

REPUBLIC OF THE PHILIPPINES
TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY
Amended Rules and Regulations for the
Effective Implementation of R.A. No. 7686
(Dual Training System Act of 1994)

Pursuant to Section 17 of Republic Act No. 7686, otherwise known as the "Dual Training System Act of 1994," the following Implementing Rules and Regulations are hereby promulgated.

Rule I. Statement of Policy. - It is hereby declared the policy of the State to alleviate poverty by strengthening manpower education and training to ensure a continuous supply of educated and skilled workforce equipped with appropriate skills and desirable work habits and attitudes which will contribute towards sustainable economic development.

The Dual Training System (DTS), as successfully tested in some highly developed countries, shall be adopted in duly accredited vocational and technical schools, in cooperation with accredited agricultural, industrial and business establishments, as one of the preferred means of creating a dependable pool of well-trained operators, craftsmen and technicians for the economy.

Rule II. Objectives

Section 1. The objectives of the Dual Training System Act are:

- a) To encourage increasing utilization of the dual training system by both public and private TVET providers in partnership with duly accredited establishments;
- b) To encourage increasing levels of investment in technical and vocational education and training by both public and private sectors specially in the rural areas;
- c) To enhance the employability and productivity of graduates by equipping them with analytical and creative thinking and problem-solving abilities; manipulative competencies which meet occupational standards and requirements; values and attitudes with emphasis on work ethics, quality orientation, discipline, honesty, self-reliance and patriotism;
- d) To strengthen training cooperation between agricultural, industrial and business establishments and educational institutions by designing and implementing relevant training programs in close coordination with concerned local government units; and
- e) To enable the private sector to engage in training responsive to its needs.

Rule III. Definition of Terms

Section 1. The terms, as used in this document, shall mean as follows:

- a) **Act** – the Republic Act No. 7686; also referred to as the Dual Training System Act of 1994.
- b) **Accredited Establishment** refers to any private firm duly recognized and authorized by TESDA to implement the DTS Program together with a partner TVI.
- c) **Accredited TVI** - refers to a public or private school, training center, enterprise-based training center and other learning facilities duly recognized and authorized by the Technical Education and Skills Development Authority (TESDA) to participate in the dual system and therefore are entitled to avail of the incentives provided for by this Act.
- d) **Appropriate Authority** – refers to the Technical Education and Skills Development Authority (TESDA), which was created under Republic Act No. 7796, otherwise known as TESDA Law; the government agency mandated to manage the country's technical-vocational education and training sector.
- e) **Daily Allowance** – the amount which the trainee receives from the educational institution to defray part of his/her daily expenses. As required by law, a DTS-accredited Establishment shall pay directly to the TVI, a Trainee's Allowance not below seventy-five percent (75%) of the applicable minimum daily wage for the number of days actually spent by the trainee in the Establishment for the In-plant Training.

For purposes of this IRR, the Trainee's Allowance shall be paid in full to trainees through the TVI.

The subject Trainee's Allowance shall be remitted to the trainee every fifteen (15) days of the month for the duration of the training program in accordance with Sections 10 and 12 of the same Act.

- f) **Director General** – refers to the Director General of TESDA.
- g) **Dual Training System (DTS)** - a learning modality that provides in-school and In-plant training interventions following a mutually-designed competency-based curriculum and outcome-based training plan with prior notice and advice to the local government unit concerned.
- h) **DTS Accreditation** – refers to the process of granting of a qualified status to a TVI and its partner Establishment to implement the DTS program that meets all the requirements of the DTS Law, particularly on the prescribed payment of the trainee's allowance.

i) **DTS Program** – a TVET program that utilizes a curriculum/ training plan that provides for in-school and in-plant training and specifies DTS as its instructional delivery based on strict standards set forth by R.A. No. 7686 and carried out only in qualifications to be determined by the TESDA Board in consultation with Industry Partners, concerned TVIs and the concerned offices of the TESDA Secretariat.

j) **DTS Trainee** - A person who undergoes training for the purpose of acquiring and developing job qualifications.

