

RECORD OF THE SENATE

WEDNESDAY, SEPTEMBER 20, 2000

OPENING OF THE SESSION

At 3:33 p.m., the Senate President, Hon. Franklin M. Drilon, called the session to order.

The President. The 20th session of the Third Regular Session of the Eleventh Congress is hereby called to order.

Let us all stand for the opening prayer to be led by Sen. Ramon B. Revilla.

Everybody rose for the prayer.

PRAYER

Senator Revilla.

Mahabagin at makapangyarihang Diyos, kami ay nagpupuri at sumasamba sa Iyong kadakilaan.

Ama, lingapin Mo po ang Iyong bayan na malaon nang nasasadlak sa iba't-ibang uri ng mga suliranin. Nariyan ang nangyayari sa Timog Mindanao, ang walang humpay na pagtaas ng halaga ng langis na siyang dahilan ng pagtaas din ng halaga ng mga bilihin na ngayon ay nararanasan ng mga mamamayan. Nawa'y pagliwanagan Mo ng isipan ang mga dambuhalang kompanya ng langis na hindi lamang nila tingnan ang kanilang kapakanan manapa'y ang bigyan ng mahalagang pansin ang ikabubuti at ikaluluwag ng pamumuhay ng sambayanang umaasa sa kanilang produktong langis.

Ama, hinihiling namin ang Iyong mahalaga at makapangyarihang pagsubaybay at pangangalaga sa lahat ng bumubuo ng sandatahang lakas na ngayon ay nasusuong sa maselang operasyon upang iligtas ang mga bihag at puksain din ang mga bandido na siyang may kagagawan ng pambibihag. Ang gawaing ito ng grupo ng Abu Sayyaf ay isang pagyurak at pagbabalewala sa kapangyarihan ng estado at paglalagay sa alanganin ng pambansang ekonomiya. Bukod dito, ito ay isa rin sa mga pangunahing dahilan kung bakit atubili ang mga dayuhang mamuhunan dito sa aming bansa kung kaya nagbibigay ito ng masamang larawan sa komunidad ng mga bansa.

Salamat po, Panginoon, sa pagsang-ayon hindi lamang ng halos lahat ng bumubuo ng Kapulungang ito kundi pati na rin ang mga kinatawan ng Mababang

Kapulungan, ang simbahan at ang nakararaming mamamayan sa desisyon ng Pangulong Estrada na gamitin na ang sandatahang lakas upang iligtas ang mga bihag at puksain itong grupo ng mga bandido. Nawa sa Inyong makalangit na pagsubaybay sa aming mga kawal ay maging matagumpay ang operasyong militar na isinusulong sa kasalukuyan upang makamtan ang malaon nang minimithing kapayapaan at katahimikan sa katimugang rehiyon ng aming bansa. Nawa ay makaligtas nang maluwalhati ang mga bihag upang maibsan ang pamimighati at kalungkutan ng mga magulang at kaanak ng mga bihag.

Ang lahat ng ito ay hinihiling namin sa pamamagitan ni Hesukristo kasama ng Espiritu Santo magpasawalang hanggan.

Amen.

ROLL CALL

The President. The Secretary will please call the roll.

The Acting Secretary [Atty. Reyes], reading:

Senator Teresa Aquino-Oreta	Present
Senator Robert Z. Barbers	**
Senator Rodolfo G. Biazon	Present
Senator Renato L. Compañero Cayetano ...	Present
Senator Anna Dominique M.L. Coseteng ...	Present
Senator Miriam Defensor Santiago	Present
Senator Juan Ponce Enrile	**
Senator Juan M. Flavie	Present
Senator Teofisto T. Guingona Jr.	Present
Senator Gregorio B. Honasan	Present
Senator Robert S. Jaworski	Present
Senator Loren B. Legarda-Leviste	Present
Senator Ramon B. Magsaysay Jr.	Present
Senator Blas F. Ople	Present
Senator John Henry R. Osmeña	Present
Senator Sergio R. Osmeña III	Present*
Senator Aquilino Q. Pimentel Jr.	Present
Senator Ramon B. Revilla	Present
Senator Raul S. Roco	Present
Senator Vicente C. Sotto III	Present
Senator Francisco S. Tatad	Present
The President	Present

The President. With 19 senators present, there is a quorum.

* Arrived after the roll call

** On official mission

THE JOURNAL

Senator Tatad. Mr. President, I move that we dispense with the reading of the *Journal* of Session No. 19 of Tuesday, September 19, 2000, and consider it approved.

The President. Is there any objection? *[Silence]* There being none, the motion is approved.

Senator Tatad. I move that we proceed to the Reference of Business.

The President. Is there any objection? *[Silence]* There being none, the motion is approved.

The Secretary will read the Reference of Business.

REFERENCE OF BUSINESS

COMMUNICATIONS

The Acting Secretary [Atty. Reyes]. Letter from Executive Secretary Ronaldo B. Zamora of the Office of the President of the Philippines, transmitting to the Senate two (2) original copies each of the One Hundred Twenty-Nine republic acts (Republic Act Nos. 8816-8944) which were approved and signed on August 22, 2000 by His Excellency, President Joseph Ejercito Estrada.

The President. To the Archives

The Acting Secretary [Atty. Reyes]. Letter from Executive Secretary Ronaldo B. Zamora of the Office of the President of the Philippines, transmitting to the Senate two (2) original copies of Republic Act No. 8945, entitled

AN ACT DECLARING MARCH TWENTY OF EVERY YEAR A SPECIAL WORKING HOLIDAY IN THE CITY OF SAN FERNANDO, PROVINCE OF LA UNION,

which was approved and signed on August 24, 2000 by His Excellency, President Joseph Ejercito Estrada.

The President. To the Archives

The Acting Secretary [Atty. Reyes]. The 1999 Annual Audit Reports submitted by the Commission on Audit on the following state universities and colleges:

University of the Philippines System; University of the Philippines-Diliman and Manila; University of the Philippines

Open University; Philippine Normal University; Technological University of the Philippines-Manila and Taguig; Eulogio Amang Rodriguez Institute of Science and Technology; Rizal Technological University; and the Polytechnic University of the Philippines.

The President. Referred to the Committee on Finance

The Acting Secretary [Atty. Reyes]. The 1999 Annual Audit Reports submitted by the Commission on Audit on the following government offices/agencies:

Department of Labor and Employment-OSEC and NCR; Bureau of Rural Workers; Institute for Labor Studies; National Labor Relations Commission; Philippine Overseas Employment Administration; National Wages and Productivity Commission; National Conciliation and Mediation Board; Technical Education and Skills Development Authority-Main, NCR, VTP II and PEVOTI; Department of Public Works and Highways-OSEC and NCR; First, Second and Third Metro Manila Engineering Districts; North and South Manila Engineering Districts, Quezon City Engineering District; National Water Resources Board; Regional Equipment Services-NCR; Department of Transportation and Communications-OSEC; Air Transportation Office; Civil Aeronautics Board; Land Transportation Franchising and Regulatory Board-Main and NCR; Land Transportation Office-Main and NCR; Maritime Industry Authority; National Telecommunications Commission-Main and NCR; Philippine Coast Guard; Telecommunications Office-Main and NCR; and Office of Transportation Cooperatives.

The President. Referred to the Committee on Finance

The Majority Leader is recognized.

SPECIAL ORDERS

Senator Tatad. Mr. President, I move that we transfer from the Calendar for Ordinary Business to the Calendar for Special Orders, Committee Report No. 393 on Senate Bill No. 2129, entitled

AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE MUSLIM AUTONOMOUS REGION IN MINDANAO, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6734, ENTITLED "AN ACT PROVIDING FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO" AS AMENDED.

The President. Is there any objection? *[Silence]* There being none, the motion is approved.

BILL ON SECOND READING

S. No. 2129—Strengthening the ARMM Organic Act

Senator Tatad. Mr. President, I move that we consider Senate Bill No. 2129 as reported out under Committee Report No. 393.

The President. Is there any objection? *[Silence]* There being none, the motion is approved.

Consideration of Senate Bill No. 2129 is now in order. With the permission of the Body, the Secretary will read only the title of the bill, without prejudice to inserting in the *Record* the whole text thereof.

The Acting Secretary [Atty. Tolentino]. Senate Bill No. 2129, entitled

AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE MUSLIM AUTONOMOUS REGION IN MINDANAO, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6734, ENTITLED "AN ACT PROVIDING FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO," AS AMENDED

The following is the whole text of the bill:

Senate Bill No. 2129

AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE MUSLIM AUTONOMOUS REGION IN MINDANAO, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6734, ENTITLED "AN ACT PROVIDING FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO," AS AMENDED

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

PREAMBLE

The people of the Muslim autonomous region in Mindanao, imploring the aid of Almighty God, in order to develop a just and humane society and establish a regional autonomous government that is truly reflective of their ideals and aspirations within the framework of the constitution and national sovereignty as well as the territorial integrity of the

republic and to secure to themselves and their posterity the blessings of autonomy, self-rule, democracy, peace, justice and equality, do ordain and promulgate this organic act, as amended, through the congress of the Philippines.

ARTICLE I

Name and Purpose

SECTION 1. *Name of the Autonomous Region.*

- The name of the autonomous region shall be the Muslim autonomous region in Mindanao, unless provided otherwise by the regional assembly.

The Muslim autonomous region in Mindanao shall be governed by the regional autonomous government, hereafter called the regional government, as provided by this Act, as amended.

ARTICLE II

The Autonomous Region
Area and Seat of Government

SEC. 1. *Expanded Autonomous Region.* - (1) The Muslim autonomous region in Mindanao which, under the provisions of Republic Act No. 6734, this organic act for the autonomous region in Muslim Mindanao, is composed of the four provinces of Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi, is hereby expanded to include the provinces and cities, enumerated hereunder, which vote favorably to be included in the expanded area of the autonomous region and for other purposes, in a plebiscite called for that purpose in accordance with Section 18, Article X of the Constitution.

In addition, contiguous municipalities, in which Muslims constitute the majority of the population as determined by the last census immediately preceding the plebiscite, that vote favorably in the plebiscite for their inclusion in the autonomous region may be organized as a new province provided they meet the requirements of Republic Act No. 7160, the Local Government Code of 1991, or be merged with any of the four provinces mentioned in Section 1, Paragraph (1), above, that is nearest to them or had opted to become a member of the autonomous region in the plebiscite to which this Act had been subjected. The requirement of Section 10 of Republic Act No. 7160 that the area or areas directly affected by the alteration of boundaries of local government units must be approved by a majority of the votes cast in a plebiscite called for this purpose to approve the said alteration is hereby

dispensed with to give effect to the decision of the said contiguous municipalities to become members of the Muslim autonomous region in Mindanao.

The merger of the said municipalities into a new province or their consolidation with the province nearest to them as mentioned above shall be effective within six (6) months after the holding of the plebiscite specified herein. Thereafter, the said municipalities shall be deemed members of the autonomous region.

The territory comprising the autonomous region as expanded is hereby recognized as the special zone of peace and development in southern Philippines as stipulated in the peace agreement entered into by the Government and the Moro National Liberation Front in Jakarta, Indonesia in 1996.

(2) *Plebiscite coverage.* - (a) The plebiscite shall be conducted in the provinces of Basilan, Cotabato, Davao del Sur, Lanao del Norte, Lanao del Sur, Maguindanao, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Sulu, Tawi-Tawi, Zamboanga del Norte, and Zamboanga del Sur, and (b) in the cities of Cotabato, Dapitan, Dipolog, General Santos, Iligan, Kidapawan, Marawi, Pagadian, Puerto Princesa, and Zamboanga.

(a) **PLEBISCITE QUESTION FOR VOTERS OF THE FOUR ORIGINAL PROVINCES OF THE AUTONOMOUS REGION.** For the voters of the provinces of Maguindanao, Lanao del Sur, Sulu and Tawi-Tawi which are already members of the autonomous region under the provisions of Republic Act No. 6734, the question to be asked in the plebiscite of the voters therein shall be as follows: Do you vote in favor of the amendments to Republic Act No. 6734, this organic act for the autonomous region in Muslim Mindanao, as proposed under this law, Republic Act No. ____?

