs and projects<sup>8</sup>;
- f. To serve as an effective medium for national unity and political stability by reaching as much of the Filipino population as possible through the effective use of modern broadcasting technology; and
- g. To ensure that nothing is included in the programs broadcast by the Network which shall:
  - 1. Offend public morals, good taste, or decency;
  - 2. Offend any racial group or promote ill-will between different races or different public groups, prescribing such programs as would promote strictly partisan politics and propaganda;
  - 3. Offend the followers of any religious faith, sect, or order; or
  - 4. Outrage public feelings in general.

**RULE V – CORPORATE STRUCTURE**

**Section 11. The Board of Directors**—The corporate powers of the Network shall be exercised, all its business conducted and all its property controlled and held by the Board of Directors. It shall be composed of five (5) members who shall be appointed by the President of the Philippines from a shortlist prepared by the Governance Commission for Government-Owned or Controlled Corporations (GCG). The Board shall be made of the following:

- a. Two (2) members from the government sector;
- b. Two (2) members from the private sector, one (1) of whom shall have atleast ten (10) years experience in the broadcast industry; and
- c. One (1) member from the educational sector.

<sup>7</sup>Section 9. Title IV of Republic Act No. 7306 entitled “The charter of the People’s Television Network, Incorporated”.

<sup>8</sup>This function, included in RA 7306, has been amended pursuant to Republic Act 10139.

**Section 12. Qualifications of the Members of the Board**<sup>9</sup> – The members of the Board shall be of proven and unquestionable probity, integrity, honesty, impartiality, reputation and knowledgeable of the broadcast industry. They shall not be in anyway, connected with any other broadcasting corporation or hold any position that may conflict with their functions and duties as Directors of the Network.

If the member shall be appointed to another government office or runs for any elective position, he shall be deemed to have vacated membership in the Board on the day of appointment or filing of his candidacy, as the case may be.

**Section 13. Term of the Members of the Board** – The term of office of each director shall be for one (1) year subject to reappointment by the President.

The members shall elect from among themselves who will serve as Chairperson of the Board. The Board shall meet at least twice a month to discuss matters of policy in order to effectively carry out the provisions of RA 7306 and RA 10390.

Appointment to a vacancy in the Board shall be for the unexpired portion of the term of the predecessor.

**Section 14. Compensation of the Members of the Board** – The compensation of the members of the board shall be that provided under Executive Order No. 24<sup>10</sup>, s. 2011, RA No. 10149 and other pertinent rules and regulations issued by the Governance Commission for GOCCs (GCG).

**Section 15. Functions and Duties of the Board of Directors**<sup>11</sup> – The Board of Directors shall have the following powers and functions:

- a. To formulate policies, guidelines and programs to effectively carry out the provisions of RA 7306 and RA 10390;
- b. To exercise the corporate powers, and conduct all business of the Network;
- c. To decide matters of policy; and
- d. To submit to the President of the Philippines and the Congress a comprehensive annual report on the operation of the Network within the first sixty (60) days of the fiscal year.

**Section 16. The Network General Manager** – The members of the Board shall elect from the appointive directors a Network General Manager. He shall also be the Chief Operating Officer of the Network, who shall be responsible for the proper administration and management of the Network in accordance with the policies laid down by the Board. The General Manager shall be subject to the disciplinary powers of the Board and may be removed by the Board for cause.

If the General Manager is absent, or is incapacitated by reason of illness or for any other cause, is temporarily unable to perform his duties, the Board of Directors may designate an officer-in-charge to act in his place and stead during such absence from duty.

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<sup>9</sup>Section 11, Title V of Republic Act No. 7306 entitled "The charter of the People's Television Network, Incorporated".

<sup>10</sup>Prescribing Rules to Govern the Compensation of Members of the Board of Directors/Trustees in Government-Owned or Controlled Corporations including Government Financial installation.

