



**EXECUTIVE ORDER NO. 8**  
**Series of 2021**

**PRESCRIBING THE RULES AND REGULATIONS IMPLEMENTING PROVINCIAL ORDINANCE NO. 16-57-03-2021, ENTITLED "AN ORDINANCE PROVIDING INCENTIVES FOR THE EARLY RETIREMENT AND VOLUNTARY SEPARATION FROM GOVERNMENT SERVICE OF VULNERABLE/MOST-AT-RISK EMPLOYEES OF THE PROVINCIAL GOVERNMENT OF DAVAO ORIENTAL DURING THE PERIOD OF STATE OF NATIONAL EMERGENCY DUE TO THE COVID-19 PANDEMIC"**

Pursuant to Section 12 of Provincial Ordinance No. 16-57-03-2021, I, **NELSON L. DAYANGHIRANG, Governor of the Province of Davao Oriental**, by virtue of the powers vested in me by law, do hereby promulgate and issue the following rules and regulations governing its implementation:

**RULE I**  
**GENERAL PROVISIONS**

**SECTION 1. Short Title and Purpose.**

These Rules, hereinafter referred to and cited as the "Early Retirement Incentives IRR", are promulgated to prescribe the procedures and guidelines for the effective and efficient implementation of Provincial Ordinance No. 16-57-03-2021, otherwise known as the "Davao Oriental COVID-19 Early Retirement Incentives Ordinance", and to ensure the achievement of its objectives.

**SECTION 2. Declaration of Policy.**

The Provincial Government of Davao Oriental affirms labor force as a primary social and economic resource, and that a safe, secure and healthy workforce is integral to progress and plays a vital role in the realization of its development agenda. It also affirms the commitment to safeguard and uphold the right to life and health of its citizens, give priority to the needs of the sick and elderly, and ensure the welfare, safety and wellbeing of all employees under its organization.

The Provincial Government is likewise committed to protect every provincial employee against injury, sickness or death through safe and healthful working conditions thereby assuring the conservation of valuable manpower resources and the prevention of loss or damage to lives. This responsibility acquires deeper meaning back dropped against the current COVID-19 pandemic that has adversely affected everyone in practically all aspects of their lives.

To this end, the Sangguniang Panlalawigan shall endeavor to pass appropriate legislations to protect the safety and health of the provincial workforce, and push the passage of other dynamic and meaningful measures that encourage the formulation of policies and programs related or relevant to occupational health and safety in the workplaces.

**SECTION 3. Objectives.**

- a. To provide vulnerable/most-at-risk provincial employees with an early retirement and voluntary separation from government service option that offers a life lived in a relatively more secure and safer environment as

compared to the workplace and less exposure to the threat of COVID-19 exacerbation.

- b. To provide fiscal incentives for those who may avail of the option, which shall serve as financial support as they start life after government service.

#### **SECTION 4. Coverage and Application.**

This IRR shall be applicable only in relation to the implementation of the provisions of this Ordinance, including the processing and release of the early retirement incentives offered therein. It shall cover only those provincial employees who met the requirements set forth in Section 5 thereof, have signified their intent to avail of the option in writing, whose applications have been favorably recommended by the AHSCOM, which were approved by the Provincial Governor.

#### **SECTION 5. Rules of Interpretation.**

Any conflicts or controversies arising under this Ordinance shall be resolved on the basis of applicable legal provisions or jurisprudence; any fair and reasonable doubt on the powers of the Provincial Government shall be liberally interpreted/construed and resolved in such manner that ensures the fulfillment of the Davao Oriental COVID-19 Early Retirement Incentives Ordinance objectives.

### **RULE II** **DEFINITION OF TERMS**

#### **SECTION 6. Definition of Terms.**

As used in and for purposes of this IRR, the following terms or words and phrases shall mean:

- a. **Amelioration**- refers to assistance extended for the purpose of mitigating the socio-economic impact to provincial employee retirees
- b. **Applicants** – refer to qualified provincial employees sixty (60) to sixty-four (64) years of age and those with co-morbidities or pre-existing chronic illnesses aging fifty-five (55) years and above, reckoned from the effectivity of the Ordinance, who have rendered service in the Provincial Government for at least fifteen (15) years.
- c. **Applications** – refer to or shall be synonymous to or used interchangeably with the Letters of Intent (LOIs) that applicants submit to the PHRMD Office to manifest their intention to avail of the early retirement option offered in the Ordinance.
- d. **Comorbidity at risk of COVID-19 exacerbation** – presence of one or more additional conditions co-occurring with (that is, concomitant or concurrent with) a primary condition that increases an individual's risk for mortality if afflicted by COVID-19. This includes immune-compromised individuals (such as but not limited to those with cancer, HIV/AIDS and other autoimmune disorders) and individuals with chronic conditions (such as but not limited to hypertension, diabetes mellitus, and chronic kidney disease).
- e. **COVID-19** – refers to the Coronavirus Disease 2019 first identified as a cluster of pneumonia cases of unknown etiology
- f. **Early retirement** – refers to the point when an employee voluntarily offers or signifies his/her intent to end employment with the Provincial Government before the compulsory retirement age of sixty-five (65) years.
- g. **Incentives** – refer to the Provincial Government's offer of medical, amelioration and livelihood assistance in the form of cash to its qualified employees, on top of all benefits due to a government employee according to law upon retirement from the service.

