

MALACANANG  
MANILA

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EXECUTIVE ORDER NO. 16

AMENDING SECTION 5 OF REPUBLIC ACT NO. 265, AS AMENDED,  
TO INCREASE THE MEMBERSHIP OF THE MONETARY BOARD.

WHEREAS, the present government is confronted by serious budgetary constraints as a result of the adverse financial situation;

WHEREAS, these constraints will be alleviated by the adoption of necessary and responsive fiscal, monetary and credit policies by the economic group, particularly the Central Bank of the Philippines, and such policies will have a critical impact on the budgetary process;

WHEREAS, there is need to harmonize and coordinate budgeting with monetary, credit and fiscal policies;

WHEREAS, considering the crucial role of the Ministry of the Budget in the inter-play of monetary, credit and fiscal policies and budgetary measures, the Minister of the Budget should be ex-officio member of the Monetary Board.

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order the following:

SECTION 1. Section 5 of R.A. No. 265, as amended, is hereby further amended, as follows:

"SEC. 5. Composition of the Monetary Board. - The powers and functions of the Central Bank shall be exercised by a Monetary Board, which shall be composed of seven members, as follows:

(a) The Governor, who shall be the Chairman of the Monetary Board. The Governor shall be appointed for a term of six years by the President of the Philippines. Whenever the Governor is unable to attend a meeting of the Board, the Senior Deputy Governor shall act as Chairman;

(b) The Minister of Finance. Whenever the Minister of Finance is unable to attend a meeting of the Board, he shall designate a deputy to attend as his alternate;

(c) The Director-General of the National Economic and Development Authority. Whenever the Director General is unable to attend a meeting of the Board, he shall designate a deputy director general of the Authority to attend as his alternate;

(d) The Chairman of the Board of Investments. Whenever the Chairman of the Board of Investments is unable to attend a meeting of the Board, he shall designate a governor of the Board of Investments to attend as his alternate;

(e) The Minister of the Budget. Whenever the Minister of the Budget is unable to attend a meeting of the Board, he shall designate a deputy to attend as his alternate;

(f) In lieu of any officials named in sub-section (c) or (d) above, such head of any other financial or economic agency or department of the Government as the President of the Philippines may determine;

(g) Two part-time members from the private sector, to be appointed for terms of four years by the President: Provided, however, That the first member appointed under the provisions of this sub-section shall have terms of office of two and four years respectively.

In making appointments to the Monetary Board, the President of the Philippines shall base his selection on the integrity, experience and expertise of the appointee."

SECTION 2. This Executive Order shall take effect immediately.

Done in the City of Manila, this 9th day of May in the year of Our Lord, nineteen hundred and eighty-six.

(SGD.) CORAZON C. AQUINO  
President of the Philippines

By the President:

(SGD.) JOKER P. ARROYO  
Executive Secretary