

EXECUTIVE ORDER NO. 425

PLACING UNDER THE CONTROL AND SUPERVISION OF THE AUTONOMOUS REGIONAL GOVERNMENT THE LINE AGENCIES AND OFFICES OF THE NATIONAL GOVERNMENT WITHIN THE AUTONOMOUS REGION IN MUSLIM MINDANAO DEALING WITH LABOR AND EMPLOYMENT, LOCAL GOVERNMENT, TOURISM, ENVIRONMENT AND NATURAL RESOURCES, SOCIAL WELFARE AND DEVELOPMENT, AND SCIENCE AND TECHNOLOGY, AND FOR OTHER PURPOSES

WHEREAS, pursuant to the mandate under the 1987 Constitution, the Congress of the Philippines enacted into law Republic Act No. 6734, otherwise known as the Organic Act for the Autonomous Region in Muslim Mindanao (ARMM);

WHEREAS, pursuant to Section 1 (2), Article II of the aforesaid Organic Act, a plebiscite was held on 19 November 1989 wherein four (4) provinces: Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi, ratified the said Organic Act and voted favorably to be included in the ARMM;

WHEREAS, on 17 February 1990, elections for the offices of the Regional Governor, Regional Vice-Governor and the members of the Regional Assembly, were held;

WHEREAS, with the election and assumption into office of its officials, the Autonomous Regional Government for ARMM is now deemed organized;

WHEREAS, the first paragraph of Section 4, Article XIX of Republic Act No. 6734, provides that: "[U]pon organization of the Autonomous Region, the line agencies and offices of the National Government dealing with local government, social services, science and technology, labor, natural resources, and tourism, including their personnel, equipment, properties and budgets, shall be immediately placed under the control and supervision of the Regional Government";

WHEREAS, the second paragraph of Section 3, Article XIX of Republic Act No. 6734 further provides that: "[W]ithin six (6) months after its organization, the Oversight Committee shall submit its report and recommendations to the President of the Philippines who shall act on the report and recommendations within ninety (90) days after receipt thereof: *Provided, however,* That if the President fails to act within said period, the recommendations of the Oversight Committee shall be deemed approved";

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. *Declaration of Policy.* Pursuant to the 1987 Constitution and Republic Act No. 6734, it shall be the policy of the National Government to ensure the full and expeditious devolution of powers and functions to the Autonomous Regional Government of the Autonomous Region in Muslim Mindanao (ARMM).

SEC. 2. *General Terms Defined.* For purposes of this Executive Order and subsequent issuances pertaining to the Autonomous Regional Government of the ARMM, the following terms shall mean:

- 1) **National Government** - refers to the entire machinery of the central government as distinguished from the different forms of local governments.
- 2) **Agency of Government** - refers to any of the various units of the Government, including a department, bureau, office, instrumentality, or government-owned or controlled corporation or a distinct unit therein.
- 3) **Department** - refers to an executive department created by law.
- 4) **Supervision and control** - shall include authority to act directly whenever a specific function is entrusted by law or a regulation to a subordinate; direct the performance of duty; restrain the commission of acts; review, approve, reverse or modify acts and decisions of subordinate officials or units; determine priorities in the execution of plans and programs; and prescribe standards, guidelines, plans and programs. Unless a different meaning is explicitly provided in the specific law governing the relationship of particular agencies, the word "control" shall encompass supervision and control as defined in this paragraph.

SEC. 3. *Mandate.* Pursuant to Section 1, Article VI of the Organic Act of the ARMM, the President of the Philippines shall exercise general supervision over the Autonomous Regional Government, including the local governments therein, directly or through the Regional Governor, to ensure that national and regional laws are faithfully executed.

SEC. 4. *Transfer of Control and Supervision.* The following National Government offices and line agencies dealing with local government, social welfare and development, science and technology, labor and employment,



environment and natural resources, and tourism, within the ARMM including their personnel, equipment, properties and budgets are placed under the control and supervision of the Autonomous Regional Government.

The Heads of the said offices and agencies, including their officials and employees, are hereby directed to extend their fullest assistance and cooperation to the Autonomous Regional Government of ARMM to ensure the orderly transfer thereof.