(b) **PLEBISCITE QUESTION FOR THE VOTERS OF THE PROVINCES, CITIES AND MUNICIPALITIES PROPOSED FOR INCLUSION IN THE EXPANDED AUTONOMOUS REGION.** For the voters of the provinces of Basilan, Cotabato, Davao del Sur, Lanao del Norte, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Zamboanga del Norte, and Zamboanga del Sur, and the cities of Cotabato, Dapitan, Dipolog, General Santos, Iligan, Kidapawan, Marawi, Pagadian, Puerto Princesa and Zamboanga, which compose the provinces and cities that are proposed for inclusion in the expanded area of the autonomous region, the

question to be asked in the plebiscite of the voters there in shall be as follows: Do you vote in favor of the inclusion of your province, city or municipality in the Muslim autonomous region in Mindanao?

SEC. 2. Results of the Plebiscite. - (a) In the four provinces. If the majority of the voters of the four provinces of Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi vote in favor of the above-mentioned proposed amendments, the amendments are deemed ratified. Otherwise, the amendments are deemed rejected except as regards the inclusion of the provinces, cities and municipalities that vote for their inclusion in the autonomous region as provided in this Act, as amended, in which case, the said provinces, cities and municipalities shall become members of the autonomous region.

(b) In the provinces, cities or municipalities proposed for inclusion in the expanded area of the autonomous region. A majority of the votes cast in the plebiscite in every province, city or municipality in favor of the inclusion of the province, city or municipality as members of the expanded area of the autonomous region as provided in this Act, as amended, shall effect their membership in the autonomous region.

SEC. 3. Seat of Autonomous Government. - The regional legislative assembly, hereinafter referred to as the regional assembly, shall by law, fix the permanent seat of government of the regional government in any province or city that is a member of the autonomous region, taking into consideration accessibility and efficiency in which its mandate may be carried out under this Act.

Until the seat of the regional government is transferred as provided above, its provisional seat shall be in Cotabato City. The regional assembly elected after the plebiscite mentioned in this Act, shall, within its term, identify the site of the permanent seat of the regional government. The central government shall appropriate funds for the transfer of the provisional seat to its permanent site as determined by the regional assembly.

ARTICLE III

Guiding Principles and Policies

SEC. 1. Integral Part of the Republic. - The Muslim autonomous region in Mindanao shall remain

an integral and inseparable part of the national territory of the republic as defined by the Constitution and existing laws.

The autonomous region shall be governed and administered in accordance with the laws enacted by the regional assembly and by this organic act, as amended.

SEC. 2. *Peaceful Settlement of Conflicts.* - The policy to settle conflicts by peaceful means, and to renounce the use of lawless violence as an instrument of redress as mandated by the Constitution binds the regional government.

SEC. 3. *Devolution of Powers.* - The regional government shall adopt a policy on local autonomy whereby regional powers shall be devolved to local government units where appropriate. Until a law implementing this provision is enacted by the regional assembly, Republic Act No. 7160, the Local Government Code of 1991, shall continue to apply to all the provinces, cities, municipalities and barangay within the autonomous region.

The regional assembly may not pass any law to diminish, lessen or reduce the powers, functions and shares in the internal revenue taxes of the said local government units as provided by Republic Act No. 7160.

SEC. 4. *Charters Govern Cities.* - Highly urbanized cities within the autonomous region shall continue to be governed by their charters. Nothing in this Act shall be construed as to diminish the powers and functions already enjoyed by these cities.

SEC. 5. *Customs, Traditions, Religious Freedom Guaranteed.* - The beliefs, customs and traditions of the people in the autonomous region and the free exercise of their religion as Muslims, Christians, Jews, Buddhists or any other religious denomination in the said region are hereby recognized, protected and guaranteed.

The regional assembly shall adopt measures to ensure mutual respect for and protection of the distinct beliefs, customs, and traditions and the respective religions of the inhabitants, thereof, be they Muslims, Christians, Jews, Buddhists or any other religious denomination. The representation of the regional government in the various central

government bodies as provided for by Article V, Section 5 shall be effected upon approval of the measures herein provided.

No person in the autonomous region shall be subjected to any form of discrimination on account of creed, religion, ethnic origin, parentage or sex.

The regional government shall ensure the development, protection and well-being of all indigenous tribal communities. Priority legislation in this regard shall be enacted for the benefit of those tribes that are in danger of extinction as determined by the southern Philippines cultural commission.

SEC. 6. *Filipino & Islamic Values in Educational Policies.* - The regional government shall adopt educational policies that shall perpetuate Filipino and Islamic values and ideals and the just aspirations of the Bangsamoro with due respect to the beliefs, customs, traditions and religions of the other non-Muslim inhabitants of the region be they Christians, Jews, Buddhists, or of any other religious denomination.

All believers in Islam who are citizens of the republic are included in the term Bangsamoro.

SEC. 7. *Improving Status of the Marginalized.* - The regional government shall devote its resources to the improvement of the well-being of all its constituents, particularly the marginalized, deprived, disadvantaged, underprivileged, disabled and the elderly.

SEC. 8. *Regional Government Authority Over Natural Resources.* - Subject to the provisions of the Constitution and this organic act, as amended, the regional government shall have the authority, power, and right to explore, develop and utilize the natural resources, including surface and sub-surface rights, in-land and coastal waters, and renewable and non-renewable resources in the autonomous region. Muslims and the other indigenous cultural communities shall, however, have priority rights to explore, develop and utilize the said resources in the areas designated as parts of their respective ancestral domains.

SEC. 9. *Preferential Rights of Inhabitants and Their Safeguards.* - The autonomous region shall provide manpower training programs, create livelihood and job opportunities, allocate equitable preferential

rights to its inhabitants, and adopt laws that will safeguard the rights of workers.

SEC. 10. *Protection of Women and Children.* - The regional government shall uphold and protect the fundamental rights of women and children. Women and children, especially orphans of tender age, shall be protected from exploitation, abuse or discrimination.

SEC. 11. *Enhancement of Quality of Life.* - The regional government shall provide, maintain, and ensure the delivery of, among other things, basic and responsive health programs, quality education, appropriate services, livelihood opportunities, affordable and progressive housing projects, and water resource development.

It shall maintain appropriate disaster-preparedness units for immediate and effective relief services to victims of natural and man-made calamities. It shall also ensure the rehabilitation of calamity areas and victims of calamities.

SEC. 12. *Progressive Tax System.* - The regional assembly shall adopt an efficient and progressive system to taxation which, among other things, shall provide incentives for the prompt payment of taxes and penalize tax evasion and delinquency.

SEC. 13. *Equitable Share In National Budget and Development Assistance.* - The central government shall provide the autonomous region a proportionate and equitable share in the annual national budget and foreign assisted projects in addition to other financial assistance, support, and subsidies to accelerate its development.

SEC. 14. *Rights to Initiatives, Consultations, Referenda and Plebiscites.* - Without prejudice to other rights guaranteed by the Constitution, the rights of the people of the autonomous region to initiate measures for the passage, amendment or repeal of regional or local legislation; to be consulted on matters that affect their environment; to call for a referendum on important issues affecting their lives, and to recall regional or local officials as provided by Republic Act No. 7160 are hereby recognized.

The regional assembly shall enact priority legislation to define such rights. Until such priority legislation is enacted, existing laws shall govern the exercise of the rights mentioned above.

SEC. 15. *Fundamental Rights and Duties of People.* - The fundamental rights and duties of the people in the autonomous region are those defined in the Constitution and this organic act, as amended, the Geneva Convention, the United Nations Charter, the United Nations declaration on the rights of indigenous communities, the international declaration on human rights, as well as those prescribed in all the laws, practices, and principles binding upon members of the community of nations.

SEC. 16. *Human Rights Commission.* - There is hereby created a regional human rights commission. The chair and two commissioners of the commission shall be appointed by the President upon recommendation of the regional governor. The composition of the commission shall reflect the ethnic distribution of the population of the autonomous region. The chair shall be a lawyer and shall be a resident of the autonomous region. The commissioners shall, preferably, be lawyers or, at least, holders of bachelor degrees from colleges or universities recognized by the department of education, culture and sports of the central government.

The regional human rights commission shall perform within the autonomous region, the functions of the commission on human rights of the central government. Decisions of the commission may be appealed to the court of appeals on questions of law.

Initially, the regional assembly shall fix the salaries, perquisites and privileges of the chair and the commissioners of the commission at a level not lower than those fixed for the chair and members of the national labor commission. The commission may provide additional functions to enhance and protect the human rights of all the people in the autonomous region. Thereafter, subject to availability of funds, the regional assembly may raise the salaries, perquisites and privileges of the chair and commissioners.

SEC. 17. *Environmental Protection and Sustainable Development.* - The protection, rehabilitation, and the sustainable development of forests, coastal, and marine resources, including the adoption of programs and projects to ensure the maintenance of ecological balance, shall be given priority.

ARTICLEIV Devolution of Powers

SEC. 1. The fundamental rights and duties of the

people in the autonomous region are those established in the Constitution and this organic act, as amended.

ARTICLE V Powers of Government

SEC. 1. *Powers and Functions.* - Subject to the provisions of the Constitution, the regional government shall exercise those powers and functions expressly granted to it in this Act, or necessary for or incidental to the proper governance and development of all the constituent units within the autonomous region consistent with the policy on regional and local autonomy and decentralization.

The regional government may enact its own regional administrative code and regional local government code consistent with the Constitution. The powers and functions already vested upon and the shares of the national taxes provided by Republic Act No. 7160, the local government code of 1991, to provinces, cities, municipalities and barangay in the autonomous region shall not be reduced.

SEC. 2. *Corporate Entity.* - The autonomous region is a corporate entity with jurisdiction over all matters devolved to it by the Constitution and this organic act, as amended.

SEC. 3. *Scope of Regional Assembly Legislative Power, Exceptions.* - The regional assembly may exercise legislative power in the autonomous region for the benefit of the people and for the development of the region except on the following matters:

- (a) Foreign affairs;
- (b) National defense and security;
- (c) Postal service;
- (d) Coinage and fiscal and monetary policies;
- (e) Administration of justice. It may, however, legislate on matters covered by the Shari'ah. The Shari'ah shall apply only to Muslims. Its application shall be limited by pertinent constitutional provisions, particularly by the prohibition against cruel and unusual punishment and by pertinent national legislation that promotes human rights and the universally accepted legal principles and precepts.
- (f) Quarantine;
- (g) Customs and tariff;

- (h) Citizenship;
- (i) Naturalization, immigration and deportation;
- (j) General auditing;
- (k) National elections;

(l) Maritime, land and air transportation and communications. The autonomous government shall, however, have the power to grant franchises, licenses and permits to land, sea and air transportation plying routes in the provinces, cities or municipalities within the region, and communications facilities whose frequencies are confined to and whose main offices are located within the autonomous region.

(m) Patents, trademarks, trade names, and copyrights.

SEC. 4. *General Welfare Powers.* - Notwithstanding the limitations on the powers of the regional assembly as stated above, it may enact laws that promote the general welfare of the people of the autonomous region.

SEC. 5. *Representation in Central Government Departments, Offices.* - As far as practicable, the autonomous region shall be represented in the departments, offices, commission, agencies, and bureaus of the central government that implement and enforce policies, programs and projects of the central government in the region.

SEC. 6. *Eminent Domain.* - The regional government may exercise the power of eminent domain.

ARTICLE VI Inter-Governmental Relations

SEC. 1. *General Supervision of the President Over the Regional Governor.* - Consistent with the Constitution and basic policy on local autonomy, the President of the Republic shall exercise general supervision over the regional governor to ensure that his or her acts are within the scope of his or her powers and functions.

The power of supervision of the President over the provincial governors and the mayors of the highly urbanized cities shall be exercised through the regional governor; over the mayors of the component

cities and municipalities, through the provincial governor; and over the punong barangay, through the city or municipal mayor.

In addition to other acts which he or she may impose under the Constitution and this Act, the President may suspend, reduce or cancel the financial blocks or grants-in-aid, funds for infrastructure and other forms of assistance intended for the autonomous region (1) If the regional government fails to account for the funds and financial assistance released to it by the central government, within one month from the end of every quarter in which the funds and financial assistance had been released or (2) When measures for the protection and enhancement of the civil, human, political or religious rights of the lumads, Christians and other minorities in the autonomous region ordained by the Constitution and this Act, are not respected or are violated or are not implemented within one (1) year from its enhancement.

