

AMENDING CERTAIN PROVISIONS OF PRESIDENTIAL DECREE NO. 1378 CREATING THE NATIONAL COUNCIL ON INTEGRATED AREA DEVELOPMENT

EXECUTIVE ORDER NO. 731, September 16, 1981

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WHEREAS, the National Council on Integrated Area Development (NACIAD) was created under Presidential Decree No. 1378 to promote and support the improvement, growth and development of the countryside through integrated area development;

WHEREAS, Executive Order No. 708 provides that the Prime Minister shall assume the Chairmanship of the National Council on Integrated Area Development;

WHEREAS, in keeping with the policy of the government to effect continuing reforms, it is necessary to streamline the functions of the Council in order to facilitate the implementation of integrated area development projects; and

WHEREAS, under Presidential Decree No. 1416 as amended, the President is empowered to undertake such organizational and related improvements as may be appropriate in the light of changing circumstances and new developments.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution and the authority vested in me by Presidential Decree No. 1416 as amended, do hereby order and ordain:

SECTION 1. Section 2 of PD 1378 is hereby amended to read as follows:

“SEC. 2. Creation of the National Council on Integrated Area Development. There is hereby created a National Council on Integrated Area Development under the Office of the Prime Minister hereinafter referred to as the Council which shall be composed of the Prime Minister as Chairman, with the following as members: the Minister of Finance, the Minister of Local Government and Community Development, the Minister of Agriculture, the Minister of Agrarian Reform, the Minister of National Defense, the Minister of Natural Resources, the Minister of Public Works and Highways, the Director General of the Office of Budget and Management, the Director General of the National Economic and Development Authority and the Executive Secretary of the Council.

The President shall designate a Vice-Chairman from among the members of the Council who shall perform the functions of the Chairman in his absence.

The Council may establish an Executive Committee composed of three members to be designated by the Chairman from among the members of the Council which shall act for and in behalf of the Council when the latter is not in session.

A Program Coordinating Committee shall be formed, composed of the designated senior level representatives of the members of the Council, the Presidential Management Staff and the National Irrigation Administration, which

shall be chaired by the Executive Secretary. The Committee shall assist the Council in expediting inter-agency commitments to on-going and pipeline projects.

The Council shall assume supervision and control of all other integrated area development projects not under its present jurisdiction, which are multi-sectoral in nature and are primarily sub-regional and preferably multi-provincial in geographical coverage.

The members of the Council shall receive a reasonable amount of per diem as the Council may provide for every meeting actually attended by them.”

SECTION 2. A new paragraph, to be known as Paragraph (f), is added to the powers and functions of the Council provided for in Section 3 of P.D. 1378 to read as follows:

“SEC. 3. (f) Generate private sector participation in integrated area development projects and establish the appropriate mechanism for it.”

SECTION 3. Section 4 of P.D. 1378 is hereby amended to read as follows:

“SEC. 4. Powers and Functions of the Chairman. The Chairman as Chief Executive Officer shall have the following powers and functions:

- a) To formulate policy guidelines and approve an integrated plan of action;
- b) To call and preside over the meetings of the Council;
- c) To appoint, upon the recommendation of the Executive Secretary, the Project Directors of the various integrated area development projects;
- d) To enter into contracts to enable it to carry out its purposes and functions under this Executive Order;
- e) To establish a system of priorities for integrated area development and provide the basic criteria for selecting project areas;
- f) To arrange and/or negotiate for funding from local and foreign financial institutions;
- g) To approve requests of the implementing departments and agencies for budget releases for projects in accordance with the integrated plan of action, budgets and work programs approved by the Council; Provided, that such approval shall be subject to the availability of funds in accordance with the existing budgetary policies, laws, rules and regulations which shall be approved by the Council;
- h) To call on any department, bureau, office, agency, or state university or college and other instrumentalities of the government for assistance in the form of personnel, facilities and other resources as the needs arise in the discharge of its functions.”

SECTION 4. Section 6 of P.D. 1378 is hereby amended to read as follows:

“SEC. 6. Powers and Functions of the Chief Operating Officer. The Executive Secretary as Chief Operating Officer of the Council shall exercise the following powers and functions:

- a) To recommend policy guidelines and submit to the Chairman programs of work activities in consonance with the policies and plans promulgated by the Council;
- b) To implement the coordinated plan of action for integrated area development as formulated and approved by the Chairman;

- c) To undertake comprehensive studies concerning critical components needed for the development of identified depressed areas;
- d) To implement on-going and proposed plans, programs and projects within the specified areas for integrated area developments;
- e) To rationalize and systematize existing, on-going and proposed community projects in identified areas for development vis-a-vis the over-all integrated area development plan for the specified area;
- f) To coordinate and monitor project implementation;
- g) To promote fuller local participation in planning, management and program execution through closer coordination with local government officials;
- h) To establish the appropriate organizational set-up to implement the integrated plan of action to be approved by the Chairman;
- i) To formulate, adopt and implement guidelines and standards for an efficient system of reporting and evaluation;
- j) To avail of the expertise of any particular employee, technician or group of persons in any bureau, office or department of the government whose services are deemed necessary for the attainment of the goals of the Council;
- k) To prepare and submit to the Chairman administrative rules and regulations for the effective management of the Council's activities;
- l) To hire the personnel necessary for the operations of the Council and fix their compensation in accordance with the plantilla and pay plan approved by the Chairman;
- m) To remove, suspend or otherwise discipline for cause any subordinate employee of the Council;
- n) To conduct seminars, public hearings, and/or conferences or significant issues pertaining to integrated area development;
- o) To submit periodic financial and work accomplishment reports to the Council;
- p) To perform such other duties as may be assigned by the Council and/or the Chairman."

SECTION 5. Two new provisions are hereby inserted between Sections 6, and 7 of P.D. 1378 to be known as Sections 7 and 8 to read as follows:

"SEC. 7. Appointment of Other Cabinet Coordinators. The Chairman may appoint a Cabinet Coordinator for each new integrated area development project. Said coordinator shall be assisted by the Executive Secretary, who shall closely coordinate with the Provincial Governors in integrated area development project areas. However, the designated Cabinet Coordinators of the Bicol, Cagayan, Mindoro, Samar, Zamboanga Projects, the Agusan-Bukidnon-Capiz Land Settlement Project, and the Philippine Rural Infrastructure Project shall continue to assume responsibility over their respective projects unless otherwise determined by the Chairman."

"SEC. 8. Budgetary System. To ensure the rational allocation and timely releases of funds for specific components of integrated area development projects, the Ministry of the Budget, in consultation with the Council, shall issue the appropriate guidelines and procedures for budget preparations and execution."

SECTION 6. Sections 7, 8, 9, 10, 11, 12, 13, 14, 15, and 16, of P.D. 1378 are hereby renumbered as Sections 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18, respectively.

SECTION 7. Repealing Clause. All laws, decrees, orders, proclamations, rules, regulations, and issuances, or parts thereof, which are inconsistent with any of the provisions of this Executive Order are hereby repealed or modified accordingly.

SECTION 8. Separability Clause. Any portion or provision of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying the other provisions thereof, provided that such remaining portions can still stand and be given effect in their entirety to accomplish the objectives of this Executive Order.

SECTION 9. This Order shall take effect immediately.

DONE in the City of Manila, this 16th day of September, in the year of Our Lord, Nineteen Hundred and Eighty-One.

(SGD.) FERDINAND E. MARCOS

President of the Philippines

By the President:

(SGD.) JOAQUIN T. VENUS, JR.

Deputy Presidential Executive Assistant

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