The status of the trainee while under the DTS is not considered as an employee of the Establishment but rather a trainee of both the TVET institution and the Establishment, provided that the union or the workers of the latter have been duly informed in advance of such an agreement.

k) **DTS Trainer** - a person in the accredited DTS Establishment who directs trainees to the practice of skills. A DTS Trainer may also be a Training Coordinator.

l) **Establishment** – in relation to para. (d) of the Objective, refers to any workplace registered as sole-proprietorship, partnership, corporation, cooperative, foundation, organization, and other private enterprise, which, under the DTS, can offer conducive avenue and adequate resources for workplace learning in specific qualifications.

m) **Industrial Coordinator (IC)** – a TVI-employee who works in tandem with the Training Coordinator of the Establishment who is mainly responsible for such functions as: (1) promotion and marketing to Establishments of DTS programs; (2) placement of trainees in the Establishments; (3) coordination of workplace training; and (4) monitoring and evaluation of trainees' learning performance.

n) **In-Plant Training** - The portion of a DTS program where trainees receive practical learning that may be integrated in the regular work system of an Establishment whenever and wherever possible. Guided by a training plan that is mutually accepted by the TVET provider and partner establishments, the time allotted for this learning phase shall be in accordance with their mutual agreement but not inconsistent with the provisions of this IRR.

o) **In-School Training** – the portion of a DTS program where trainees receive technology-based theoretical instruction in a lecture area and hands-on exercises in a laboratory and/or a workshop within the premises of a TVI.

p) **Normal Daily Training Hours** - refers to eight (8) hours a day and may be rendered from 6 o'clock in the morning up to 10 o'clock in the evening.

q) **Technical-Vocational Education and Training (TVET)** - refers to the education or training process which involves, in addition to general education, the study of technologies and related sciences and the acquisition of practical skills relating to occupations in various sectors of economic and social life.

- r) **Technical-Vocational Institution (TVI)** – refers to an academic or training institution whether public or private offering TVET program(s). This shall include TESDA Technology Institutions, Public and Private Technical Vocational Institutes, and Higher Education Institutions (HEIs), State Universities and Colleges (SUCs), Local Colleges and Universities (LCUs), Training Centers and enterprises offering TVET programs.
- s) **Trainee's Allowance** – refers to the DTS-Accredited Establishment's contribution for the training allowance of the trainee and is paid to the trainee through the TVI. It shall, in no way, be less than seventy-five percent (75%) of the applicable minimum daily wage for every eight (8) hours actually spent by the trainee in the Establishment for the in-plant training. The trainee's allowance shall be computed based on eight (8) hours per day.
- t) **Training-** refers to activities which aim at providing the practical skills, knowledge and attitudes required for employment in a particular qualification or occupation, group of related qualifications or occupations, or for exercising a function in any field of economic activity.
- u) **Training Coordinator (TC)** – an employee of the Establishment, who, aside from performing regular tasks, is responsible for planning, organizing, implementing, evaluating, and coordinating the workplace training offered to DTS trainees. Depending on some factors, i.e. the resource-capability of the Establishment, these training and coordinating functions may be assigned to two or more qualified staff.
- v) **Training Plan (TP)** – refers to a syllabus or instruction which describes all the learning experience a trainee must undergo, generally including the competencies to be acquired within the program, the underpinning knowledge and skills, theories and practices and the methods of competency assessment that is mutually accepted and is jointly prepared and implemented by the TVI and the partner Establishment.
- w) **Training Regulations (TR)** – refer to the package of qualifications, competency standards, training standards, assessment and certification arrangements in a specific sector promulgated by the TESDA Board for nationwide application. They serve as the basis for the development of the curricula, registration and delivery of training programs.

Rule IV. The Dual Training System

Section 1. The DTS is hereby institutionalized in accordance with the provisions of the Act and this IRR.

Section 2. The utilization of DTS by a TVI and its partner establishment(s) shall apply to TVET programs that directly respond to the current and emerging needs of the establishment-partner as well as the employment markets.

Section 3. TESDA shall include DTS in its scholarship programs in accordance with its existing rules and regulations on scholarships.

Rule V. Coverage

Section 1. These Rules shall apply to all public and private TVIs and their partner Accredited Establishments.

Section 2. Competencies acquired outside of a DTS program may be credited in said program provided that the trainee concerned shall successfully pass the relevant competency assessment designated and administered for the purpose either by the TVET provider concerned or by TESDA.

Rule VI. The Appropriate Authority: Organization, Powers and Functions

Section 1. TESDA is the appropriate authority for the implementation of the Act.

Section 2. In addition to its present mandate, TESDA, shall exercise the following powers and functions in the implementation of this Act.