The President may suspend the regional governor for a period not exceeding six (6) months for willful violation of the Constitution, this Act or any existing law that applies to the autonomous region.

SEC. 2. Cabinet Membership. - The central government shall appoint at least one (1) qualified inhabitant of the autonomous region as a member of the cabinet as recommended by the regional governor in consultation with the regional assembly and concerned sectors of the autonomous region.

SEC. 3. Shari'ah and Tribal Courts; Coordination with Central Government. - The regional government shall maintain close coordination with the central government for an effective administration of justice in the autonomous region.

SEC. 4. Representation of Autonomous Region in General in the Central Government. - Representation of the inhabitants of the autonomous region in the central government may be done by appointment or election.

Appointment of inhabitants of the autonomous region to positions in the central government shall be subject to central government standards and guidelines. Such appointment shall be made only upon recommendation by the regional governor after consultation with the regional assembly and the concerned sectors of the autonomous region.

Election of legislators to represent the autonomous region in the Congress of the Republic shall be done pursuant to the rules of the Commission on Elections.

SEC. 5. Representatives in Executive Departments and Constitutional Bodies. - At least, one (1) qualified inhabitant of the autonomous region recommended by the regional governor in consultation with the regional assembly and concerned sectors of the autonomous region shall be appointed, as far as practicable, in each of the departments, offices or bureaus and constitutional bodies of the central government that deal with the autonomous region, in primarily confidential, highly technical or policy-determining positions.

SEC. 6. Ex Officio Member of the National Security Council. - The regional governor shall be an ex officio member of the National Security Council on matters concerning the autonomous region and such other matters as may be determined by the President.

SEC. 7. Representatives in Government-Owned or Controlled Corporations. - The regional government shall be represented in the board of directors or in the policy-making bodies of government-owned-and-controlled corporations that operate business directly or through their subsidiaries in the autonomous region.

ARTICLE VII

The Legislative Department

SEC. 1. Regional Assembly. - The legislative power of the autonomous government shall be vested in the regional assembly except to the extent that it is reserved to the people by provisions on initiative and referendum as provided by law.

SEC. 2. Election of Regional Assembly. - The regional assembly shall be composed of Members elected by popular vote, with three (3) members elected from each of the legislative districts.

SEC. 3. Sectoral Representatives. - There shall be sectoral representatives in the regional assembly whose number shall not exceed fifteen percent (15%) of the total number of elected members of the regional assembly coming from the agricultural, labor, urban poor, disabled, indigenous cultural communities,

youth and women sectors. The regional assembly may enact legislation to provide for the representation of other sectors. The youth representative shall not be less than eighteen (18) years of age nor more than twenty-one (21) years of age at the time of his or her assumption to office.

The sectoral representatives shall be entitled to the same salary and allowances and rights and privileges enjoyed by the regularly elected members of the regional assembly. They shall be elected on the same date as that fixed for the election of the members of the regional assembly.

SEC. 4. *Term of Office.* - The members of the regional assembly, including the sectoral representatives, shall have a term of three (3) years which shall begin, unless otherwise provided by law, at noon on the 31st day of March next following their election.

No member of the regional assembly shall serve more than three (3) consecutive terms. Voluntary renunciation of or removal from office for any length of time shall not be considered as an interruption in the continuity of his service for the full term for which he was elected.

SEC. 5. *Filling of Vacancy.* - In case of vacancy in the regional assembly occurring at least one (1) year before the expiration of the term of office, a special election shall be called to fill the vacancy in the manner prescribed by regional law. The member elected shall serve only for the unexpired term.

SEC. 6. *Qualifications of Members of Regional Assembly.* - No person shall be a member of the regional assembly unless he or she is:

- (1) A natural-born citizen of the Philippines;
- (2) At least twenty-one (21) years of age on the day of the election;
- (3) At least a holder of a Bachelor's degree in college duly accredited by the department of education, culture and sports of the central government;
- (4) A registered voter of the district in which he or she shall be elected on the day he or she files his or her certificate of candidacy; and
- (5) A resident thereof for a period of not less

than one (1) year immediately preceding the day of the election.

SEC. 7. *Oath of Office.* - Every member of the regional assembly shall take an oath or affirmation of allegiance to the Republic, renounce the use of violence and commit himself or herself to democratic means in the pursuit of the ideals and aspirations of the people of the autonomous region before taking his or her seat.

SEC. 8. *Salaries.* - Unless otherwise provided by regional assembly, a member of the regional assembly shall receive an annual salary of One Hundred Eighty Thousand Pesos (P180,000.00) except the speaker of the regional assembly who shall receive an annual salary of Two Hundred Thousand Pesos (P200,000.00).

The annual compensation of the speaker and members of the regional assembly may be increased by the regional assembly in accordance with existing laws on position classification and compensation of the central government. The increase shall, however, not take effect until after the expiration of the terms of office of the members of the assembly who had approved the increase. The increase shall be funded solely from revenue raised by the regional government. No funds or parts thereof provided by the central government for the regional government shall be used for salaries, honoraria, per diems or to increase the salaries, honoraria or per diems of the officials or employees of the regional government.

They shall not receive during their tenure other emoluments from the regional government or from the central government.

SEC. 9. *Forfeiture of Seat.* - Any member of the regional assembly who accepts an appointment and qualifies for any position in the Government, including government-owned-or-controlled corporations or institutions and their subsidiaries, shall automatically forfeit his or her seat in the regional assembly.

SEC. 10. *Disclosure of Financial or Business Interests.* - All members of the regional assembly shall, upon their assumption of office, make full disclosure of their financial and business interests, including those of their spouses and unmarried children under eighteen (18) years of age living in their households. They shall notify the assembly of

any potential conflict of interest that may arise from the filing of measures of which they are authors upon the filing thereof.

Any member found guilty of non-disclosure as required under this section may be expelled by a two-thirds (2/3) vote of all the members of the regional assembly, without prejudice to his or her other liabilities under pertinent legislation.

SEC. 11. *Prohibited Acts for Members of the Regional Assembly.* - No member of the regional assembly may personally appear as counsel before courts of justice or quasi-judicial and other administrative bodies. Neither shall the member directly or indirectly, be interested financially in any contract with, or in any franchise or special privilege granted by the central government or by the regional government, or any subdivision, agency or instrumentality thereof, including any government-owned or controlled corporation or its subsidiary, during his or her term of office. The member shall not intervene in any manner before any office of the government for his or her pecuniary benefit or where he or she may be called upon to act on account of his or her office.

SEC. 12. *Parliamentary Immunity.* - Any member of the regional assembly who commits offenses within the jurisdiction of the autonomous region punishable by not more than six (6) years imprisonment, shall be privileged from arrest while the regional assembly is in session.

No member of the regional assembly shall be questioned or be held liable in any other place for any speech or debate in the assembly or in any of its committees.

SEC. 13. *Rules of Procedure; Discipline of Members and Civil Service Rules.* - The regional assembly shall adopt its own rules of procedure by a majority vote of all its members including the selection of members of its standing committees and for the suspension or expulsion of its members.

The regional assembly shall elect from among its members a speaker and such other officers as the rules may provide. The speaker shall appoint the personnel of the regional assembly. All qualified applicants shall have equal opportunity for employment with the regional government. Inhabitants

of the autonomous region shall, however, have preference for appointment to any position in the regional government without regard to ethnic origin, culture, sex, creed and religion.

For a period not exceeding six (6) years from the date of the approval of this Act, appointments to the various positions in the regional government shall be subject to the Civil Service law, rules and regulations of the central government. Thereafter, the Civil Service law, rules and regulations adopted by the regional government shall apply to all such appointments. If no Civil Service law, rules or regulations are adopted by the regional government, appointments to positions in the regional government shall continue to be governed by the Civil Service law, rules and regulations of the central government.

A majority of all the members of the regional assembly shall constitute a quorum to do business, but a smaller number may adjourn from day to day and may compel the attendance of absent members in such a manner and under such penalties as the assembly may provide.

The regional assembly or any of its committees may conduct inquiries or public consultations in aid of legislation in accordance with its rules. In connection therewith, it shall have the power to issue subpoenas or subpoenas duces tecum to compel the attendance of and the production of papers, documents or things by witnesses or persons under investigation by the assembly, itself, or by any of its committees. It shall also have the right to cite witnesses or persons under investigation for contempt for refusal to testify before it or before any of its committees or to produce papers, documents or things required by the assembly or any of its committees. The rights of persons appearing in or affected by such inquiries shall be respected.

The regional assembly shall keep a journal of its proceedings and a record of its caucuses and meetings. The record and books of accounts of the assembly shall be preserved and open to public scrutiny.

The commission on audit of the regional government shall publish an annual report of the itemized list of expenditures incurred by the members of the assembly within sixty (60) days from the end of every regular session.

SEC. 14. *Questioning Cabinet Members and Other Officials.* - The regional assembly may, in aid of legislation and with the express consent of the regional governor, require the presence of the regional cabinet members or their deputies as its rules shall provide, for questioning on matters falling within the scope of their powers and functions.

The regional assembly may require any regional commission, office or agency of the central government with offices in the autonomous region to explain matters relating to the exercise of its powers and functions.

SEC. 15. *Regular and Special Sessions.* - Except as provided by its rules, the regional assembly shall meet in open session. Regular sessions shall commence on the 4th Monday of April and shall continue to be in session for such number of days as may be determined by the assembly until thirty (30) days before the opening of its next regular session exclusive of Saturdays, Sundays, and legal holidays.

The regional assembly may meet in special sessions at the request of one-third (1/3) of all its members or by call of the regional governor. The special session shall have a specific agenda.

SEC. 16. *Passage of Bills.* - No bill shall become a law of regional application unless it has passed three (3) readings on separate days and printed copies thereof in its final form have been distributed to its members three (3) days before its passage, except when the regional governor certifies to the necessity of its immediate enactment to meet a public calamity or emergency.

SEC. 17. *Approval of Bills and Overriding of Veto.* - Every bill passed by the regional assembly, shall, before it becomes a law, be presented to the regional governor. If the Governor approves the bill, he or she shall sign it; otherwise, he or she shall veto it on the ground that it is *ultra-vires* or it is against public policy and return it with his or her objections to the regional assembly. The regional assembly shall, thereafter, enter the objections at large in its journal and may proceed to reconsider it. If, after such reconsideration, two-thirds (2/3) of all the members of the regional assembly shall agree to pass the bill, it shall become a law. In such cases, the vote shall be determined by yeas and nays, and the names of the members voting for or against shall

be entered in the journal. The regional governor shall communicate his veto of any bill to the regional assembly within thirty (30) days after the date of its receipt; otherwise, it shall become a law as if he had signed it.

SEC. 18. *Submittal of Bills to the President and Congress.* - The speaker of the regional assembly shall within ten (10) working days from their approval thereof, submit to the President and to both houses of Congress a certified true copy of all laws and resolutions approved by the regional assembly.

SEC. 19. *Creation, Division or Abolition of Provinces, Cities, Municipalities or Barangay.* - The regional assembly may create, divide, merge, abolish or substantially alter boundaries of provinces, cities, municipalities or barangay in accordance with the criteria laid down by Republic Act No. 7160, the Local Government Code of 1991; subject to the approval by a majority of the votes cast in a plebiscite in the political units directly affected. The regional assembly may prescribe standards lower than those mandated by the local government code in the creation, division, merger, abolition or alteration of the boundaries of provinces, cities, municipalities, or barangay. Provinces, cities, municipalities or barangay created, divided, merged, or whose boundaries are altered without observing the standards prescribed by the local government code of 1991, shall not be entitled to any share of the taxes that are allotted to the local government units under the provisions of the Code.

The financial requirements of the provinces, cities, municipalities or barangay so created, divided or merged shall be provided by the regional assembly out of the general funds of the regional government.

The holding of a plebiscite to determine the will of the majority of the voters of the areas affected by the creation, division, merger or whose boundaries are being altered as required by the local government code shall, however, be observed.

The regional assembly may also change the names of local government units, public places and institutions.

SEC. 20. *Annual Budget and Infrastructure Funds.* - The annual budget of the regional government shall be enacted by regional assembly.

Funds for infrastructure in the autonomous region allocated by the central government shall be appropriated through a regional assembly Public Works Act.