SEC. 5. *Functions Transferred.* Pursuant to the foregoing section, the functions of the following line agencies and offices of the National Government are hereby transferred to the Autonomous Regional Government of the ARMM, viz.:

A. Department of Labor and Employment

- 1) Formulate and recommend to the Regional Governor regional policies, plans and programs for manpower development, training, allocation, and utilization;
- 2) Protect and promote the interest of every constituent desiring to work locally or overseas by securing to him the most equitable terms and conditions of employment, and by providing social and welfare services;
- 3) Regulate the employment of aliens within the ARMM, including the establishment of a registration and/or work permit system for such aliens;
- 4) Formulate general guidelines concerning wage and income policy;
- 5) Recommend to the Regional Governor necessary adjustments in wage structures with a view to develop a wage system that is consistent with national economic and social development plans;
- 6) Provide for safe, decent, humane and improved working conditions and environment for all workers, particularly women and young workers;
- 7) Maintain harmonious, equitable and stable labor relations system that is supportive of national and regional economic policies and programs;

- 8) Uphold the rights of workers and employers to organize and to promote free collective bargaining as the foundation of the labor relations system; and,
- 9) Provide and ensure the fair and expeditious settlement and disposition of labor and industrial disputes through collective bargaining, grievance machinery, conciliation, mediation, voluntary arbitration, compulsory arbitration as may be provided by law, and other modes that may be voluntarily agreed upon by the parties concerned.

B. Department of Local Government

- 1) Advise the Regional Governor on the promulgation of regional policies, rules, regulations and other issuances relative to the general supervision of local governments;
- 2) Establish and prescribe rules, regulations and other issuances implementing laws on the general supervision of local governments and the promotion of local autonomy and community empowerment and to monitor compliance thereof by said units;
- 3) Provide assistance in the preparation of regional legislation affecting the local governments;
- 4) Establish and prescribe regional plans, policies, programs and projects to strengthen the administrative, technical and fiscal capabilities of local government offices and personnel; and,
- 5) Formulate plans, policies and programs which will meet local emergencies arising from natural and man-made disasters.

C. Department of Tourism

- sol
- 1) Advise the Regional Governor on the promulgation of regional laws relative to the policy, plans, programs and projects designed to promote and develop the tourism industry;
  - 2) Formulate policies, plans, programs and projects for the development of the tourism industry within the ARMM;
  - 3) Devise an integrated marketing program designed to attract and induce people abroad to visit the ARMM;

- 4) Promote and ensure the pleasant and hospitable entry, stay and egress of tourists;
- 5) Coordinate with any or all government agencies, civil or military, in the implementation of the rules and regulations, other issuances, and enforcement of orders and/or decisions of the appropriate regional agency;
- 6) Formulate standards for tourism-oriented establishments that will prescribe minimum levels of operating quality and efficiency in order to ensure that facilities, personnel and services are maintained in accordance with acceptable local and international norms in the operations of tourism-oriented establishments;
- 7) Promulgate rules and regulations governing the operations and activities of all persons, firms, entities and establishments that cater to tourists, to provide standards for accreditation of hotels, resorts and tourist-oriented facilities for classification purposes, and to prescribe rules and regulations governing the issuance of licenses to travel agencies consistent with national laws;
- 8) Approve the construction standards of accredited tourism-oriented establishments including hotels, resorts, inns, motels, and other related facilities and services;
- 9) Prescribe information reporting on the purchase, sale or lease of accredited tourism-oriented facilities;
- 10) Ensure a harmonious, positive and constructive development of the tourism industry;
- 11) Provide technical assistance to the Committee on Privatization and Asset Privatization Trust, or such other government agency, office or institution as are charged with the duty and/or responsibility of selling government-owned or controlled hotels, resorts and other tourist-oriented facilities within the ARMM;
- 12) Promote the ARMM as a locale for foreign film or movie production or any other form of entertainment that will serve to enhance the image of the Philippines as a tourist destination internationally;



- 13) Prescribe programs to encourage private sector investment and participation in tourism activities and projects;
- 14) Compile and integrate a statistical data bank on the tourism industry;
- 15) Promote the protection, maintenance and preservation of historical, cultural and natural assets with tourist attractions with the appropriate government agencies or with the private sector or with the owners of said assets or attractions;
- 16) Undertake research studies and surveys for the continuing analysis of economic conditions and trends relating to tourism and travel;
- 17) Protect and enhance the Filipino image in the entertainment field and thereby gain better international respect and reputation for the ARMM by assisting the appropriate government agency in auditioning Filipino entertainers being sent abroad;
- 18) Evaluate incentives to tourist-oriented facilities, and submit their recommendations to the Regional Governor;
- 19) Assist in the enforcement of all laws and regulations for the protection of tourists and other transients;
- 20) Exercise such other powers and functions that may be necessary, proper, or incidental to the attainment of its mandate;
- 21) Arrange, whenever deemed appropriate, for the reclamation of any land adjacent to or adjoining a tourist zone in coordination with appropriate government agencies;
- 22) Coordinate with appropriate government agencies the development of infrastructure requirements supporting a tourist zone such as, but not limited to, access roads to the zone, electric power brought to the proper line of the zone, airports, harbors, and other support facilities; and,
- 23) Coordinate with concerned government agencies the provision of social infrastructure requirements supporting a tourist zone as educational facilities, health centers, social and recreational outlets and other necessary amenities for the

social upliftment of the populace and preservation of ecological balance.