- h. **Ordinance** – refers to Provincial Ordinance No. 16-57-03-2021, otherwise known as the “Davao Oriental COVID-19 Early Retirement Incentives Ordinance” (Short Title).
- i. **Provincial employees** – refer to all individuals employed by the Provincial Government of Davao Oriental, holding, but not limited to, regular, co-terminus, casual or contractual appointments.
- j. **State of National Emergency** – refers to the prevailing situation of the country characterized by the rise of confirmed cases and unabated spread of COVID-19, the persisting serious threat to the health, safety, security and lives of the people, and the ensuing severe economic disruption to the livelihood and other productive activities.
- k. **Vulnerable/Most-at-risk employees** – refer to Provincial Government personnel who are highly susceptible of contracting severe COVID-19 infection such as those aged 60 and above (senior citizens), pregnant women, and those with underlying medical conditions or co-morbidities.
- l. **Workplaces** – refer to any room, space, site, structure, building, or any other premises or location, whether indoors or outdoors, which is designated as main office, extension, or annex of a Department of the Provincial Government, wherein one or more provincial employees carry out day-to-day/routine work activities in relation to their mandated duties and responsibilities.

**RULE III**  
**CREATION, COMPOSITION, MEETINGS, DUTIES AND**  
**FUNCTIONS OF THE AD HOC SPECIAL COMMITTEE**

**SECTION 7. The Ad Hoc Special Committee.**

The Ad Hoc Special Committee was created pursuant to Section 6 of Provincial Ordinance No. 16-57-03-2021 as the lead coordinating body in implementing the provisions thereof, and which shall hereafter be referred to as the AHSCOM.

**SECTION 8. Composition.**

Membership of the AHSCOM are composed of the following:

Head - Provincial Governor or his designated permanent representative  
 Vice-Head - PHRMD Officer

Members:

- Two (2) from the Integrated Provincial Health Office (IPHO), either both Medical Officers or a Medical Officer and a Nurse,
- Two (2) incumbent officers of the Provincial Government Employees Association (PGEA),
- One (1) legal counsel, and
- The Local Finance Committee (LFC)

Committee membership may be added or extended, if deemed necessary, upon recommendation of the incumbent members, and subject to the approval of the Provincial Governor. Reconstitution of the AHSCOM, if any, shall be made official through an executive *fiat*.

There shall be created technical support staff to provide technical and administrative support to the AHSCOM, to compose of the following:

- Staff from PADO
- Staff from PHRMDO
- Staff from TOURISM

## **SECTION 9. Meetings and Quorum.**

The AHSCOM shall meet on a regular basis or as often as necessary if called upon by the Committee Head. The schedule of meetings shall be decided upon by the AHSCOM during its first meeting. The presence of at least fifty percent (50%) plus one (1) of its members shall constitute a quorum and the affirmative vote of the majority of the members present in a meeting validly held shall be necessary for the Committee to carry out its duties and perform its functions. The meetings shall be presided by the Head of the Committee or, in his/her absence, by the Vice-Head.

## **SECTION 10. Duties and Functions.**

The primary function of the AHSCOM shall be to take charge of, administer, and appropriately act on all matters relating to the efficient implementation of the Davao Oriental COVID-19 Early Retirement Incentives Ordinance, and the full realization of its policy objectives. Additionally, the Committee shall discharge the duties and functions as follows:

1. Conduct meetings, interviews and other activities deemed necessary to implement and fully attain the objectives of this Ordinance.
2. Formulate or acquire such essential reference documents for use in the process of screening, assessment and determination of eligibility of applicants.
3. Coordinate with national gov't agencies, local gov't offices and other institutions, if necessary, in the implementation of the provisions of this Ordinance.
4. Prepare Final Report containing the list of applicants found eligible to avail of the early retirement with incentives option, with the favorable recommendation that their applications merit final approval, and submit to the Provincial Governor for his appropriate action per recommendation of the Committee.
5. With the approval of the Provincial Governor, the Ad Hoc Special Committee shall have the power to recommend amendments or revisions of any provisions of the Ordinance and of the Implementing Rules and Regulations (IRR) thereof, which it considers necessary for the effective discharge of its duties and functions.
6. Cause the preparation and processing of the claims of duly-approved applicants for the payment of the early retirement incentives offered under the Ordinance.
7. Perform such other duties and functions as may be required or as directed by the Provincial Governor in relation to the effective and efficient implementation of the provisions of this Ordinance, as well as, to achieve the policy objectives set forth herein.