<sup>11</sup> Section 13, Title V of Republic Act No. 7306 entitled "The Charter of the People's Television Network, Incorporated".

**Section 17. Powers and Functions of the Network General Manager**<sup>12</sup> – Subject to the control and supervision of the Board, the Network General Manager shall have the following powers and functions:

- a. Submit policy recommendations and propose measures necessary to carry out the objectives and functions of the Network for the consideration of the Board;
- b. Recommend to the Board for approval an organizational structure and plantilla for personnel of the Network, in accordance with existing laws, rules and regulations;
- c. Execute, administer and implement policies and measures approved by the Board;
- d. Submit to the Board an annual budget and such supplemental budgets as may be necessary for its consideration and approval;
- e. Represent the Network, its dealing with other persons, entities, agencies and institutions, whether public or private, domestic or foreign, subject to the limitations and conditions herein provided;
- f. Appoint, subject to the confirmation by the Board, discipline or remove for cause, officer and personnel of the Network in accordance with the Civil Service law, rules and regulations; and
- g. Perform such other functions and duties, which may be assigned to him by the Board.

**Section 18. The Advisory Council** – Sixty (60) days from their appointment, the Board of Directors shall prepare a list of its recommended nominees for the members of the Advisory Council, which shall be submitted to the Secretary of the Presidential Communications Operations Office (PCOO) for consideration and approval. The nominees for Advisory Council shall be chosen from associations and organizations representing various stakeholders from different industries such as, but not limited to, cinema, culture and arts, print and broadcast.

**Section 19. Composition of the Advisory Council** – The Advisory Council shall be an advisory and consultative mechanism to ensure consistency in coordination of “executive development planning” and Network programming.

The Advisory Council shall be composed of seven (7) members with at least five (5) years of wide experience and expertise in their respective fields of work. The Advisory Council shall propose and recommend policies relating to the Network’s operation, programming, broadcasting, technical and creative production, development and management, which shall be subject to the approval of the Board of Directors.

The members of the Advisory Council shall elect from among themselves a Chairperson.

The members of the Advisory Council shall render voluntary service to the Network. No member shall be paid any honoraria, allowances and other personnel benefits.

**Section 20. Term** – The members of the Advisory Council shall serve a fixed term of one (1) year.

**Section 21. Qualifications of the members of the Advisory Council** – The members of the Council shall be of proven and unquestionable probity, integrity, honesty, impartiality, reputation, and knowledgeable of the broadcast industry. They must have at least five (5) years of wide experience and expertise in their respective fields of work.

They shall not, in any way, be connected with any other broadcasting corporation or hold any position that may conflict with their functions and duties as members of the Advisory Council.

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<sup>12</sup> Section 15, Title V of Republic Act No. 7306 entitled “The Charter of the People’s Television Network, Incorporated”.

If a member shall be appointed to another government office or runs for any elective position he shall be deemed to have vacated membership in the Council on the day of his appointment or filing of his of his candidacy, as the case may be.

**Section 22. Functions of the Advisory Council** – The Council shall propose and recommend policies relating to the Network’s operation, programming, broadcasting, technical and creative production, development and management, which shall be subject to the approval of the Board of Directors, and in particular, the council is expected to perform the following functions:

- a. Determine and recommend programming goals and policies which shall be integrated with and effectively implement the Philippine Development Plan (PDP);
- b. Provide advice to the Board of Directors on issues affecting Network’s Content and Programming;
- c. Receive, and in appropriate cases, require reports on and study the measures to improve the implementation of the Network’s mandate under RA 10390;
- d. Assess effectiveness of implementation of the Network’s mandate and programs;
- e. Recommend the integration of Communication for Development (C4D) concepts, principles and practices into the Network’s mandates concepts and programs for a balanced and cohesive approach to national development;
- f. Study and recommend to the Board of Directors sources of revenue as well as measures to reduce unnecessary expenditures to the end that the resources of the Network will be used to the optimum.