Unless approved by the regional assembly, no public works funds allocated by the central government for the regional government or allocated by the regional government from its own revenues may be disbursed, distributed, realigned or used in any manner.

ARTICLE VIII

The Executive Department

SEC. 1. *Executive Power.* - The executive power shall be vested in a regional governor. He shall be elected by the qualified voters of the autonomous region.

SEC. 2. *Regional Governor and Cabinet Members.* - The regional governor shall be the chief executive of the regional government. He shall be assisted by a cabinet not exceeding ten (10) members, at least six (6) of whom shall come from indigenous cultural communities. The representatives of the indigenous cultural communities in the cabinet shall come from various provinces and cities within the autonomous region.

The members of the cabinet must be registered voters and residents of the region for at least five (5) years immediately preceding their appointments.

The regional governor shall appoint the members of the cabinet subject to confirmation by the regional assembly.

SEC. 3. *Qualifications of Regional Governor and Vice Governor.* - No person may be elected regional governor or vice governor of the autonomous region unless he or she is a natural-born citizen of the Philippines, a registered voter of the autonomous region, at least, a holder of a bachelor's degree from any college recognized by the department of education, culture and sports, at least, thirty-five (35) years of age on the day of the election, and a resident of the autonomous region for, at least, one (1) year immediately preceding the election.

SEC. 4. *Election of Regional Governor and Vice Governor.* - The regional governor and the regional vice governor shall be elected as a team by the

qualified voters of the autonomous region. A vote for a candidate for regional governor shall be counted as a vote for his team mate for regional vice governor. A vote for a regional vice governor shall be counted as a vote for his team mate for regional governor. For purposes of their election, the candidates for regional governor and regional vice governor shall belong to the same political party or coalition of parties. The commission on elections shall promulgate the necessary rule or rules to give effect to this provision of law.

SEC. 5. *Regional Vice Governor Appointment to or Removal from the Cabinet.* - The regional vice governor may be appointed by the regional governor as a member of the regional cabinet without need or confirmation by the regional assembly. He may be removed from office in the same manner as the regional governor.

SEC. 6. *Executive Council; Deputy Regional Governors.* - The regional governor shall appoint three (3) deputies each representing the Christians, indigenous cultural communities and the Muslims in the region. The regional governor, the regional vice governor and the three (3) deputies shall comprise the executive council of the autonomous government. The executive council shall advise the regional governor on matters of governance of the autonomous region. The three deputies shall be ex officio members of the regional cabinet with or without portfolio. The regional governor may assign powers and functions to the executive council to promote the general welfare of the people of the autonomous region subject to the laws enacted by the regional assembly.

Unless sooner removed by the regional governor, the term of office of a deputy regional governor shall be co-terminus with the term of office of the regional governor who appointed him or her.

SEC. 7. *Terms of Office of Elective Regional Officials.* - (1) *Terms of Office.* - The terms of office of the regional governor, regional vice governor and members of the regional assembly shall be for a period of three (3) years, which shall begin at noon on the 31st day of March next following the day of the election and shall end at noon of the same date three (3) years thereafter.

(2) *Term limits* - No regional governor, regional vice governor, or member of the regional assembly

shall serve for more than three (3) consecutive terms. Voluntary renunciation of or removal from office for any length of time shall not be considered an interruption in the continuity of the service for the full term for which he or she was elected.

The term limits in the local government code shall apply to the governors of provinces, mayors of cities and municipalities and punong barangay in the autonomous region.

SEC. 8. Oaths or Affirmations of Office of the Regional Governor and Vice Governor. - Before they enter on the execution of their office, the regional governor and the regional vice governor shall take the following oath or affirmation: "I do solemnly swear (or affirm) that I will faithfully and conscientiously fulfill my duties as the regional governor (or the regional vice governor) of the Muslim regional government, preserve and defend the Constitution of the Republic, this organic act, as amended, the national and regional laws, do justice to every man, consecrate myself to the service of the autonomous region and the nation, renounce the use of violence and commit myself to democratic means in the pursuit of the ideals and aspirations of the people of the autonomous region. So help me God." (In case of affirmation, last sentence will be omitted.)

SEC. 9. Compensation of Regional Governor and Vice Governor. - Unless otherwise provided by the regional assembly, the annual compensation of the regional governor and regional vice governor shall be Two Hundred Fifty Thousand (P250,000.00) pesos and Two Hundred Thirty Thousand (P230,000.00) pesos, respectively. The compensations may be increased or decreased by the regional assembly subject to the existing laws on position classification and compensation. The increase or decrease of their salaries shall, however, not take effect until after their term of office during which the increase or decrease was enacted by the regional assembly shall have ended. They shall not receive during their tenure any other emoluments from the central government or regional government or from any central or regional government-owned-or-controlled corporations or firms.

No funds or parts thereof provided by the central government for the regional government shall be used for salaries, honoraria, per diems or to increase the salaries, honoraria or per diems of the regional

governor, regional vice governor, members of the regional assembly or employees of the regional government.

SEC. 10. Regional Governor Housing and Travel Allowances. - The regional governor shall be provided with a reasonable housing allowance by the regional assembly. When the regional governor travels outside the autonomous region, he shall be provided with reasonable travel and accommodation allowances at rates not less than what is granted to the members of the cabinet of the central government.

SEC. 11. Succession to Regional Governorship in Cases of Permanent Vacancy. - In case of death, permanent disability, removal from office, or resignation of the regional governor, the regional vice governor shall become the regional governor who shall serve for the unexpired term of the former. In case of death, permanent disability, removal from office, or the resignation of both the regional governor and the regional vice governor, the speaker of the regional assembly shall act as regional governor until the regional governor and regional vice governor are elected and qualified in a special election called for the purpose.

Upon his assumption as acting regional governor, the speaker of the regional assembly shall temporarily vacate his position as such and an interim speaker shall be elected. Upon the election and assumption of office of a new regional governor, the speaker shall reassume his office.

No special election shall be called to fill a vacancy occurring within one (1) year immediately preceding the next regular election.

SEC. 12. Succession to Regional Governorship in Cases of Temporary Incapacity. - In case of temporary incapacity of the regional governor to perform his duties on account of physical or legal causes, or when he is on official leave of absence or on travel outside the territorial jurisdiction of the Republic of the Philippines, the regional vice governor, or if there be none or in case of his permanent or temporary incapacity or refusal to assume office, the speaker of the regional assembly shall exercise the powers, duties and functions of the regional governor as prescribed by law enacted by the regional assembly or in the absence, thereof, by the pertinent provisions of the local government code.

SEC. 13. *Removal of Regional Governor or Vice Governor.* - The regional governor or the regional vice governor may be removed from office for culpable violation of the Constitution or this organic act, as amended, treason, bribery, graft and corruption, other high crimes, or betrayal of public trust by a three-fourths (3/4) of all the members of the regional assembly.

The proceedings of the regional assembly for the removal of the regional governor or regional vice governor shall be presided over by the presiding justice of the court of appeals. The regional assembly may initiate moves for the removal of the regional governor or the regional vice governor under this section by a majority vote of all its members. The regional assembly shall promulgate the necessary rules to carry out the purposes of this section.

The regional governor may also be suspended or removed by the President for culpable violation of the constitution, treason, bribery, graft and corruption and other high crimes.

Notwithstanding the provisions of the immediately preceding paragraphs, the regional governor or the regional vice governor may be charged criminally for any offense before the proper regional trial court. The said court may order his or her preventive suspension from office for not more than two (2) months pending the termination of the criminal case or cases. The court may also order the removal of the governor or vice governor from office as a part of its decision of conviction.

SEC. 14. *Recall of Regional Governor, Vice Governor or Members of Regional Assembly.* - The regional governor, the regional vice governor or members of the regional assembly may be recalled only once during their respective terms of office for loss of confidence.

The regional assembly shall provide the procedure and system whereby such recall can be made.

No recall shall take place within one (1) year from the date of the assumption of office of the official concerned or one (1) year immediately preceding a regional election. In the absence of the procedure and system of recall enacted by the regional assembly, the procedure and system of such recalls shall be governed by the provisions of Republic Act No. 7160, the Local Government Code of 1991.

SEC. 15. *Punishment for Disorderly Behavior.* - Upon the recommendation of the proper committee, the regional assembly may punish its members for disorderly behavior. With the concurrence of the majority of its members, the regional assembly may admonish, reprimand or censure an erring member. With the concurrence of two-thirds (2/3) of all its members, it may suspend or expel such erring member. The penalty of suspension shall not exceed sixty (60) days.

SEC. 16. *Prohibition Against Holding of Other Offices or Conflict of Interests.* - The regional governor, the regional vice governor, the members of the cabinet or their deputies shall not hold any other office or employment during their tenure. They shall not, during said tenure, directly or indirectly, practice any other profession, participate in any business, or be financially interested in any contract with, or in any franchise or special privilege granted by the government or any subdivision, agency, or instrumentality thereof, including government-owned-or-controlled corporations or their subsidiaries. They shall strictly avoid conflicts of interest in the conduct of their office.

The spouses and relatives by consanguinity or affinity within the fourth civil degree respectively of the regional governor, the regional vice governor, the members of the cabinet, or their deputies shall not, during their tenure, be appointed members of the regional cabinet or chairmen of regional commissions or heads of bureaus or offices, including government-owned-or-controlled corporations and their subsidiaries located in the autonomous region.

SEC. 17. *APPOINTMENTS BY ACTING REGIONAL GOVERNOR.* - Appointments extended by the acting regional governor before the assumption of office by the elected regional governor shall remain effective, unless revoked by the elected regional governor within ninety (90) days from his or her assumption of office.

SEC. 18. The regional governor shall not issue appointments, remove personnel, or, unless authorized by the commission on elections, undertake public works projects, within the prohibited period before and after a regional election as provided by law.

SEC. 19. *Appointments by Regional Governor.* The regional governor shall appoint, in addition to

the members of the cabinet and their deputies, the chairmen and members of the commissions and the heads of bureaus of the regional government, and those whom he may be authorized by this organic act, as amended, or by regional law to appoint. The regional assembly may, by law, vest the appointment of other officers or officials lower in rank on the heads of departments, agencies, commissions, or boards.

The powers, functions, responsibilities and structure of the departments, agencies, bureaus, offices and instrumentalities of the regional government including the corporations owned or controlled by the regional government shall be prescribed and defined by the regional assembly.

SEC. 20. *Power of Regional Governor Over Commissions, Agencies, Boards, Bureaus and Offices.*

- Subject to the exceptions provided for in this organic act, as amended, the regional governor shall have control of all the regional executive commissions, agencies, boards, bureaus and offices. He shall ensure that laws are faithfully executed.

SEC. 21. *Fiscal Year; Submission of Budget.* - The fiscal year of the autonomous region shall cover the period January 1 to December 31 of the every year.

(a) *Regional Budget.* - The regional governor shall submit to the regional assembly not later than two (2) months before the beginning of every regular session, as the basis of the regional appropriations bill, a budget of expenditures and sources of financing, including receipts from existing and proposed revenue measures.

(b) *Regional Assembly Power Over Budget.* - The regional assembly may not increase the appropriations recommended by the regional governor for the operation of autonomous government as specified in the budget. The form, content and manner of preparation of the budget shall be prescribed by law enacted by the regional assembly. Pending the enactment of such law, the budgeting process shall be governed by existing laws and rules and regulations prescribed by the department of budget and management.

(c) *Prohibition Against Riders.* - No provision or enactment shall be embraced in the regional

appropriations bill unless it relates specifically to some particular appropriation therein. Any such provision or enactment shall be limited in its operation to the appropriation to which it relates.

(d) *Procedure for Approval.* - In approving appropriations for its own operations, the regional assembly shall strictly follow the procedure for approving the appropriations for the other departments and agencies of the regional government.

(e) *Specific Purpose and Availability of Funds.* - A special appropriations bill shall specify the purpose for which it is intended and shall be supported by funds actually available or to be raised by a corresponding revenue proposal as certified to by the treasurer of the regional government.

(f) *Transfer of Funds.* - No regional law shall be passed authorizing any transfer of appropriations. The regional governor, the speaker of the assembly and the presiding justice of the highest Shari'ah court may, however, be authorized by law enacted by the regional assembly, to augment any item in the Regional General Appropriations Law for their respective offices from savings in other items of their respective appropriations.