Further, the member offices shall carry out the following specific tasks, viz:

### **1. PHRMD Office**

- In relation to sub-section 14.1. of Sec. 14 hereof, prepare and submit the Eligibles List to the AHSCOM.
- In relation to sub-section 14.3., coordinate with the CSC in regard to the scheduling and conduct of pre-retirement seminar.
- In relation to sub-section 15.1. of Sec. 15 hereof, either receive or reject an application, as the case may be, then forward the received applications to the AHSCOM after the period of application has lapsed.

### **2. IPH Office**

- In relation to sub-section 14.2. of Sec. 14 hereof, cause the conduct of physical check-up or medical examination on the applicants free of

charge, the attending Medical Officer to issue Medical Clearances to the applicants, and submit Medical Report to the Committee.

**3. Local Finance Committee**

- In relation to the 2<sup>nd</sup> paragraph, sub-section 15.2. of Sec. 15 hereof, coordinate with the GSIS, PAG-IBIG, private and public banking/lending institutions, and such other entities to acquire data and information necessary to generate a rough total amount estimate of what each applicant may receive financially from retirement or separation benefits, and from other such sources.

**4. PGEA**

- Render or extend assistance to the PHRMDO, IPHO and the LFC upon their request of related services.

**RULE IV**  
**EARLY RETIREMENT INCENTIVES, TAX EXEMPTION AND**  
**ENTITLEMENT TO RETIREMENT/SEPARATION BENEFITS**

**SECTION 11. Early Retirement Incentives.**

The Provincial Government of Davao Oriental shall provide the following incentives to provincial employees covered under Section 5 of the Ordinance who voluntarily opt in writing to retire early and separate from government service, *viz*:

- a. Medical Assistance of One Hundred Fifty Thousand Pesos (P150,000.00);
- b. Amelioration and Livelihood Assistance of One Hundred Thousand Pesos (P100,000.00).

**SECTION 12. Exemption from Tax.**

The early retirement incentives provided under the Ordinance shall be exempt from income tax in accordance with relevant provisions of the National Internal Revenue Code (NIRC) of 1997, as amended, and other applicable issuances of the Bureau of Internal Revenue (BIR) on the matter. Thus, the provincial financial offices shall not deduct and withhold a portion of the incentives for this purpose.

In any future event the said incentives are found or adjudged to be tax deductible, tax liability arising therefrom shall not incur on the part of the early retirees. Full responsibility thereof shall be acknowledged by the Provincial Government, for which appropriate action shall be promptly undertaken to rectify the situation.

**SECTION 13. Entitlement to GSIS and PAG-IBIG Retirement Benefits.**

All provincial employees covered under Section 5 hereof who voluntarily opt in writing to retire early and separate from the service and whose retirement has been approved under the provisions of this Ordinance shall be entitled to receive the retirement or separation benefits the Government Service Insurance System (GSIS) and Home Mutual Development Fund (HDMF) or PAG-IBIG Fund, consistent with all existing applicable laws.

They shall likewise be entitled to the commutation of unused vacation and sick leaves in accordance with existing government accounting and auditing laws, rules and regulations.

## RULE V

### IMPLEMENTING GUIDELINES AND PROCEDURES

#### SECTION 14. General Guidelines.

- 14.1. The PHRMD Office shall prepare a list of provincial employees who meet the general qualification criteria specified under Section 5 of the Ordinance, copy of which shall be furnished to the AHSCOM, for its reference and record, and shall hereafter be referred to as the Eligibles List.
- 14.2. Applicants shall be required to undergo provincial government-sponsored medical examination or physical check-up (free of charge) at the Davao Oriental Provincial Medical Center (DOPMC), to be conducted by a Medical Officer (assisted by a Nurse) assigned by the PHO II for the purpose, and preferably the same personnel designated as IPHO representatives to the AHSCOM. A Medical Certificate shall be issued to the applicant after the service is completed, which shall in turn be submitted by the applicant to the PHRMDO and made part of his/her records. After all the applicants have undergone the process, an Examination Report shall be submitted by the attending Medical Officer to the PHRMDO and shall form part of the official records of this undertaking.
- 14.3. All applicants shall be required to undergo pre-retirement seminar to be conducted by the Civil Service Commission (CSC). If, after the seminar, an applicant deems himself/ herself unprepared to avail of the early retirement option, the application (LOI) may be withdrawn upon personal or written request.
- 14.4. The early retirement with incentives option is a one-time offer only, made to and may be availed of by qualified applicants starting from the effectivity of the Ordinance until May 31, 2021, or an availment and implementation period of four (4) months, more or less.
- 14.5. Provincial employees who have retired or separated from the service under this Ordinance shall not be eligible for employment in the Provincial Government whether on a permanent, temporary, casual, or contractual status unless they refund in full the incentives they have received.