D. Department of Environment and Natural Resources

- 1) Advise the Regional Governor on the enactment of regional laws relative to the development, use, regulation and conservation of the natural resources and the control of pollution in the ARMM;
- 2) Formulate, implement and supervise the Autonomous Regional Government's policies, plans and programs pertaining to the management, conservation, development, use and replenishment of the ARMM's natural resources;
- 3) Promulgate rules and regulation in accordance with regional law governing the exploration, development, conservation, extraction, disposition, use and such other commercial activities tending to cause the depletion and degradation of our natural resources;
- 4) Exercise supervision and control over forest lands, alienable and disposable lands, and mineral resources within the ARMM;
- 5) Undertake exploration, assessment, classification and inventory of the ARMM's natural resources;
- 6) Promote proper and mutual consultation with the private sector involving natural resources development, use and conservation within the ARMM;
- 7) Undertake geological surveys of the whole ARMM including its territorial waters;
- 8) Establish and implement programs for the :
  - a. Accelerated inventory, surveys and classification of the ARMM's natural resources;
  - b. Equitable distribution of natural resources;
  - c. Promotion, development and expansion of natural resource-based industries;

- d. Preservation of cultural and natural heritage through wildlife conservation and segregation of national parks and other protected areas;
  - e. Maintenance of a wholesome natural environment by enforcing environmental protection laws; and,
  - f. Encouragement of greater people participation and private initiative in natural resource management.
- 9) Promulgate rules and regulations necessary to:
- a. Accelerate cadastral and emancipation patent surveys, land use planning and public land titling;
  - b. Harness forest resources in a sustainable manner, to assist rural development, support forest-based industries, and provide raw materials to meet increasing demands, at the same time keeping adequate reserves for environmental stability; and,
  - c. Expedite mineral resources surveys, promote the production of metallic and non-metallic minerals and encourage mineral marketing.
- 10) Regulate the development, disposition, extraction, exploration and use of the ARMM's forest, land and mineral resources;
- 11) Assume responsibility for the assessment, development, protection, conservation, licensing and regulation;
- 12) Promulgate rules, regulations and guidelines concerning development, exploration and utilization of the ARMM's natural resources;
- 13) Exercise exclusive jurisdiction on the management and disposition of all lands of the public domain within the ARMM;
- 14) Implement measures for the regulation and supervision of the processing of forest products, grading and inspection of lumber and other forest products and monitoring of the movement of timber and other forest products within the ARMM;



- 15) Promulgate rules and regulations for the control of water, air and land pollution within the ARMM;
- 16) Promulgate ambient and effluent standards for water and air quality including the allowable level of other pollutants and radiations;
- 17) Promulgate policies rules and regulations for the conservation of the ARMM's genetic resources and biological diversity, and endangered habitats;
- 18) Formulate an integrated, multi-sectoral, and multi-disciplinary regional conservation strategy, which will be presented to the Regional Governor; and,
- 19) Exercise other powers and functions and perform such other acts as may be necessary, proper or incidental to the attainment of its mandates and objectives.

E. Department of Social Welfare and Development

- 1) Formulate, develop and implement regional plans, programs and projects in the field of social welfare and development;
- 2) Adopt regional policies to ensure effective implementation of programs for public and private social welfare services;
- 3) Promote, support and coordinate the establishment, expansion and maintenance of non-governmental social welfare facilities, projects and services;
- 4) Establish, operate, maintain and otherwise support regional institutional facilities, projects and services for its constituents;
- 5) Promote, build and strengthen people's organizations for a self-directing welfare system at the grassroots level;
- 6) Promote, support and coordinate networks and facilities for identification and delivery of appropriate interventions to its welfare constituents;
- 7) Undertake researches and studies on matters pertaining to its constituency;

fld

- 8) Deputize law enforcement agencies to assist in the implementation of laws, rules and regulations for the protection of the rights of the exploited, abused and disadvantaged;
- 9) Disseminate information and public technical bulletins on social welfare and development;
- 10) Regulate fund drives, public solicitations and donations for charitable or welfare purposes;
- 11) Deputize local government units and other agencies of government as are necessary in providing disaster relief; and,
- 12) Coordinate all activities pertaining to the implementation of programs and services for the disabled, the aging and other socially disadvantaged.