- a. Plan, set standards, coordinate, adopt, monitor and evaluate DTS programs, and allocate its resources in support of the dual training system;
- b. Establish, implement, periodically review, and amend the DTS accreditation scheme and/or its attendant operational guidelines to improve DTS implementation;
- c. Keep a regularly updated list of accredited TVIs and their partner Establishments, copies of which shall be furnished to the concerned government agencies as may be necessary;
- d. Maintain a database of graduates and Establishments of DTS accredited programs for employment purposes;
- e. Ensure that a Memorandum of Agreement (MOA) between the TVI and partner Establishment is executed which shall stipulate essential terms and conditions of the DTS program. Such MOA must be notarized;
- f. Certify need for importation of equipment by accredited TVIs, provided these are used solely for training in accordance with Section 18 of the Act;
- g. Submit annual budget for inclusion in the General Appropriation Act (GAA) for the continuous and effective implementation of DTS;
- h. Ensure that these Rules are properly implemented in accordance with the objectives of the Act and apply the appropriate sanctions and penalties within its power whenever warranted. Likewise, TESDA reserves the right to review, revise and amend these Implementing Rules and Regulations (IRR) as may be deemed necessary in order to meet and cope with the demands of time;

- i. Evaluate and approve the Training Plan jointly prepared and submitted by the TVI and partner Establishment; and
- j. Conduct regular Compliance Audit of DTS-Accredited TVI and Establishments as part of the monitoring and evaluation of DTS implementation.

Rule VII. Accreditation: General Provisions

Section 1. A DTS accreditation system, and its operational guidelines shall be developed, established and maintained by TESDA in consultation with TVIs and its partner Establishments as well as with other stakeholders.

Section 2. The TVIs and its partner Establishments shall develop jointly the Training Plan. The Unions and/or Labor-Management Committees in Establishments shall be informed and consulted on such plan.

Section 3. The main purpose of accreditation is to ensure quality in TVET by establishing and maintaining the DTS accreditation standards to encourage an increasing number of TVIs and its partner Establishments to implement DTS.

Section 4. Every Establishment accepting DTS trainees and providing workplace training shall have the necessary personnel with technical qualifications and suitable facilities. Appropriate guidelines shall be prepared by TESDA.

Section 5. All TVIs with registered programs are qualified to apply for DTS accreditation at the nearest TESDA Provincial/District Office.

Rule VIII. Accreditation of TVIs and Establishments

Section 1. TVIs seeking DTS accreditation for their TVET programs shall ensure that said programs comply with TESDA registration requirements.

Section 2. Awarding of the Accreditation Certificate authorizes the TVI and its partner Establishment to start a training program under the Dual Training System.

Section 3. An annual review of compliance with the foregoing shall be undertaken by TESDA.

Rule IX. Training Plan

Section 1. The TVI and its partner Establishments shall develop jointly the Training Plan based on the competency units prescribed in the Training Regulation as one (1) of the requirements in the accreditation system using the prescribed template. The Unions and/or Labor-Management Committees in Establishments shall be informed and consulted on such plan.

Section 2. The Training Plan shall be prepared and submitted per qualifications and per batch with the attached list of the names of trainees.

Submission of approved training plan shall be required for succeeding batch of trainees.

Section 3. The nominal hours in the TESDA Training Regulation shall be followed; Provided, that the learner may hasten or slow down the training duration depending on what he/she learned. As such, the trainee may opt for assessment at any time within the nominal period or after it; Provided, further, that the Training Plan can prescribe longer nominal hours as long as it is based on the competency standards and required learning outcome that the trainee should possess.

Rule X. Industrial Coordinators

Section 1 The TVI shall appoint an Industrial Coordinator to coordinate with the partner Establishment in the implementation of the Dual Training.

Section 2. The Industrial Coordinator may be assisted by such other personnel of the Establishment for the effective discharge of their roles, duties and responsibilities.

Section 3. The Industrial Coordinators shall:

- a) Be responsible for the placement of the trainees in the partner Establishments for the in-plant training;
- b) Monitor attendance, performance and behavior of trainees;
- c) Check the logbook of the trainees in order to see if the Training Plan is being followed;
- d) Ensure the synchronization of the in-school and in-plant training plans;
- e) Provide advice to the trainees, DTS trainers and in-school instructors that will improve the quality of training;
- f) Inform the Head of the TVIs of developments in the Establishments whether positive or negative;
- g) In case of unresolved disagreement, the Industrial Coordinator shall refer the matter to TESDA,
- h) Ensure that the provisions of the MOA are complied with. In the event that there is a deviation from the provision, the Industrial Coordinator shall recommend solutions to the Heads of TVIs and the Establishment/s and monitor implementation of agreed action; and

- i) In the event that the Establishment's qualifications become not conducive for training under the DTS, and upon serving the necessary warning notices, the Industrial Coordinator may, in consultation with the Head of School, initiate the termination of the Memorandum of Agreement, and transfer the trainee to another Establishment.