(g) *Discretionary Funds.* - Discretionary funds appropriated for particular officials shall be disbursed only for public purposes as evidenced by appropriate vouchers and subject to such guidelines as prescribed by law enacted by the regional assembly.

SEC. 22. *Budget Approval; Automatic Reenactment.* - The regional governor shall approve the budget of the autonomous region within one (1) month from its passage by the regional assembly. If, by the end of a fiscal year, the regional assembly shall have failed to pass the regional appropriations bill for the ensuing fiscal year, the Regional Appropriations Act for the preceding fiscal year shall be deemed automatically reenacted and shall remain in force and effect until the regional appropriations bill is passed by the regional assembly.

SEC. 23. *Veto Power of the Regional Governor; Votes to Override.* - The regional governor shall have the power to veto any particular item or items in an appropriation or revenue bill, but the veto shall not affect the item or items to which he does not object. The regional assembly may override the veto by a two-thirds (2/3) vote of all its members.

SEC. 24. (a) *Law to Authorize Use of Money.* - No money shall be paid out of the regional treasury except in pursuance of an appropriation made by regional law.

(b) *Prohibitions Against Sectarian Purposes; Exception.* - No public money or property shall be appropriated, applied, paid or employed, directly or indirectly, for the use, benefit, or support of any sect, church, denomination, sectarian institution, or system of religion or of any priest, imam, preacher, minister, or other religious teacher or dignitary as such, except when such priest, imam, preacher, minister or dignitary is assigned to the regional police force or to any penal institution, or government orphanage, or leprosarium within the region.

(c) *Special Fund.* - All money collected on any regional tax levied for a special purpose shall be treated as a special fund and paid out for such special purpose only. If the purpose for which special fund was created has been fulfilled or abandoned, the balance, if any, shall accrue to the general funds of the regional government.

(d) *Trust Funds.* - Trust funds shall only be paid out of the regional treasury for the specific purpose for which said funds were created or received.

(e) *Authorization by Regional Governor or Representative.* - No funds or resources shall be disbursed unless duly approved by the regional governor or by his duly authorized representative.

ARTICLEIX

Administration of Justice

SEC. 1. *Exercise of Judicial Power.* - (a) The supreme court shall continue to exercise its judicial powers as defined by the Constitution and existing laws. (b) The court of appeals, and other courts established by law shall, likewise, continue to exercise their judicial powers pursuant to the existing laws except as to matters covered by the Shari'ah as provided by this organic act, as amended.

SEC. 2. *Justices from Autonomous Region.* - It shall be the policy of the central government that, at least, one (1) justice in the supreme court and two (2) justices in the court of appeals shall come from qualified jurists of the autonomous region. For this purpose, the regional governor may, after

consultations with the regional assembly and concerned sectors in the autonomous region, submit the names of qualified persons to the judicial and bar council for its consideration. The appointments of those recommended by the regional governor to the judicial positions mentioned above are without prejudice to appointments that may be extended to other qualified inhabitants of the autonomous region to other positions in the judiciary.

SEC. 3. *Membership in the Judicial and Bar Council.* - The President shall appoint a qualified person as a member of the judicial and bar council recommended by the regional governor in consultation with the concerned sectors of the autonomous region. The person recommended by the regional governor shall first be confirmed by the regional assembly. Once appointed by the President, the appointee shall sit with the judicial and bar council only to consider matters of appointments to judicial positions in the autonomous region.

SEC. 4. *Deputy Court Administrator.* - The office of the deputy court administrator for the autonomous region is hereby created. The deputy court administrator for the autonomous region shall be appointed by the chief justice of the supreme court from among three recommendees submitted by the regional governor upon previous confirmation by the regional assembly and after consultation with the concerned sectors of the autonomous region.

SEC. 5. *Shari'ah Courts.* - The regional assembly of the autonomous region shall provide for the establishment of Shari'ah courts. Shari'ah courts existing as of the date of the approval of this organic act, as amended, shall continue to discharge their duties. The judges, thereof, may, however, be reshuffled upon recommendation of the deputy court administrator of the autonomous region.

SEC. 6. *Shar'ah Public Assistance Office.* - There is hereby created a Shari'ah public assistance office. The office shall be staffed by a director and two (2) lawyers who are members of the Philippine Shari'ah bar. They may be assisted by such personnel as may be determined by the regional assembly. Unless otherwise provided by regional law, the compensation of the director and the Shari'ah lawyers shall be equivalent to the salary grade of a Director III and a trial lawyer of the public assistance office, respectively.

The Shari'ah public assistance office is hereby established in each of the Shari'ah judicial districts to provide free legal assistance to poor or indigent party litigants.

SEC. 7. *Shari'ah Appellate Court.* - There is hereby created a Shari'ah appellate court which, together with other Shari'ah and tribal courts, shall have jurisdiction over cases involving persons, family and property relations respectively involving Muslims and members of the indigenous cultural communities.

The regional assembly shall, in consultation with the supreme court, determine the number and the jurisdiction of these courts.

SEC. 8. *Shari'ah Appellate Court Composition.* - The Shari'ah appellate court shall be composed of one (1) presiding justice and two (2) associate justices. Any vacancy shall be filled within ninety (90) days from the occurrence thereof.

SEC. 9. *Powers of the Shari'ah Appellate Court.* - The Shari'ah appellate court shall have the following powers:

(a) Exercise original jurisdiction over petitions for certiorari, prohibition, mandamus, habeas corpus, and other auxiliary writs and processes in aid of its appellate jurisdiction; and

(b) Exercise exclusive appellate jurisdiction over all cases tried in the Shari'ah district courts as established by law.

SEC. 10. *Shari'ah Appellate Court Decisions.* - The decisions of the Shari'ah appellate court shall be final and executory. Nothing herein contained shall, however, affect the original and appellate jurisdiction of the supreme court as provided in the Constitution.

SEC. 11. *Shari'ah Appellate Court Justices Qualifications and Appointments.* - The justices of the Shari'ah appellate court shall possess the same qualifications as those of the justices of the court of appeals and, in addition, shall also be learned in Islamic law and jurisprudence.

The members of the Shari'ah appellate court shall be appointed by the President from a list of at least three (3) nominees prepared by the judicial and bar council. The nominees shall be chosen from a list of

recommendations submitted by the regional assembly. Such appointments need no confirmation.

SEC. 12. *Shari'ah Appellate Court Justices Tenure of Office.* - The presiding and associate justice of the Shari'ah appellate court shall serve until they reach the age of seventy (70) years, unless sooner removed for cause in the same manner as justices of the court of appeals or become incapacitated to discharge the duties of their office.

SEC. 13. *Shari'ah Appellate Court Justices Compensation.* - The presiding and associate justices of the Shari'ah appellate court shall receive the same compensation and enjoy the same privileges as the presiding justice and associate justices of the court of appeals, respectively.

SEC. 14. *Shari'ah Appellate Court Administrator and Clerk of Court.* - The supreme court shall, upon recommendation of the presiding justice of the Shari'ah appellate court, appoint the court administrator and clerk of court of the appellate court. Such other personnel as may be necessary for the Shari'ah appellate court shall be appointed by the presiding justice of said court.

The pertinent provisions of existing law regarding the qualifications, appointments, compensations, functions, duties and other matters relative to the personnel of the court of appeals shall apply to those of the Shari'ah appellate court.

SEC. 15. *Prohibition Against Holding of Other Offices.* - The justices of the Shari'ah appellate court and the judges of other Shari'ah courts shall not be appointed or designated to any office or agency performing quasi-judicial or administrative functions.

SEC. 16. *Shari'ah Appellate Court Official Seat.* - The official seat of the Shari'ah appellate court shall unless the supreme court decides otherwise, be in the province or city where the seat of the regional government is located.

SEC. 17. *Shari'ah Appellate Court Proceedings.* - Proceedings in the Shari'ah appellate court and in the Shari'ah lower courts in the autonomous region shall be governed by such special rules as the supreme court may promulgate.

SEC. 18. *Shari'ah Courts.* - The Shari'ah district

courts and the Shari'ah circuit courts created under existing laws shall continue to function as provided therein. The judges of the Shari'ah courts shall have the same qualifications as the judges of the regional trial courts, the metropolitan trial courts or the municipal trial courts, as the case may be. In addition, they must be learned in Islamic law and jurisprudence.

SEC. 19. Tribal Courts. - There is hereby created a system of tribal courts, which may include a tribal appellate court, for the indigenous cultural communities in the autonomous region. These courts shall determine, settle and decide controversies and enforce decisions involving personal, family and property rights of members of the indigenous cultural community concerned in accordance with the tribal codes of these communities. These courts may also exercise exclusive jurisdiction over crimes committed by members of indigenous cultural communities where the imposable penalty as prescribed by the Revised Penal Code or other pertinent law does not exceed imprisonment of six years or a fine not exceeding fifty thousand pesos or both such imprisonment and fine and where the offended party or parties are also members of the indigenous cultural community concerned.

The regional assembly shall define the composition and jurisdiction of the said courts in accordance with this organic act, as amended.

SEC. 20. Jurisconsult in Islamic Law. - The regional assembly shall give priority consideration to the organization of the office of jurisconsult in Islamic law as established under existing law and provision for its facilities to enable the proper functioning of the office.

SEC. 21. Customary Law. - The regional assembly shall provide for the codification of indigenous laws and compilation of customary laws of the Muslims and the indigenous cultural communities in the autonomous region.

SEC. 22. Application and Interpretation of Laws. - The provisions of the Muslim code and the tribal code shall be applicable only to Muslims and other members of indigenous cultural communities respectively and nothing herein shall be construed to operate to the prejudice of the people in the autonomous region who are non-Muslims and non-members of indigenous cultural communities.

In case of conflict between the Muslim code and the tribal code, the national law shall apply.

In case of conflict between the Muslim code or the tribal code on the one hand, and the national law on the other, the latter shall prevail.

Except in cases of succession rights to property, the regular courts shall acquire jurisdiction over controversies involving real property located outside the area of autonomy. Muslims who sue other Muslims or members of indigenous cultural communities who sue other members of indigenous cultural communities over matters covered respectively by Shari'ah or by tribal laws may agree to litigate their grievances before the proper Shari'ah or tribal court in the autonomous region. The procedure for this recourse to the Shari'ah or tribal court shall be prescribed by the supreme court.

SEC. 23. Bases for Interpretation of Islamic Law. - Subject to the provisions of the Constitution, the Shari'ah courts shall interpret Islamic law based on sources such as:

- (a) Al-Qur'an (The Koran);
- (b) Al-Sunnah (Prophetic traditions);
- (c) Al-Qiyas (Analogy); and
- (d) Al-Ijima (Consensus).

SEC. 24. Shari'ah Powers and Functions. - The powers and functions of the Shari'ah courts and the Shari'ah public assistance office shall be defined by the regional assembly subject to the provisions of the Constitution.

ARTICLE X Fiscal Autonomy

SEC. 1. Revenue Source. - The regional government shall have the power to create its own sources of revenues and to levy taxes, fees and charges, subject to the provisions of the Constitution and this organic act, as amended.

SEC. 2. Fiscal Autonomy. - The regional government shall enjoy fiscal autonomy in raising and budgeting its own sources of revenue, its share of the internal revenue taxes and block grants and

subsidies remitted to it by the central government or any donor.

The utilization of its share of the internal revenue taxes and block grants or subsidies from the central government shall be subject to a semi-annual and annual audits by the commission on audit and to the rules and regulations of the department of budget and management. All accountable officials of the regional government shall, upon demand, furnish the commission on audit all documents, papers and effects necessary for the completion of the audit. Failure to do so shall empower the President or the secretary of finance to reduce, suspend or cancel the release of funds intended for the autonomous region to the extent of the amounts that cannot be audited for reasons attributable to the officials of the autonomous region or are unaccounted for after audit.

If more than half of the funds released to the autonomous region by the central government remain unaccounted for six (6) months after the audit mentioned above, the secretary of finance may also suspend or cancel the release of any or all funds allocated by the central government for the autonomous region. Officials of the regional government who fail to submit the documents, papers and effects demanded by the commission on audit within the period specified herein may be suspended or removed from office by the President upon recommendation of the secretary of finance.