#### SECTION 15. Specific Procedures.

##### 15.1. Process and Period of Application.

- Applications or Letters of Intent (LOIs) shall be filed by the applicants with the PHRMDO. LOIs of provincial employees whose names do not appear or are not included in the Eligibles List shall not be received, therefore, are considered as not having been filed.
- The LOIs shall contain the following information:
  - applicant's name, home address, date of birth and contact number;
  - basic employment service information such as position title, mother unit, salary grade, date employed and number of years in service;
  - such other information that the applicant may want to volunteer or disclose;
  - permission to verify information (if warranted); and
  - signature and date signed.
- An application is considered withdrawn if the applicant personally or in writing requests that his/her LOI be pulled out,

citing the reason/s therefor. A withdrawn application that is re-filed/re-submitted shall be duly considered and deliberated by the Committee.

- Applications shall be received by the PHRMDO within a thirty-calendar day (30-day) period. All applications filed beyond the period prescribed therefor shall not be honored or given due course. The applications (including pertinent records and documents) shall be forwarded to the AHSCOM after the end of the period of application.

#### **15.2.Determination of Eligibility.**

- After its receipt of all pertinent records from the PHRMDO, the Committee shall immediately commence the screening and assessment process by subjecting said records to a thorough examination and verification, if warranted. In the determination of each applicant's eligibility, the records shall be assessed relative to the Section 5 qualification criteria, presence of comorbidity at risk of COVID-19 exacerbation, the vulnerability/most-at-risk classification, and the like.
- Through individual interviews, the Committee shall determine if the applicant is sufficiently or insufficiently prepared to cope with the ramifications of a post-retirement life. Applicants will also be informed of the estimated net proceeds (less the total payable amount of loan obligations) from retirement or separation benefits due to them from the GSIS and PAG-IBIG, plus the amount from commuted unused vacation/sick leave credits, if any, as computed by the LFC, to give them a rough total amount estimate of what they may receive financially. The AHSCOM shall bear these mental, psychological and financial factors in mind as they evaluate and render their final decision on the applications.

#### **15.3.Approval of the Applications.**

- The Committee shall prepare a Final Report containing the list of applicants they found to have satisfactorily met all the requirements and other considerations, therefore, qualified to avail of the early retirement with incentives option offered under the Ordinance.
- The Final Report shall be submitted by the AHSCOM to the Provincial Governor, with its favorable endorsement and recommendation that the applications listed therein merit his final approval.

#### **15.4.Processing and Actual Payment of the Incentives.**

- The AHSCOM shall cause the preparation and processing of the claims by duly-approved applicants of the early retirement incentives offered under the Davao Oriental COVID-19 Early Retirement Incentives Ordinance, upon attachment of the following supporting documents, viz:
  - Duly-approved application or any equivalent proof of the application's approval by the Provincial Governor.
  - Duly-approved Money and Property Clearance.
  - Simplified statement of assets and liabilities, net worth, and financial or business interests, if any.
- Actual payment of the incentives to *bona fide* claimant shall be completed within fifteen (15) days from the date of submission of all the foregoing documents.

**RULE VI**  
**FINAL PROVISIONS**

**SECTION 16. Funding Appropriation.**

Salary savings generated from the vacated positions shall be utilized to pay in full the incentive amounts authorized under this Ordinance. In case of fund shortage for this purpose, the incentives shall be paid from available funds of the Provincial Government, provided that the said are officially appropriated under the approved regular annual budget.

**SECTION 17. Repealing Clause.**

Previous issuances or parts thereof in conflict with or inconsistent to the provisions of this Executive Order are hereby repealed or modified accordingly.

**SECTION 18. Separability Clause.**

Should any part, section or provision of this rules and regulations be subsequently held invalid or unconstitutional by competent authority, the other parts or provisions hereof not so declared and not affected by such declaration shall continue to have force and effect.

**SECTION 19. Effectivity.**

This Implementing Rules and Regulations shall take effect immediately upon approval of the Local Chief Executive.

DONE in the City of Mati, Davao Oriental, Philippines, this 26<sup>TH</sup> day of March in the year of our Lord, Twenty Hundred and Twenty.

  
**NELSON L. DAYANGHIRANG**  
Governor