

EXECUTIVE ORDER NO. 229

**CREATING THE MINDANAO PEACE AND DEVELOPMENT FUND AND FOR
OTHER PURPOSES**

WHEREAS, this Administration is committed to pursuing a policy of building peace and development;

WHEREAS, in order to put an end to long years of hostilities and achieve durable and lasting peace in Southern Philippines, a Peace Agreement was signed in 1996 between the Government of the Republic of the Philippines and the Moro National Liberation Front (MNLF);

WHEREAS, the Southern Philippines Development Authority, was created by virtue of Presidential Decree No. 690 as amended by Presidential Decree No. 1703, to undertake essential developmental and economically viable ventures in the Southern Philippines;

WHEREAS, the SPDA was deactivated in November 2002 pursuant to Executive Order No. 149;

WHEREAS, Executive Order No. 124 dated September 12, 2002 established the ARMM Social Fund for Peace and Development that has as its coverage and target beneficiaries disadvantaged conflict affected and influenced communities in the expanded Autonomous Region in Muslim Mindanao (ARMM);

WHEREAS, in light of the on-going efforts to achieve lasting peace in Southern Philippines, there is a need for an implementing mechanism that can address the socio-economic needs of other conflict affected areas in Mindanao outside of ARMM; and

WHEREAS, under Section 31, Chapter 10, Title III, Book III of the Administrative Code of 1987, the President has the continuing authority to reorganize the administrative structure of the Executive Branch of Government pursuant to Section 20, Chapter 7, Book III of the Administrative Code of 1987 (EO 292);

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:



SECTION 1. Mindanao Peace and Development Fund. -- There is hereby established a program fund to be known as the MINDANAO PEACE & DEVELOPMENT FUND, hereinafter referred to as MPDF, under the Office of the President that shall have as its coverage and target beneficiaries disadvantaged conflict affected and influenced communities in Mindanao outside ARMM.

SECTION 2. Mandate. The MPDF shall promote the development of conflict affected areas outside of ARMM by initiating, investing and/or undertaking in partnership with non-government organizations, local government units and the private sector socio-economic projects such as improving access and provision of basic services by rehabilitating and enhancement of facilities for health, manpower development, livelihood and micro-enterprise assistance.

It may receive grants and other financial assistance (Official Development Assistance) from bilateral and multilateral agencies to enable it to carry out its objectives subject to existing rules and regulations.

SECTION 3. Composition of the Board. -- The MPDF shall be managed by a Board of Directors to be appointed by the President composed of the following:

- 1) Presidential Adviser on the Peace Process;
- 2) Director General of the National Economic and Development Authority;
- 3) Chairman, Mindanao Economic Development Council; and
- 4) Six (6) members

The President shall designate from among the Board members a Chairman and Vice-Chairman. The Chairman shall preside at meetings of the Board, while the Vice Chairman shall act as chair in the absence of the Chairman.

The six members of the Board who are not from government agencies shall receive a *per diem* of Ten Thousand (P10,000.00) Pesos each for every meeting actually attended by them, Provided that the total amount of *per diem* that any member may receive shall not exceed Twenty Thousand (P20,000.00) per month.

SECTION 4. Functions of the Board. The Board shall perform, among others, the following functions:

1. Approve policies and implementing guidelines needed to accomplish the purpose and objectives of the MPDF.
2. Determine and approve the organizational structure, staffing pattern and pay scales of the MPDF, its officers and employees subject to existing rules and regulations.



3. Review and approve annual work and financial plan and budget of the MPDF.
4. Establish levels of authority and responsibilities of the Executive Director and other officers of the MPDF.
5. Submit an annual report to the President.
6. Perform other tasks as may be assigned by the President.

SECTION 5. Executive Director. ~ To carry out the day-to-day operations of the MPDF, an Executive Director with the rank of Undersecretary, shall be appointed by the President.

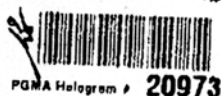
He shall have the following powers, duties and responsibilities:

- (1) To submit for the Board's consideration policies and measures which are necessary to carry out the purposes and provisions of this Order;
- (2) To prepare the budget of the MPDF for approval of the Board;
- (3) To execute and administer the policies and measures approved by the Board;
- (4) To direct and supervise the operations and internal administration of the MPDF. He may delegate certain administrative responsibilities to other officers of the MPDF subject to the rules and regulations approved by the Board;
- (5) To appoint all employees of the MPDF except the heads of Departments and divisions whose appointments shall be made by the Board upon his recommendations; and to remove, dismiss or otherwise discipline for cause, such employees in accordance with the standard guidelines for recruitment, employment and discipline of personal which shall be formulated and approved by the Board;
- (6) To represent the MPDF in all dealings with other offices, agencies and instrumentalities of the Government and with all persons and entities, public or private; and
- (7) To exercise other powers as maybe vested in him by the Board.

SECTION 6. Transfer of Funds & Assets – The remaining funds and assets of the Southern Philippines Development Authority, including its subsidiaries, projects are hereby transferred to the MPDF.

Funding requirements for the operations of the MPDF shall be included in the succeeding General Appropriations Act.

SECTION 7. Separability Clause. Any portion or provision of this Executive Order that may be declared unconstitutional shall not have the effect



of nullifying other portions or provisions of this Executive Order as long as such remaining portions or provisions can still subsist and be given effect.

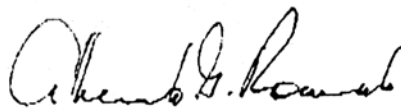
SECTION 8. Repealing Clause. -- All executive orders, rules, regulations and issuances or parts thereof that are inconsistent with the provisions of this executive order are revoked, repealed and/or modified accordingly.

SECTION 9. Effectivity. This Executive Order shall take effect fifteen (15) days after its publication in a national newspaper of general circulation.

DONE, in the City of Manila, this 21st day of July in the year of Our Lord, two thousand and three.



By the President:



ALBERTO G. ROMULO
Executive Secretary



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