The utilization of the revenue raised by the regional government and block grants or subsidies remitted to it by foreign or domestic donors shall be subject to the rules and regulations of the regional government department of the budget and management, if any, and to audit by regional government auditors. In the absence of such rules and regulations, the audit of the said funds, block grants or subsidies shall be done by the commission on audit and the use thereof shall be in accordance with the rules and regulations of the department of budget and management of the central government.

The results of the audit mentioned in this Section shall be published in national newspapers of general circulation and in newspapers of regional circulation. The results shall also be announced over government-owned radio and television stations.

SEC. 3. *Regional Tax Code.* - The regional assembly may enact a regional government tax code.

Until the regional government tax code is enacted, the pertinent provisions of Republic Act No. 7160, the local government code of 1991, shall apply to tax ordinances of the provinces, cities, municipalities and barangay within the autonomous region.

SEC. 4. *Regional Economic and Financial Programs.* - The regional government may formulate its own economic and financial programs, subject to the provisions of the Constitution.

SEC. 5. *Uniform, Equitable Taxation; Prohibition Against Confiscatory Taxes, Fees.* - In enacting revenue-raising measures, the regional assembly shall observe the principles of uniformity and equity in taxation and shall not impose confiscatory taxes or fees of any kind. Until a regional tax code shall have been enacted by it, the regional assembly may not revoke or amend, directly or indirectly, any city or municipal ordinances imposing taxes or fees on purely local businesses. Prior to the revocation or amendment of such city or municipal ordinances, the regional assembly shall consult with the city or municipal government concerned.

SEC. 6. *Payment of Taxes.* - Corporations, partnerships, or firms directly engaged in business in the autonomous region shall pay their corresponding taxes, fees, and charges in the province, city or municipality where the corporation, partnership or firm is doing business.

Corporations, partnerships, or firms whose central, main or head offices are located outside the autonomous region but which are doing business within its territorial jurisdiction, by farming, developing or utilizing the land, aquatic, or natural resources therein, shall pay the income taxes corresponding to the income realized from their business operations in the autonomous region to the city, or municipality where their branch offices or business operations or activities are located.

SEC. 7. *Extent of Tax Powers; Exceptions.* - Unless otherwise provided herein, the taxing power of the regional government and of the provinces, cities, municipalities and barangay located therein shall not extend to the following:

(a) Income tax, except when levied on banks and other financial institutions;

(b) Documentary stamps tax;

(c) Taxes on estate, inheritance, gifts, legacies and other acquisition *mortis causa*, except as otherwise provided by law;

(d) Customs duties, registration fees of vessel and wharfage on wharves, tonnage dues and all other kinds of custom fees, charges and dues except vessels which are registered by their owners with the regional government and wharfage on wharves constructed and maintained by the regional government or the local government unit concerned;

(e) Taxes, fees or charges and other impositions upon goods carried into or out of, or passing through the territorial jurisdictions of the provinces, cities, municipalities or barangay of the autonomous region in the guise of charges for wharfage, tolls for bridges or otherwise, or other taxes, fees or charges in any form whatsoever upon such goods or merchandise except tolls on bridges or roads constructed and maintained by the provinces, cities, municipalities or barangay concerned or by the regional government.

(f) Taxes, fees, or charges on agricultural and aquatic products when sold by marginal farmers or fisherfolk;

(g) Taxes on business enterprises certified by the board of investments or by the regional assembly as pioneer or non-pioneer for a period of six (6) and four (4) years, respectively from the date of registration;

(h) Excise taxes on articles enumerated under the national internal revenue code, and taxes, fees or charges on petroleum products;

(i) Percentage or value-added tax (VAT) on sales, barter or exchanges or similar transactions on goods or services except as otherwise provided by law.

(j) Taxes on the gross receipts of transportation contractors and persons engaged in the transportation of passengers or freight by hire and common carriers by air, land or water except as provided in this organic act, as amended.

(k) Taxes on premiums paid by way of reinsurance or retrocession;

(l) Taxes, fees or other charges on Philippine products actually exported, except as otherwise provided by law enacted by the Congress;

(m) Taxes, fees or charges on countryside, barangay business enterprises and cooperatives duly registered under Republic Act No. 6810, the "Magna Carta for Countryside and Barangay Business Enterprises" and Republic Act No. 6938, the "Cooperatives Code of the Philippines", respectively; and

(n) Taxes, fees, or charges of any kind on the central government, its agencies and instrumentalities, and local government units except on government-owned or controlled corporations or entities that are primarily organized to do business.

SEC. 8. *Sources of Regional Government Revenue.* - The sources of revenues of the regional government shall include, but are limited to, the following:

(a) Taxes, except income taxes, imposed by the regional government;

(b) Fees and charges imposed by the regional government;

(c) Taxes, fees, or charges for the registration of motor vehicles and for the issuances of all kinds of licenses or permits for the driving thereof, except tricycles which shall be registered with the city or municipality within whose territorial boundaries they are operated;

(d) Shares and revenue generated from the operations of public utilities within the autonomous region;

(e) Appropriations, shares in the internal revenue taxes, block grants and other budgetary allocations coming from the central government; and

(f) Block grants derived from economic agreements or conventions entered into or authorized by the regional assembly, donations, endowments, foreign assistance, and other forms of aid, subject to the pertinent provisions of the Constitution.

SEC. 9. *Sharing of Internal Revenue, Natural Resources Taxes, Fees and Charges.* - The collections of a province or city from national internal revenue taxes, fees and charges, and taxes imposed on natural resources, shall be distributed as follows:

(a) Thirty-five percent (35%) to the province or city;

(b) Thirty-five percent (35%) to the regional government; and

(c) Thirty percent (30%) to the central government.

The share of the province shall be apportioned as follows: Forty-five (45%) percent to the province, Thirty-five (35%) percent to the municipality and Twenty (20%) percent to the barangay.

The share of the city shall be distributed as follows: Fifty percent (50%) in the city and Fifty (50%) percent to the barangay concerned.

The province or city concerned shall automatically retain its share and remit the shares of the regional government and the central government to their respective treasurers who shall, after deducting the share of the regional government as mentioned in paragraphs (b) and (c) of this section, remit the balance to the national government within the first five days of every month after the collections were made.

The remittance of the shares of the provinces, cities, municipalities and barangay in the internal revenue taxes, fees and charges and the taxes, fees and charges on the use, development and operation of natural resources within the autonomous region shall be governed by law enacted by the regional assembly.

The remittances of the share of the central government of the internal revenue taxes, fees and charges and on the taxes, fees and charges on the use, development and operation of the natural resources within the autonomous region shall be governed by the rules and regulations promulgated by the department of finance of the central government.

Officials who fail to remit the shares of the central government, the regional government and the local government units concerned in the taxes, fees and charges mentioned above may be suspended or removed from office by order of the secretary of finance in cases involving the share of the central government or by the regional governor in cases involving the share of the regional government and by the proper local government executive in cases involving the share of local government.

SEC. 10. *Treasury Bills, Notes and Other Debt Papers.* - The regional government may issue treasury

bills, bonds, promissory notes and other debt papers or documents pursuant to law enacted by the regional assembly.

SEC. 11. *Economic Agreements.* - Subject to the provisions of the Constitution, the regional government shall evolve a system of economic agreements and trade compacts to generate block grants for regional investments and improvements of regional economic structures which shall be authorized by law enacted by the regional assembly. Pursuant to specific recommendations of the regional economic and development planning board, the regional government may assist local government units in their requirements for counterpart funds for foreign-assisted projects.

SEC. 12. *Donations of Grants; Tax Deductible.* - The regional government may accept donations or grants for the development and welfare of the people in the autonomous region. Such donations or grants that are used exclusively to finance projects for education, health, youth and culture, and economic development, may be deducted in full from the taxable income of the donor or grantor.

SEC. 13. *Regional Tax Exemptions.* - The regional assembly may grant exemptions from regional taxes.

SEC. 14. *Foreign or Domestic Loans.* - The regional governor may be authorized by the regional assembly to contract foreign or domestic loans in accordance with the provisions of the Constitution. The loans so contracted may take effect upon approval by a majority of all the members of the regional assembly.

SEC. 15. *Collection and Sharing of Internal Revenue Taxes.* - The internal revenue taxes collected within the autonomous region for a period of six (6) years starting from the date of the effectivity of this Act shall be allotted for the use of the regional government in the Annual General Appropriations Act of the central government.

The Bureau of Internal Revenue or the duly authorized treasurer of the province, city or municipality concerned shall collect such taxes and remit the shares of the regional government and the central government directly to their respective treasurers or through their duly accredited depository banks within thirty (30) days from the end of each quarter of the year. Failure to so remit the share of the central government may cause the suspension,

withholding or forfeiture of the share of the province, city or municipality concerned to the extent of the amount that had not been remitted in favor of the central government.

Fifty percent (50%) of the yearly incremental revenue collections under Section 106, value-added tax on sales of goods or properties; Section 108. Value-added tax on sale of services and use or lease of properties, and Section 116, tax on persons exempt from value-added, of the national internal revenue code, shall be shared by the regional government and the local government units within the area of autonomy as follows:

(a) Forty percent (40%) shall accrue to and be retained by the city or municipality which collected the taxes;

(b) Thirty percent (30%) shall accrue and be remitted by the city or municipality which collected the taxes to the provincial government concerned; and

(c) Thirty percent (30%) shall accrue and be remitted by the city or municipality that collected the taxes to the regional autonomous government.

The city or municipality concerned shall directly remit the shares of the taxes to their provincial government and the regional government, respectively, thru their latter's duly authorized treasurers or banks within thirty (30) days from the end of each quarter of every year.

Officials responsible for the non-remittance as provided herein may also be suspended or removed from office as specified elsewhere in this Act, as amended.

The provinces, cities, municipalities and barangay within the autonomous region shall continue to receive their respective shares of the internal revenue taxes as provided for in Section 284 of the local government code of 1991. The six-year (6) period above mentioned may be extended by an executive order of the President.

ARTICLE XI

Ancestral Domain, Ancestral Lands and Agrarian Reform

SEC. 1. *Ancestral Domain; Lands of Indigenous Cultural Communities.* - Subject to the Constitution

and existing laws, the regional government shall undertake measures to protect the ancestral domain and ancestral lands of indigenous cultural communities.

All lands and natural resources in the autonomous region that have been possessed or occupied by indigenous cultural communities since time immemorial except when prevented by war, *force majeure*, or other forms of forcible usurpation shall form part of the ancestral domain. Such ancestral domain shall include pasture lands, worship areas, burial grounds, forests and fields, mineral resources except strategic minerals such as uranium, coal, petroleum; and other fossil fuels, mineral oils, and all sources of potential energy, lakes, rivers and lagoons; and national reserves and marine parks, as well as forest and watershed reservations. Until laws are enacted that provide otherwise, fifty (50%) percent of the revenues derived from the utilization and development of such strategic materials shall accrue to the regional government and the provinces, cities, municipalities and barangay in the autonomous region. The sharing between the regional government and the local government units in the revenues derived from the strategic materials mentioned above shall be apportioned according to the formula set out in Section 5, Article XIII of this organic act, as amended.

Lands in the actual, open, public, and uninterrupted possession and occupation by an indigenous cultural community for at least thirty (30) years are ancestral lands.

SEC. 2. The constructive or traditional possession of lands and resources by an indigenous cultural community may also be recognized subject to judicial affirmation, the petition for which shall be instituted within a period of ten (10) years from the effectivity of this Act. The procedure for judicial affirmation of imperfect titles under existing laws shall, as far as practicable, apply to the judicial affirmation of titles to ancestral lands.

The foregoing provisions notwithstanding, titles secured under the Torrens System, and rights already vested under the provisions of existing laws shall be respected.

SEC. 3. As used in this Act, the phrase "indigenous cultural community" refers to Filipino citizens residing in the autonomous region who are:

(a) Tribal peoples. These are citizens whose social, cultural and economic conditions distinguish them from other sectors of the national community; and

(b) Bangsa Moro people. These are citizens who are believers in Islam and who have retained some or all of their own social, economic, cultural and political institutions.

SEC. 4. *Cultural Communities.* - The customary laws, traditions, and practice of indigenous cultural communities on land claims and ownership and settlement of land dispute shall be implemented and enforced among the members of such communities.

SEC. 5. *Ecological Balance.* - The proclamations issued by the central government declaring old growth or natural forests and all watersheds within the autonomous region as forest reserves are hereby reiterated. The forest reserves shall not be subjected to logging operations of any nature or kind.