Section 4. The Industrial Coordinator shall arrange a visit to every trainee in the Establishment at least once a month.

Rule XI. Training Coordinator

Section 1 The establishments' designated Training Coordinator shall:

- a) Coordinate closely with the Industrial Coordinator;
- b) Collaborate with the technical officer of the Establishments including worker's representative in the development of the Training Plan together with the TVI technical officer;
- c) Be responsible for the planning, organizing, implementing, evaluating and coordinating the in-plant training offered to DTS;
- d) Monitor the performance and behavior of the trainee and make recommendations concerning discipline;
- e) Establish a regular communication, coordination and feedback mechanism with the Industrial Coordinator;
- f) Meet with the representative of the partner TVI in the implementation of the DTS; and
- g) Facilitate the payment of the Trainee's Allowance.

Rule XII. Obligations of Trainees

Section 1 Trainees shall exert every effort to acquire the abilities, values and knowledge necessary to achieve the purpose of training. Towards this end, the trainees shall:

- a) Perform carefully the tasks entrusted to them as part of their training by the DTS Trainer/Training Coordinator or any other person authorized to give them instructions;
- b) Observe rules of behavior in the Establishment premises particularly at the workplace training area;
- c) Use tools, instruments, machines and other equipment with due care;
- d) Not reveal any business or trade secrets that have come to their knowledge in the course of their training;

- e) Keep up-to-date their workplace training log books, diaries, or their equivalent; and
- f) Record their daily attendance both in-school and in the in-plant training.

Rule XIII. Obligations of the Accredited Establishment

Section 1 The accredited Establishment shall:

- a) Design, implement and evaluate the Training Plan jointly with the accredited TVI. The unions and/or Labor-Management Committees shall be informed and consulted on such plan;
- b) Ensure the provision of a systematic training, in accordance with the approved Training Plan, to trainees in order for them to achieve the purpose of their training;
- c) Appoint DTS Trainers to implement the Training Plan;
- d) Make available to trainees, the consumable materials, basic hand tools and equipment that are necessary for training, free of charge;
- e) Allow the trainees to attend in-school training and to take their examinations;
- f) Require the trainees to keep up-to-date their logbooks, diaries, or their equivalent;
- g) Inspect regularly such logbooks, diaries, or their equivalent to monitor trainee's development;
- h) Ensure that the trainees are encouraged to develop their personality and that they are protected from physical and moral danger, such as workplace violence, discrimination and harassment including sexual harassment;
- i) Entrust to the trainees such jobs as are related to the purpose of their training and are commensurate with their capabilities;
- j) Pay to the accredited TVIs the Trainee's Allowance;
- k) Assign a Training Coordinator who will work in tandem with the Industrial Coordinator of the TVI for the effective implementation of the DTS program; and
- l) The Establishment shall be required to furnish the partner TVI with the necessary information on trainees' performance for monitoring and evaluation.

Section 2. Every Establishment intending to implement the DTS shall inform, in advance, the union or the workers' group in the said Establishment prior to accepting trainees.

Section 3. Every Establishment implementing training under the DTS shall provide and pay for a life and/or accident insurance policy on each of their trainees during the period that they are in the Establishment undergoing the in-plant training.

Section 4. The accredited Establishment shall issue a Certificate of Dual Training to the trainee who successfully completed the in-plant training or who have passed an assessment in the competencies defined in the Training Plan at anytime within the nominal duration of the training program.

Rule XIV. Obligations of the Accredited Technical Vocational Institution (TVI)

Section 1 The accredited TVIs shall:

- a) Jointly design, implement, and evaluate, with the accredited Establishment the Training Plan per qualification and per batch. The Unions and/or Labor-Management Committee in the Establishment shall be informed and consulted on such plan;
- b) Provide specific, general, and technology-related theoretical instruction and basic practical training;
- c) Appoint Industrial Coordinator/s to supervise the in-plant training;
- d) Pay the trainees their Daily Allowance;
- e) Submit periodic report on DTS accomplishment to TESDA as part of the monitoring and evaluation of the DTS implementation;
- f) Ensure that the trainee accomplishes the logbook during the in-plant training for purposes of monitoring and evaluation based on the agreed training plan;
- g) Prepare the Training Agreement to be signed by the trainee's parent/guardian, the TVI and the partner Establishment stipulating all the conditions, duties and responsibilities, rights and privileges of all the parties involved; and
- h) Perform such other duties and tasks as may be necessary to realize the objectives of the DTS program.