The functions and duties of the Council shall be limited to more recommendations and shall not in any way interfere with the decisions and functions of the Board of Directors.

**Section 23. Secretariat** – The Advisory Council shall be assisted by a Secretariat, to be designated by the Network General Manager with the approval of the Board of Directors, whose functions shall include recording the minutes of each meeting and preparing a report for the consideration and approval of the Board. Members of the Secretariat shall be chosen from the pool of regular employees and shall in no instance receive an additional compensation, allowance or emoluments.

## RULE VI – PROGRAM STANDARDS

**Section 24. General Program Standards** – The Board of Directors is mandated to set up a Code of Standards and Code of Ethics in consideration of the recommendations of the Advisory Council inclusive of the following aspects:

- a. Presentation of news;
- b. Public Affairs Programs and Commentaries;
- c. Public Service Programs;
- d. Educational Programs;
- e. Children’s Programs;
- f. Agriculture and Livelihood Programs;
- g. Women and Youth Issues;
- h. Locally-produced and foreign-produced programs;
- i. Trade, service and manufacturing industry programs;
- j. Programs that inspire nationalism.

**Section 25. Use of Blocktimers** – The use of blocktimers shall be allowed but limited to education, sports, tourism, quality entertainment programs, and such programs, which promote public interest, subject to quality standards set by the Board of Directors. The Network shall assume solidary liability with each of the individual producers, for the content of all programs shown by blocktimers. Provided, however, that the Network may require producers/blocktimers to post the appropriate surety or cash bond equivalent to their share based on the value of the transaction, as a security which can be confiscated in favor of the Network in case of breach or litigation.

#### RULE VII – FINANCIAL PROVISIONS

**Section 26. Capitalization** – The authorized capital stock of the Network shall be Six billion pesos (P6,000,000,000.00) divided into Six million (6,000,000) shares with par value of One thousand pesos (P1,000.00) per share, which shall be subscribed in full by the government.

Of the additional authorized capital of Five billion pesos (P5,000,000.00), Two billion pesos (P2,000,000.00) shall be taken from the proceeds of the privatization of Radio Philippines Network (RPN 9) and Intercontinental Broadcasting Corporation (IBC 13). The remaining Three billion pesos (P3,000,000.00) shall be appropriated under the General Appropriations Act.

**Section 27. Revenue Generation** – The Network shall be allowed to generate funds from advertising and airtime sales in accordance with the policies and rates set by the Board of Directors subject to existing laws. All fees or other revenues collected or received by the Network shall be retained by it and utilized solely for its operations and capital expenditure program.

**Section 27-A. Exemption from Republic Act No. 7656<sup>13</sup>** – The President, upon the recommendation of the Secretary of Finance, may adjust the percentage of the Network's annual net earnings to be remitted to the National Treasury. The annual remaining unremitted net earnings shall be used solely for its operations and capital expenditures.

#### RULE VIII – ADMINISTRATIVE PROVISIONS

**Section 28. Record of Transactions** – The Network shall keep proper accounts and records of all its transaction and affairs, and shall do all things necessary to ensure that all payments made out of its moneys are correctly made and properly authorized, and that adequate control is mandated is maintained over the assets of, or in the custody of the Network and the expenditures incurred by the Network. The Network shall be subject to audit by the Commission on Audit.

**Section 29. Auditor** – The Chairman of the Commission on Audit shall be the *ex-officio* auditor of the Network. For this purpose, he/she may appoint a representative who shall be the auditor of the Network, and the necessary personnel to assists and representative in the performance of his/her duties.

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<sup>13</sup>An Act Requiring Government Owned Or Controlled Corporations To Declare Dividends Under Certain Conditions To The National Government And For Other Purposes



The Chairman of the Commission on Audit or his/her authorized representative shall submit to the Board before the end of the first quarter of the following year, an audited statement showing the financial condition and progress of the Network for the calendar year just ended.