Forest concessions, timber licenses, contracts or agreements of any kind or nature whatsoever granted by the central government or by the regional government as of the date of the approval of this Act, are hereby cancelled, nullified and voided, and shall not be renewed until thirty (30) years after the approval of this Act.

If the said forest reserves are logged over or are mined by authority or neglect of the regional government, the funds provided by the central government including the internal revenue shares of the regional government may be withheld, reduced, cancelled or forfeited by order of the President.

Ten (10%) percent of the shares of the internal revenue taxes of the regional government and of the provinces, cities, municipalities and barangay of the autonomous region and all allocations for the development of the autonomous region by the central government shall be devoted to reforestation projects and other environmental activities to enhance the protection and development of the environment in the autonomous region.

The regional government shall require corporations, companies and other entries within the ancestral domain of the indigenous cultural communities whose operations adversely affect the ecological balance to take the necessary preventive

measures and safeguards to restore, enhance and maintain such a balance.

SEC. 6. Unless authorized by the regional assembly, lands of the ancestral domain titled to or owned by an indigenous cultural community shall not be disposed of to nonmembers.

SEC. 7. No portion of the ancestral domain shall be open to resettlement by nonmembers of the indigenous cultural communities.

SEC. 8. *Regional Land Reform.* - Subject to the provisions of the Constitution, the regional assembly may enact an Agrarian Reform Law suitable to the special circumstances prevailing in the autonomous region.

ARTICLE XII

Urban and Rural Planning and Development

SEC. 1. *Urban and Rural Development.* - The regional government shall promote and formulate comprehensive and integrated regional urban and rural development policies, plans, programs and projects responsive to the needs, aspirations and values of the people in the autonomous region.

SEC. 2. *Indigenous Development Plans.* - The regional government shall initiate, formulate and implement special development programs and projects, responsive to the particular aspirations, needs and values of the indigenous cultural communities.

SEC. 3. *Equitable Development.* - The regional government shall provide equitable opportunities for the development of every province, city, municipality and barangay within its jurisdiction and shall strengthen their existing planning bodies to ensure wider public participation.

SEC. 4. *Urban Land, Land and Water Use.* - Consistent with the Constitution, this organic act, as amended, and subject to ecological considerations, the regional government shall within one (1) year from the approval of this organic act, as amended, adopt and implement a comprehensive urban land reform and land and water use program, to ensure the just utilization of lands and waters within its jurisdiction.

ARTICLE XIII

Economy and Patrimony

SEC. 1. *Regional Economy and Conservation of*

Patrimony. - Consistent with the Constitution and existing laws, the regional assembly may enact laws pertaining to the regional economy and patrimony that are responsive to the needs of the region. The regional government may not lower the standards required by the central government for the protection, conservation and enhancement of the natural resources.

SEC. 2. *Economic Zones, Centers and Ports.* - The regional government shall encourage, promote and support the establishment of economic zones, industrial centers, ports in strategic areas and growth centers to attract local and foreign investments and business enterprises.

SEC. 3. *Incentives for Investors.* - The regional assembly may by law grant incentives to investors in the autonomous region. The central government may likewise grant incentives to investors in the autonomous region in addition to those provided by the regional government.

SEC. 4. *Regional Economic Zone Authority; Freeports.* - The regional government may establish a regional economic zone authority in the autonomous region. The regional economic zone authority shall have similar powers as the Philippine economic zone authority and consistent with the special economic zone act of 1995. The regional assembly may provide such additional powers and functions to the regional economic zone authority as may be necessary to meet the special circumstances of the autonomous region.

Once the regional economic zone authority is created by a regional assembly legislation, the Philippine export zone authority shall no longer authorize any other economic zone within the autonomous region. Any corporation, firm or entity established within the autonomous region by authority of the Philippine export zone authority shall be placed under the jurisdiction of the regional economic zone authority and shall continue to enjoy the benefits granted to it by the Philippine export zone authority.

SEC. 5. *Use, Development of Mines, Minerals and Other Natural Resources; Revenue Sharing; Exceptions.* - (a) *Regional Supervision and Control.* - The control and supervision over the exploration, utilization, development and protection of the mines and minerals and other natural resources within the autonomous region are hereby vested in the regional government in accordance with the Constitution and

the pertinent provisions of the organic act, as amended, except for the strategic minerals such as uranium, petroleum, and other fossil fuels, mineral oils, all sources of potential energy, as well as national reserves and aquatic parks, forest and watershed reservations already delimited by authority of the central government and those that may be defined by an Act of Congress within one (1) year from the effectivity of this Act, as amended.

(b) *Sharing Between Central Government and Regional Government in Strategic Mineral Revenues, Taxes or Fees.* - Fifty (50%) percent of the revenues, taxes or fees derived from the use and development of the strategic minerals shall accrue and be remitted to the regional government within thirty (30) days from the end of every quarter of every year. The other fifty (50%) shall accrue to the central government.

(c) *Sharing Between Regional Government and Local Government Units in Strategic Mineral Revenues, Taxes or Fees.* - The share of the regional government mentioned above is hereby apportioned as follows: thirty percent (30%) to the regional government; twenty percent (20%) to all the provinces; fifteen percent (15%) to all the cities; twenty percent (20%) to the all municipalities and fifteen percent (15%) to all the barangay. If there are no cities in the autonomous region as of the date the sharing above mentioned is done, the share of the cities shall be divided equally by all the provinces, municipalities and barangay in the autonomous region.

(d) *Regional Assembly Authority to Grant Franchise and Concessions and Empower Regional Governor to Grant Leases, Permits and Licenses.* - The regional assembly shall by law have the authority to grant franchises and concessions and may by law empower the regional governor to grant leases, permits and licenses over agricultural, forest or mineral lands. The said leases, permits, franchises or concessions shall, however, cover areas not exceeding the limits allowed by the constitution and shall subsist for a period not exceeding twenty-five (25) years. Except as provided in this Act, existing leases, permits, licenses, franchises and concessions shall be respected until their expiration unless legally terminated earlier as provided by law enacted either by Congress or by the regional assembly.

(e) *Consultation with Cultural Communities, Needed.* - The permits, licenses, franchises or

concessions over the natural resources located within the boundaries of an ancestral domain shall be issued by the regional assembly only after consultations are conducted with the cultural community concerned.

SEC. 6. *Use and Development of Natural Resources Open to Citizens.* - The exploration, development and utilization of natural resources, except those referred to in the first paragraph of Section 5 of this Article, shall be allowed to all citizens and to private enterprises, including corporations, associations, cooperatives, and such other similar collective organizations with at least sixty percent (60%) of their capital investment or capital stocks directly controlled or owned by citizens.

SEC. 7. *Preferential Rights of Citizen-Inhabitants of Autonomous Region.* - Subject to the exceptions provided in this Act, as amended, citizens who are inhabitants of the autonomous region shall have preferential rights over the exploration, utilization and development of natural resources of the autonomous region. Existing rights over the exploration, utilization and development of natural resources shall be respected subject to the exceptions specified in this Act, as amended.

SEC. 8. *Rules, Regulations and Fees.* - The regional assembly shall by law regulate the exploration, utilization, development, and protection of the natural resources, including the mines and minerals, except the strategic minerals as provided in this Act. The regional government shall, pursuant to the said law, shall prescribe the rules and regulations and impose regulatory fees in connection therewith. Upon the enactment of the said law and the effectivity of such rules and regulations, the fees imposed by the regional government shall replace those that had been imposed by the central government.

SEC. 9. *Regulations of Small-Scale Mining.* - Small-scale mining shall be regulated by the regional government to the end that the ecological balance, safety and health and the interests of the indigenous cultural communities, the miners and the people of the place where such operations are conducted are duly protected and safeguarded.

SEC. 10. *Regional Economic and Development Planning Board; Composition and Functions.* - There is hereby created a regional economic and development planning board. The board shall be

chaired by the regional governor. The members of the board shall be composed of all the provincial governors and the city mayors of the provinces and cities within the autonomous region; the speaker and two (2) members of the regional assembly who shall be appointed by the speaker, one of whom shall be nominated by the opposition; and five representatives elected by the private sector as prescribed by the regional assembly.

The board shall serve as the planning, monitoring and coordinating agency for all development plans, projects and programs intended for the autonomous region. It shall evaluate and recommend for approval by the regional assembly the annual work programs and comprehensive development plans of the autonomous region. Once approved, it shall be the duty of the regional governor to ensure the proper implementation of the said annual work programs and comprehensive development plans.

The board shall formulate a master plan for a systematic progressive and total development of the region. The master plan shall take into account the development plans of the province, city, municipality and barangay concerned as mandated by Republic Act No. 7160, the Local Government Act of 1991.

After due notice in writing, the attendance at meetings of the board by one third of its members with the regional governor or the regional vice governor and three of the representatives of the private sector being present, shall be a sufficient quorum for the board to transact business.

The board shall adopt its own rules of procedure for the conduct of its meetings.

SEC. 11. *Pioneering Public Utilities and Cooperatives.* - The regional assembly may, in the interest of regional welfare and security, establish and operate pioneering public utilities. Upon payment of just compensation, it may cause the transfer of the ownership of such utilities to cooperatives or other collective organizations.

SEC. 12. *Proclamation of State of Emergency; Operation of Public Utilities.* - (a) *Temporary take-over of operations.* - The regional government may, in times of regional emergency declared by the regional governor, when the public interest so requires and under such reasonable terms and safeguards as may

be prescribed by the regional assembly, temporarily take over or direct operation of any privately-owned public utility or business affected with public interest. The public utility or business concerned may contest the take over of its operations by the regional government by filing a proper case or petition with the court of appeals.

(b) *Proclamation of state of emergency.* - The regional governor may proclaim a state of emergency over the region or parts thereof whenever typhoons, flash floods, earthquakes, tsunamis or other natural calamities cause widespread damage or destruction to life or property in the region. The state of emergency proclaimed by the regional governor shall only be for the purpose of maximizing the efforts to rescue imperiled persons and property and the expeditious rehabilitation of the damaged area. The state of emergency proclaimed shall in no way suspend any provision of the Constitution or this organic act, as amended, as well as the pertinent laws promulgated by the central or regional governments.

SEC. 13. *Legislating Benefits, Compensation for Victims of Mining and Mining Operations; Rehabilitation of Affected Areas.* - The regional assembly shall enact laws for the benefit and welfare of the inhabitants injured, harmed or adversely affected by the harnessing of natural and mineral resources in the autonomous region. Such laws may include payment of just compensation to and relocation of the people and rehabilitation of the areas adversely affected by the harnessing of natural and mineral resources mentioned above.

The regional assembly may by law require the persons, natural or juridical, responsible for causing the harm or injury mentioned above to bear the costs of compensation, relocation and rehabilitation mentioned above wholly or partially.

SEC. 14. *Reforestation; Support for Lumads or Tribal Peoples.* - The regional government shall actively and immediately pursue reforestation measures to ensure that at least fifty percent (50%) of the land surface of the autonomous region shall be covered with trees, giving priority to watershed areas, strips of land along the edges of rivers and streams and shorelines of lakes and the seas within or abutting the autonomous region.

The regional government shall adopt measures for the development of lands eighteen percent (18%)

in slope or over by providing infrastructure, financial and technical support to upland communities specially the *lumads* or tribal peoples.

The regional government shall also adopt measures to employ the people who may be displaced by the cancellation or revocation of timber concessions, licenses, contracts or agreements mentioned in paragraph, above.

SEC. 15. *Prohibition Against Toxic or Hazardous Substances.* - The regional government shall prohibit the use, importation, deposit, disposal and dumping of toxic or hazardous substances within the autonomous region.

SEC. 16. *Business Ownership.* - The regional government shall adopt policies to promote profit sharing and broaden the base of ownership of business enterprises.

SEC. 17. *Incentives.* - The regional assembly may by law grant incentives, including tax rebates and holidays, for investors in businesses that contribute to the development of the autonomous region. It may provide similar incentives to companies doing business in the autonomous region which reinvest at least fifty percent (50%) of their net profits therein, and to cooperatives which reinvest at least ten percent (10%) of their surplus into socially-oriented projects in the autonomous region.