Section 2. Every TVI shall ensure that the provisions of the Memorandum of Agreement are properly implemented and coordinated with the accredited Establishment/s for the purpose of ensuring high standards for training under the DTS.

Section 3. Accredited public TVIs shall account for subsidies and/or donations received from accredited Establishments participating in the DTS according to standard and existing auditing and accounting rules and regulations and the Rules that will be made by TESDA from time to time.

Section 4. The accredited TVI shall ensure that the trainees of DTS undergo Competency Assessment after their training or in the absence of competency test, the company shall administer the performance test to determine the level of proficiency of the trainees. This Rule will apply whenever the trainee demands to be assessed in the competencies that the trainee has learned or gained within the nominal training duration.

Section 5. The accredited TVI shall issue a Certificate of Dual Training to DTS trainee upon completion of training.

Rule XV. The Memorandum of Agreement

Section 1 Before an Establishment accepts DTS trainees, it shall first formalize its DTS training commitment with the partner TVI by executing a Memorandum of Agreement (MOA).

Section 2. The MOA shall set forth, among others, the following:

- a) The Training Plan;
- b) Nature and objective/s of training;
- c) Competencies that will be acquired in in-plant training based on the Training Plan and the method of Competency Assessment;
- d) Commencement and duration of training;
- e) Normal daily training hours;
- f) Rates of Trainee's Allowance and Daily Allowance to be applied;
- g) Schedule of payment of Trainee's Allowance;
- h) Rights and obligations of the parties concerned;
- i) Status of trainees;
- j) Undertaking by the Establishment to provide a life and accident insurance policy of the trainee;
- k) Grounds, conditions and process for the termination of the Training Agreement;
- l) Performance monitoring and evaluation system; and
- m) Other essential particulars.

Section 3: Notarized copies of the Memorandum of Agreement shall be provided to the Establishment and TVI including the Union and/or Labor-Management Committee, as appropriate.

Rule XVI. Sanctions and Penalties

Section 1 After due process, any accredited Establishment or TVI found to be in violation of any of the provisions of this IRR shall be dealt with accordingly by TESDA, with the revocation of the DTS accreditation as a possible action; Provided, that the TVI or Establishment concerned had failed to correct the infraction/violation within a reasonable time as per notice given by TESDA and/or necessary formal advisories/reminders.

Section 2. Any officer or employee of the DTS-accredited TVI who may be found in violation of this IRR and shall not rectify the same despite notice or advisory given by TESDA shall, aside from the revocation of the DTS accreditation, be made liable under the Code of Conduct and Ethical Standards for Public Officials (Republic Act No. 6713) and other applicable administrative and/or criminal laws.

Section 3. Cases involving violation on program registration shall follow the provisions of relevant rules and guidelines promulgated by the Appropriate Authority

Rule XVII. Tax Incentives and Revolving Fund

Section 1 The tax incentives for expenses, donations and importations in relation to the operation of DTS must be in accordance with relevant Revenue Regulations of the Department of Finance.

Section 2. The Implementing Rules regarding the utilization and accounting of the Revolving Fund by public educational institutions accredited to participate in the DTS in accordance with Section 16 of the Act and therefore forms part of these Implementing Rules shall be prepared by the Commission on Audit.

Rule XVIII. Assistance

Section 1 TESDA shall grant amounts to educational institutions who are accredited by TESDA to participate in DTS for personnel, equipment, consumables, and infrastructure, and such other resources necessary for the effective implementation of this Act and in accordance with established rules or rules that will be promulgated by the TESDA Board; Provided, that the said educational institutions shall address the needs of the agricultural, industrial and business establishments.

Rule XIX. Guidelines

Section 1 TESDA shall issue the necessary Operational Guidelines for the effective implementation of the Act and of this Implementing Rules.

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Rule XX. Amendments

Section. 1 This IRR may be amended by the TESDA Board, in consultation with its various stakeholders and the TESDA Secretariat, and as a result of its monitoring, evaluation, review of the DTS and its Programs.

Section 2. These rules may be amended every three years or sooner when circumstances so warrant.

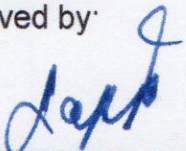

Rule XXI. Repealing Clause

Section 1 All TESDA rules and regulations or parts thereof inconsistent with these Rules are hereby repealed or modified accordingly

Rule XXII. Effectivity

Section 1 These Rules shall take effect fifteen (15) days after publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved by:


SEC. ISIDRO S. LAPEÑA, PhD., CSEE
Director-General 

11 January 2019 