#### RULE IX – TAX EXEMPTION

**Section 30. Tax Exemption on Importations** – The importations of equipment, apparatus and materials to be actually, directly and exclusively used in the operation of the Network, whether purchased from or donated by any foreign government and/or private entity shall be free from the payment of any and all forms of taxes license fees and customs duties that may be levied upon them. Such equipment and apparatus shall include cameras, monitors and recorders, TV transmitters, electronic tubes, editing machines, and all such necessary equipment required for television broadcasting, provided, that the subsequent importation of the equipment, apparatus and materials shall be subject to review by the Department of Finance, provided further, that in the event the equipment, apparatus, and materials are sold to non-tax exempt persons or entities, the buyers shall be considered the exporters and who shall then be subject to tax.

**Section 30-A. Deductible Taxes on Gifts and Donations** – Gifts and donations \_\_\_\_\_ and personal properties of all kinds to the Network shall be exempt from donor's tax and the same shall be considered as an allowable deduction from the gross income of the donor, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended, subject to the following provisions:

- a. The allowable deduction shall be equivalent to one hundred percent (100%) of the value of such donation, provided, that the donation shall be used exclusively for the production of educational, cultural and historical films and documentaries;
- b. Valuation of assistance, other than the money, shall be based on the acquisition cost of the property. Such valuation shall take into consideration the depreciated value of the property in case said property has been used;
- c. For purposes of transparency and efficient monitoring of gifts and donations to the Network and to aid the Bureau of Internal Revenue (BIR) in authenticating such gifts and donations made, all donations and gifts, before turn-over to the Network must be with written approval of the Board of Directors. Upon turn-over of such gifts and donations, a certification to that effect shall be issued by the Board of Directors.

#### RULE X – EMPLOYEES OF THE NETWORK

**Section 31. Civil Service Law Coverage for Employees** – The hiring, appointment, employment promotion, disciplinary control, and other terms and conditions of the service of all employees of the Network and such other matters affecting its employees shall be consistent with the provision of the Civil Service law, rules and regulations.

**Section 32. Exemption to Coverage of the Civil Service Law** – Positions considered as creative or artistic in nature shall be exempted from the qualification standards and civil service eligibility requirements.

**Section 33. Salary Scale for Officials and Employees** – Pursuant to the provisions of Republic Act No. 10149<sup>14</sup>, the GCG shall develop a Compensation and Position Classification System (CPCS), which shall apply to all officers and employees of the Network, subject to the approval of the President of the Philippines. Pending the full implementation of CPCS, any increase in existing salary rates, as well as the grant of new allowances, benefits and incentives shall be subject to the approval of the President of the Philippines, pursuant to Sec. 6 of P.D. 1597<sup>15</sup> and Sec. 9 of J.R. No. 4 s. 2009<sup>16</sup>.

#### RULE XI – REORGANIZATION OF THE NETWORK

**Section 34. Reorganization of the Network** – The Board of Directors is empowered to reorganize the Network to make it more effective and innovative. For this purpose, the Board may abolish or create offices, transfer functions, equipment, properties, records, and personnel, institute cost-cutting and other related measures to carry out the said objectives, subject to the provisions of Republic Act No. 10149, otherwise known as the “GOCC Governance Act of 2011” and Republic Act No. 6656<sup>17</sup> (RA 6656).

The Network General Manager, with authority from the Board shall propose/formulate the Network’s Reorganizational Plan, which shall include the new Organizational Structure and Staffing Pattern (OSSP) of the Network. The OSSP shall then be submitted to the Board and PCOO Secretary for their endorsement to the GCG, pursuant to RA No. 10149.

**Section 35. Terms of Reference**– Subject to the approval of the Board and the Secretary of PCOO, the following terms of reference shall be implemented:

- a. The Network’s Main office shall be re-structured first and the regional and branch offices/stations shall follow right after;
- b. There shall be parity in size, scope and responsibility among the various units and equity in assets and liabilities. Performance shall be the yardstick in all selection and placement actions; and
- c. There shall be a provision for an early retirement program, primarily for redundant positions.

