

657  
EXECUTIVE ORDER NO. 427

PLACING THE CONTROL AND SUPERVISION OF BARTER TRADE IN  
JOLO, SULU WITH THE REGIONAL GOVERNMENT OF THE  
AUTONOMOUS REGION IN MUSLIM MINDANAO, AND FOR  
OTHER PURPOSES

WHEREAS, traditional barter trading has been a principal source of income of the people living in the Sulu Archipelago;

WHEREAS, Section 23, Article XIII of Republic Act No. 6734 otherwise known as the Organic Act of the Autonomous Region of Muslim Mindanao provides that: "[S]ubject to national policies, the Regional Government shall regulate barter trade and countertrade with neighboring countries";

WHEREAS, Memorandum Order No. 24, S. of 1986, enacted by the President pursuant to her lawmaking power under the Freedom Constitution, has established the current national policy towards barter trade;

WHEREAS, Section 7 of Memorandum Order No. 24, S. of 1986, provides that there be a "gradual and systematic phaseout of barter trading activities in the areas concerned and the shift to conventional trading within a period of five (5) years from the effectivity of Memorandum Order No. 24, including export development" for which a Barter Trade Inter-Agency Committee was later created by the President for this purpose;

WHEREAS, the present national policy restricts barter trading to the Sulu Archipelago only;

WHEREAS, pursuant to Republic Act No. 6734 the Oversight Committee for the Autonomous Region in Muslim Mindanao has recommended the immediate transfer of the administration, control and supervision of the barter trade operations in Jolo, Sulu, to the Autonomous Regional Government;

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

SECTION 1. *Transfer of Control and Supervision of Barter Trade.* The administration, control and supervision of the barter trading in Jolo, Sulu, under the operations of the Southern Philippines Development Authority

(SPDA), is hereby placed under the control and supervision of the Regional Government of the Autonomous Region in Muslim Mindanao subject to Memorandum Order 24, S. of 1986, and BT-IAC Memorandum Circular Nos. 1 and 2 issued by the Barter Trade Inter-Agency Committee implementing the national policy.

SEC. 2. *Powers and Functions.* The Autonomous Regional Government shall hereby exercise the following powers and functions on the control, supervision and regulation of barter trading:

- 1) The Autonomous Regional Government shall establish the value of merchandise, goods or articles per trip for every trader set at P5,000 per trip per trader pursuant to Memorandum Order No. 24, S. of 1986;
- 2) The Autonomous Regional Government shall establish the number of allowable trips per month per trader;
- 3) The Autonomous Regional Government shall:
  - a) Promulgate the necessary rules, regulations and guidelines governing barter trade, after consultation with the Bureau of Customs and the Armed Forces of the Philippines;
  - b) Register and accredit qualified traders to engage in barter trading within the Barter Trade area;
  - c) Coordinate all activities relative to barter trade and to undertake all necessary measures subject to national policy.

SEC. 3. *Barter Trade Operations Center.* The Barter Trade Operations Center in Jolo, Sulu under the Southern Philippines Development Authority is hereby transferred to the Autonomous Regional Government. All contractual personnel, assets and equipment are to be transferred subject to the usual accounting and auditing laws, rules and regulations.

SEC. 4. *Barter Trade Revenues.* All revenues collected by the SPDA Barter Trade Operations Center net of expenses and other payables as of the date of effectivity of this Executive Order are to be transferred to the Autonomous Regional Government. For this purpose, an audit of this



account shall be requested of the Commission on Audit to determine the amount to be transferred.

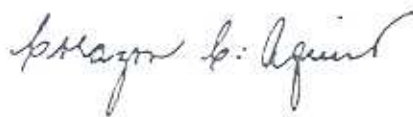
SEC. 5. *Regional Barter Trade Inter-Agency Committee.* The National Barter Trade Inter-Agency Committee is hereby abolished. The Regional Governor shall create, by his authority, a Regional Barter Trade Inter-Agency Committee which shall include the regional representative of the Department of Trade and Industry, the Bureau of Customs and the Philippine Coast Guard.

The Regional Barter Trade Inter-Agency Committee shall advise the Regional Governor on all matters regarding barter trade, review and coordinate government policies and the activities of government agencies and instrumentalities with regards barter trade and Memorandum Order No. 24, S. of 1986.

SEC. 6. *Separability Clause.* If for any reason any part or provision of this Executive Order shall be held unconstitutional or contrary to law, the provisions hereof which are not affected hereby shall continue to be in full force and effect.

SEC. 7. *Effectivity.* This Executive Order shall take effect fifteen (15) days after its publication in a national newspaper of general circulation and one (1) local newspaper of general circulation in the Autonomous Region in Muslim Mindanao.

DONE in the City of Manila, this 12th day of October, in the year of our Lord, nineteen hundred and ninety.



By the President:



CATALINO MACARAIG, JR.  
Executive Secretary