F. Department of Science and Technology

- 1) Formulate and adopt a comprehensive regional science and technology (S & T) plan consistent with the regional and provincial development goals of the National S & T Plan, monitor and coordinate its funding and implementation by all government agencies and instrumentalities;
- 2) Promote, assist and, where appropriate, undertake scientific and technological research and development (R & D) in those areas which are determined to be vital to the region's development and which offer optimum returns for resources employed;
- 3) Promote the development of indigenous technology and adaptation and innovation of imported technology with the help of the R & D Institutes, and in this regard, undertake technology development up to commercial stage;
- 4) Undertake design and engineering work to complement its research and development functions;
- 5) Promote, assist and, where appropriate, undertake the transfer of the results of scientific and technological research and development to end-users;

- 6) Promote, assist and, where appropriate, undertake technological services in the region needed by agriculture, industry, transport, and the general public;
- 7) Develop and maintain an information system and databank on science and technology for use by the public and private sectors;
- 8) Develop and implement, in coordination with DOST's Service Institutes, Regional Offices, Attached Agencies, Universities, and other entities concerned, programs for strengthening scientific and technological capabilities in the relevant disciplines through manpower training, infrastructure and institution building and rationalization, in both the public and private sectors;
- 9) Promote public consciousness in science and technology; and,
- 10) Undertake policy research, technology assessment and feasibility studies.

SEC. 6. *Functions to be Transferred Conditionally.* Functions that are to be transferred on a conditional basis, such as licensing and accreditation mandated by national laws, shall be the subject of a Memorandum of Agreement between the concerned national agency or office and the Autonomous Regional Government, subject to the approval of the President.

SEC. 7. *Standard Setting.* The Autonomous Regional Government, in the exercise of the powers devolved in this Executive Order, may formulate its own standards: *Provided,* That in the formulation of regional standards it shall adhere to the national standards as a minimum requirement and the pertinent national laws. No regionally defined standards shall be below the national standards.

SEC. 8. *Programs and Projects.* Locally funded projects within the ARMM of the six line agencies abovementioned shall be transferred to the Autonomous Regional Government including project staff, budgets and assets acquired.

Foreign-funded projects covered by an existing contract and already obligated shall continue to be the sole responsibility of the national line agency. A Memorandum of Agreement may be entered into between the line department and the Autonomous Regional Government insofar as implementation and operations are concerned within the ARMM.



SEC. 9. *Assets, Equipment, Offices and Land.* All assets and equipment already existing, being utilized or programmed for use in the four (4) provinces covered by the ARMM shall likewise be turned over to the Regional Government.

Offices and the land, wherein these edifices are built, within the ARMM, shall immediately be transferred to the Autonomous Regional Government.

SEC. 10. *Liabilities.* Liabilities incurred by the six line agencies abovementioned, in the exercise of their mandate in the ARMM, shall likewise be transferred; *Provided, That,* the National Government shall continue such levels of expenditures as may be necessary to carry out the functions devolved under Republic Act No. 6734; *Provided, however,* That the annual budgetary support shall, as soon as practicable, terminate as to these line agencies or offices devolved to the Autonomous Regional Government.

SEC. 11. *Personnel.* Plantilla positions, whether filled or unfilled, of the six line agencies abovementioned, effectively assigned to or located in the four (4) provinces as their official station, shall immediately be placed under the control and supervision of the Autonomous Regional Government. Personal services budget shall henceforth be transferred.

All officers and employees in the career service in said offices to be absorbed by the Autonomous Regional Government shall be considered regular and permanent officers and employees of the said government and shall retain their seniority rights, compensation, and other benefits. They shall enjoy security of tenure and shall not be removed except for a valid cause and after due notice and hearing in accordance with Civil Service laws, rules and regulations.

Those who refuse to be absorbed by the Autonomous Regional Government shall have the following options: (a) Regular retirement; (b) Absorption by their line department in another office or region based on the availability of position and at the discretion of management; (c) Transfer to another department based on availability of position; or (d) Resignation. Separated personnel who are not eligible for retirement under existing laws shall be entitled to any and all benefits as provided under existing Civil Service laws.

SEC. 12. *Special Assistance.* In the case of any of the six line agencies abovementioned, notably Tourism, Science and Technology, and Labor and Employment, in which there is an absence or few resources to be transferred, special assistance in the form of additional budgetary support or technical

assistance in kind shall be extended to the Autonomous Regional Government to be specified in a proposal approved by the Oversight Committee; *Provided, however,* That all the aforesaid six line departments shall endeavor to provide any assistance beyond those required in this Executive Order.

SEC. 13. *Attached Agencies.* Attached agencies and corporations of the six line agencies abovementioned shall continue to be controlled and supervised by the national line agency. A Memorandum of Agreement covering specific functions and/or programs of an attached agency or corporation operating within the ARMM may be entered into by the concerned national line agency and the Autonomous Regional Government, subject to the approval of the President.

SEC. 14. *Separability Clause.* If, for any reason, any part or provision of this Executive Order shall be held unconstitutional or invalid, other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

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

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

*Corason B. Aquino*

By the President:

*Catalino Macaraig, Jr.*  
CATALINO MACARAIG, JR.  
Executive Secretary

CERTIFIED  
*for* *Corason B. Aquino*  
DIRECTOR