**Section 36. Resulting Staffing Pattern and Personnel** – To ensure that the newly reorganized office is staffed with competent and dedicated civil servants, the Network General Manager, with the approval of the Board of Directors, shall draw up the development of personnel to the new OSSP with utmost care subject to all pertinent CSC, DBM and GCG rules and regulations.

The Network General Manager shall be assisted by a Reorganization Committee which is hereby created to assist in crafting a new organizational structure, recommend new office staffing patterns and functions, the designation of officials and placement of staff in offices. The Reorganization Committee shall formulate terms of reference and draft an initial organizational structure to be submitted to the Network General Manager.

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<sup>14</sup>An Act To Promote Financial Viability And Fiscal Discipline In Government-Owned Or Controlled Corporations And To Strengthen The Rule Of The State In Its Governance And Management To Take Them More Responsive To The Needs Of Public Interest And For Other Purposes.

<sup>15</sup>Further rationalizing The System Of Compensation And Position Classification In The National Government.

<sup>16</sup>Joint Resolution Authorizing The President Of The Philippines To Modify The Compensation And Position Classification System Of Civilian Personnel And For Other Purposes.

<sup>17</sup>An Act To Protect The Security Of Tenure Of Civil Service Officers And Employees In The Implementation Of Government Reorganization.

The Network General Manager shall present the new OSSP to the Board of Directors for approval before submitting the same to the GCG.

**Section 37. Position Structure and Staffing Pattern** – Upon approval of the OSSP of the Network, the officers and employees shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from the service.

The new position structure and staffing pattern of the Network shall be approved and prescribed by the Board of Directors within one hundred twenty (120) days from the approval of the Reorganization plan and the authorized positions created thereunder shall be filed by the Network General Manager or by the President of the Republic of the Philippines as provided by law, and subject to the rules and regulations of the Governance Commission on GOCCs and the Civil Service Commission. Those incumbents whose positions are not included therein or who are not reappointed shall be deemed separated from the service.

Those separated from the service shall receive retirement benefits available under RA 6656.

**Section 38. Implementation of the Reorganization** – The Network General Manager, with authority from the Board of Directors, shall formulate a communications plan for the effective and efficient dissemination of information to all Network employees. A comprehensive plan for the availment of benefits of affected employees shall also be formulated and implemented. Any implementation of the reorganization shall be with the approval of the Board and the PCOO Secretary.

**Section 39. Separation and Retirement Benefits** – In the event an employee is separated from the Network by reason of reorganization, abolition, or creation of offices, constitution of cost-cutting and other similar measures, the employee shall be entitled to a separation benefit equivalent to one (1) month salary for every year of service in the government. Provided, that the separated or displaced employee has rendered at least one (1) year of service at the time of the effectivity of the PTV Law. Affected employees shall be entitled to all benefits provided under RA 6656<sup>18</sup>.

**Section 40. Placement and Review Committee** – In order to ensure that the best qualified and most deserving persons shall be appointed in the reorganization, there shall be created a *Placement and Review Committee*, which shall undertake the judicious selection and placement of personnel and shall conduct interviews and cross-check the qualifications of the applicants vis-à-vis the Qualification Standards formulated by the Board. The Committee shall consist of two (2) members and two (2) alternates appointed by the Board of Directors, one (1) representative and one (1) alternate to be appointed by the PCOO Secretary, and two (2) members and two (2) alternates duly elected by the employees holding positions in the first and second levels of the career service, provided that the PTEA, which is a registered

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<sup>18</sup>**Section 9.** All officers and employees who are found by the Civil Service Commission to have been separated in violation of the provision of this Act, shall be ordered reinstated or reappointed as the case may be without loss of seniority and shall be entitled to full pay for the period of separation. Unless also separated for cause, all officers and employees, who have been separated pursuant to reorganization shall, if entitled thereto, be paid the appropriate separation pay and retirement and other benefits under existing laws within ninety (90) days from the date of the effectivity of their separation or from the date of the receipt of the resolution of their appeals as the case may be; provided that application for clearance has been filed and no action thereon has been made by the corresponding department or agency. These who are not entitled to said benefits shall be paid a separation gratuity in the amount equivalent to one (1) month salary for every year of service. Such separation pay and retirement benefits shall have priority of payment out of the savings of the department or agency concerned.

employee association with a majority of the employees as members shall also have a representative and an alternative in the Committee; provided, further that immediately upon approval of the staffing pattern, the same shall be made known to all officers and employees of the Network who shall be invited to apply for any of the positions authorized therein. Said application shall be considered by the Committee in the placement and selection of personnel<sup>19</sup>.

**Section 41. Who will be Evaluated** – All officers and employees including those who have pending administrative charges, or any derogatory records/reports shall be evaluated on the basis of standards for retention/termination as maybe established by the Committee. The Placement Committee shall evaluate the qualifications and competence of both the applicants and other employees in the agency.

**Section 42. Appointment and Appeal** – A list of the personnel appointed to the authorized positions in the approved staffing pattern shall be made known to all the officers and employees of the Network. Any of such officers and employees aggrieved by the appointments may file an appeal with the Network General Manager who shall make a decision within thirty (30) days from the filing thereof. An Appeal Committee may be created by the General Manager, under his control and supervision, which shall act as the appeal board on all matters of appeal or reconsideration on the reorganization.

The Assumption in the reorganization is that there should be a “normalized situation.” During the Network’s transition into the new structure, all officers and employees shall be on a “hold-over” capacity until such time that appointment/s had been issued to the new appointees.

**Section 43. Transition Plan** – Towards the smooth and expeditious implementation of its Reorganization plan, the Network General Manager, with the approval of the Board of Directors, shall prepare and implement a Two-year Action Plan detailing the step-by-step process to facilitate the transition from the old structure to the new organized office. In this regard, it shall closely supervise and properly document turnover of responsibilities and accountabilities in close coordination with the Civil Service Commission and other relevant stakeholders.

## RULE XII – MISCELLANEOUS PROVISIONS

**Section 44. Implementing Rules and Regulations** – These IRR are hereby adopted and promulgated by the Network in compliance with Section 20 or RA 10390.

**Section 45. Amendments** – The Board of Directors may recommend amendments to these IRR, subject to the approval of the PCOO Secretary if the interest of the Network and its various stakeholders shall so require.

**Section 46. Effect of Separability Clause of RA 10390** – Should any provision of RA 10390 or any part thereof be declared invalid the corresponding provisions in this IRR shall be correspondingly stricken out, amended, or qualified as appropriate. The other provisions, insofar as they are separable from the invalid ones, shall remain in force and in effect.

**Section 47. Effects of Repealing Clause RA 10390** – All laws, decrees, executive orders, administrative orders, rules and regulations, and other issuances or parts thereof inconsistent

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<sup>19</sup>Sec 6 republic Act No. 6656

with the provision of RA 10390 and these IRR are hereby repeated or modified accordingly. *Provided*, that upon effectivity of the law, incumbent and future employees of the Network shall be governed by RA 10390 and this IRR.

**Section 48. Effectivity Clause** – These IRR shall take effect fifteen (15) calendar days after its publication in the Official Gazette or in two (2) national newspapers of general circulation and upon filing with the University of the Philippines Law Center three (3) certified true copies of this Implementing Rules and Regulations.

APPROVED, this 19<sup>th</sup> day of July, 2013 in the City of Manila.

(Sgd.) **HERMINIO B. COLOMA JR.**

Secretary

Presidential Communications Operations Office

Malacanang, Manila