SEC. 18. *Transport and Communication Facilities, Priority Projects.* - The regional government shall give priority to the establishment of transportation and communication facilities to expedite the economic development of the autonomous region.

SEC. 19. *Power Services Priority.* - In the delivery of power services, priority shall be given to provinces and cities in the autonomous region which need but do not have direct access to such services.

SEC. 20. *Pioneering Firms.* - The regional assembly may create pioneering firms and other business entities to boost economic development in the autonomous region.

Agriculture, Fisheries and Aquatic Resources

SEC. 21. *Farming and Fishing Cooperatives.* - The regional government shall recognize, promote

and protect the rights and welfare of farmers, farm-workers, fisherfolk and fish-workers, as well as cooperatives and associations of farmers and fish-workers:

SEC. 22. *Agricultural Productivity; Organic Farming.* - The regional government shall encourage agricultural productivity and promote diversified and organic farming.

SEC. 23. *Soil and Water Conservation.* - The regional government shall give top priority to the conservation, protection, utilization and development of soil and water resources for agricultural purposes.

SEC. 24. *Aquatic and Fisheries Code.* - The regional assembly may enact an aquatic and fisheries code which shall enhance, develop, conserve and protect marine and aquatic resources, and shall protect the rights of subsistence fisherfolk to the preferential use of communal marine and fishing resources, including seaweeds. This protection shall extend to offshore fishing grounds, up to and including all waters fifteen (15) kilometers from the coastline of the autonomous region but within the territorial waters of the Republic, regardless of depth and the seabed and the subsoil that are included between two (2) lines drawn perpendicular to the general coastline from points where the boundary lines of the autonomous region touch the sea at low tide and a third line parallel to the general coastline.

The provinces and cities within the autonomous region shall have priority rights to the utilization, development, conservation and protection of the aforementioned offshore fishing grounds.

The provinces and cities concerned shall provide support to subsistence fisherfolk through appropriate technology and research, adequate financial, production, marketing assistance and other services.

The regional assembly shall enact priority legislation to ensure that fish-workers shall receive a just share from their labor in the utilization, production and development of marine and fishing resources.

The regional assembly shall enact priority legislation to develop science, technology and other disciplines for the protection and maintenance of aquatic and marine ecology.

SEC. 25. *Agriculture and Fisheries Bureau.* - The regional assembly shall by law, create a Bureau

on Agriculture and Fisheries and define its composition, powers and functions.

Trade and Industry

SEC. 26. *Private Sector.* - The regional government recognizes the private sector as the prime mover of trade, commerce and industry. It shall encourage and support the building up of entrepreneurial capability in the autonomous region and shall recognize, promote, and protect cooperatives.

SEC. 27. *Cottage Industries.* - The regional government shall promote and protect cottage industries by providing assistance such as marketing opportunities, financial support, tax incentives, appropriate and alternative technology and technical training to produce semi-finished and finished products. Deserving small and medium-scale cottage industries may be provided priority assistance.

SEC. 28. *Banks & Financial Institutions.* - The regional government shall, subject to the supervision of the Bangko Sentral ng Pilipinas, encourage the establishment in the autonomous region of:

(a) Banks and financial institutions and their branches, and

(b) Off-shore banking units of foreign banks.

SEC. 29. *Islamic Banks.* - The Bangko Sentral ng Pilipinas shall establish an Islamic Bank and authorize the establishment of its branches in the autonomous region.

The members of the board of directors or trustees of the Islamic bank shall be appointed by the President upon recommendation of the regional governor. The persons recommended by the regional governor shall possess educational qualifications and sufficient experience in the management and operation of Islamic banking and shall be subject to confirmation by the regional assembly before they are recommended to the President. The board of directors or trustees of the bank shall elect from among their members the chair, the vice chair and the president of the bank. Other bank officials and employees shall be appointed by the president of the bank.

SEC. 30. *Bangko Sentral Regional Bank.* - The Bangko Sentral ng Pilipinas shall establish a Bangko Sentral Regional Bank with full banking services in the capital city or any suitable municipality in the

autonomous region within one (1) year from the approval of this Act, as amended. The regional governor shall submit a list of qualified persons to the appropriate Bangko Sentral authority from which the staff of the regional office may be chosen. The rights of the Bangko Sentral personnel who are occupying positions in the Bangko Sentral Regional Office as of the date of the approval of this Act, as amended, to continue as such shall be respected.

SEC. 31. *Barter and Counter-Trade.* - Subject to existing laws, the regional government shall regulate traditional barter and counter-trade with Indonesia, Malaysia, or Brunei. The goods or items that are bartered or counter-traded with the said countries shall not be sold elsewhere in the country without payment of appropriate customs or import duties. The department of finance shall, in consultation with the regional government, promulgate the rules to govern barter and counter-trade within six months from the approval of this Act, as amended.

SEC. 32. *Consumer Education and Welfare.* - The regional government shall promote consumer education and protect the rights, interests and general welfare of the consumers.

SEC. 33. *Local Labor and Goods.* - The regional government shall promote the preferential use of local labor and locally produced goods and materials by adopting measures to increase their competitiveness.

SEC. 34. *Foreign Investments.* - Subject to the provisions of the Constitution, the regional government shall regulate and exercise authority over foreign investments within its jurisdiction. The central government may intervene in such matters only if national security is involved.

Tourism Development

SEC. 35. *Regional Tourism.* - The regional government shall have primary jurisdiction in the promotion of tourism within the autonomous region. In promoting tourism, the diverse cultural heritage, and the moral and spiritual values of the people in the autonomous region shall be upheld, respected and maintained.

SEC. 36. *Tourism Office.* - The regional assembly may, by law, create a regional tourism office, and define its composition, powers and functions.

The department of tourism of the central government shall, whenever feasible, extend financial and technical support to the tourism program of the regional government.

ARTICLE XIV

Public Order and Security

SEC. 1. *Law and Order.* - The regional government shall give priority to the maintenance and preservation of law and order for the establishment of peace and the protection of life, liberty and property of the people in the autonomous region, in consonance with the provisions of the Constitution and this Act, as amended.

SEC. 2. *Regional Security Force.* - There is hereby created a Philippine National Police Regional Command for the autonomous region, hereafter called the Special Regional Security Force or Regional Police Force, in short.

SEC. 3. *Law Governing Regional Police Force.* - The regional assembly shall enact laws to govern the Regional Police Force consistent with the pertinent provisions of the Constitution and this Act, as amended.

The members of the Moro National Liberation Front who are integrated into the Regional Police Force may be deployed in the autonomous region or elsewhere in the republic as may be determined by the proper police authorities.

SEC. 4. *Regional Police Force Composition.* - The Regional Police Force shall be composed of the existing Philippine National Police units within the autonomous region, the members of the Moro National Liberation Front integrated into the National Police units and other qualified persons who join it. Qualified residents of the autonomous region shall be given priority enlistment rights to join the Regional Police Force.

SEC. 5. *Powers and Functions of Regional Police Force.* - The Regional Police Force shall exercise within the autonomous region the following powers and functions:

(a) Enforce laws enacted by the congress and the regional assembly relative to the protection of lives and properties of the people;

(b) Maintain law and order and ensure public safety;

(c) Investigate and prevent crimes, arrest criminal offenders, bring criminal suspects to justice and assist in their prosecution;

(d) Effect other arrests, searches and seizures in accordance with the Constitution and pertinent laws;

(e) Detain persons for a period not exceeding what is prescribed by law, inform the person so detained of all his or her rights under the Constitution and observe the human rights of all people in the autonomous region;

(f) Process applications for the licensing of firearms for approval by the proper official of the National Police;

(g) Initiate drives for the licensing or surrender of unlicensed firearms; confiscate unlicensed firearms after such drives are over prosecute or recommend to the President the grant of amnesty or pardon to possessor of unlicensed firearms who surrender them; and

(h) Perform such other duties and exercise all other functions as may be provided by law enacted by Congress or by the regional assembly.

SEC. 6. *Observance of Constitution and Laws.*

- The Regional Police Force shall be charged with the preservation of peace, the maintenance of law and order, and the protection of life, liberty, and property in the autonomous region in consonance with the Constitution and pertinent legislation.

The Regional Police Force shall be run professionally and free from partisan political control. The discharge of its functions shall be done impartially and with professional integrity. It shall be constrained by and accountable to the law.

SEC. 7. *Regional Police Framework and Organization.* - The philosophical framework and structural organization of the Regional Police Force shall be as follows:

(a) It shall be civilian in nature and character;

(b) The scope of its operations shall be regional.

The Regional Police Force, its units or personnel may be deployed elsewhere in the republic as directed by the national police commission or when needed to suppress lawless violence, pursue and arrest criminal offenders or maintain law and order. In such circumstances, the order to deploy must be signed by the chairman of the national police commission and approved by the President. The President may also order the said employment on his own authority.

(c) It shall be headed by a regional director who shall be assisted by two (2) deputies, one (1) for administration and one (1) for operations. The regional director and the two deputies shall come from the ranks of the professional police force, preferably from any province, city or municipality of the autonomous region.

(d) It shall have regional, provincial, and city or municipal offices;

(e) At the provincial level, there shall be a provincial office, headed by a provincial director who shall be a professional police officer with the rank of police superintendent, at least; and

(f) At the city or municipal level, there shall be an office or station, which shall be headed by a Chief of Police who shall be a professional police officer with the rank of police superintendent for the city and police inspector for the municipality.

SEC. 8. *Power of Regional Governor Over Regional Police Force.* - The regional governor shall have the following powers over the Regional Police Force:

(a) To act as the deputy of the national police commission in the region and as the *ex-officio* chair of the regional police commission;

(b) To exercise operational control and general supervision and disciplinary powers over the Regional Police Force;

(c) To employ or deploy the elements of and assign or reassign the Regional Police Force through the regional director. The regional director may not countermand the order of the regional governor unless it is in violation of the Constitution and the law;

(d) To recommend to the President the

appointment of the regional director and his two (2) deputies;

(e) To oversee the preparation and implementation of the Integrated Regional Public Safety Plan;

(f) To impose, after due notice and summary hearings of the citizen's complaints, administrative penalties on personnel of the Regional Police Force except those who are appointed by the President; and

(g) Do everything necessary to promote widespread support by the various communities making up the autonomous region for the Regional Police Force.

SEC. 9. Regional Police Directors. - The selection, assignment and appointment of the Provincial and City Directors of the Regional Police Force and the assignment of Moro National Liberation Front integreees shall be done pursuant to Republic Act No. 6975, or the Philippine National Police Law, as amended.

SEC. 10. Regional Police Commission. - There is hereby created a regional police commission, which shall perform the functions of the national police commission in the autonomous region. The regional police commission shall be under the administration and control of the national police commission. The chairman and the members, thereof, shall be appointed by the regional governor subject to confirmation by the regional assembly. The chairman shall be an *ex-officio* commissioner of the national police commission on matters dealing with the regional police force.

The regional police commission shall have the power to investigate complaints against the regional police force. Appeals from its decisions may be lodged with the national police commission. Pending resolution of the appeal, its decisions may be executed. The rules and regulations governing the investigation of members of the national police shall be followed by the regional police commission in the absence of rules and regulations enacted by the regional assembly.

SEC. 11. Regional Defense and Security. - The Defense and Security of the autonomous region shall be the responsibility of the central government. Towards this end, there is hereby created a Regional Command of the Armed Forces for the autonomous region, which shall be organized, maintained and utilized in accordance with national laws. The central

government shall have the authority to station and deploy in the autonomous region such elements of the Armed Forces as may be necessary to carry out that responsibility. Qualified inhabitants of the autonomous region shall be given preference for assignments in the said regional command.

SEC. 12. Calling Upon the Armed Forces. - The provisions of the preceding sections notwithstanding, the regional governor may request the President to call upon the Armed Forces:

(1) To prevent or suppress lawless violence, invasion or rebellion, when the public safety so requires, in the autonomous region in accordance with the provisions of the Constitution;

(2) To suppress the danger to or breach of peace in the autonomous region, when the Regional Police Force is not able to do so; or

(3) To avert any imminent danger to public order and security in the area of autonomy.

The President may on its own accord send the Armed Forces into the autonomous region to attain the above objectives if the regional governor does not act within fifteen (15) days after the occurrence of the events mentioned above that need to be suppressed, prevented or suppressed.

SEC. 13. Indigenous Structures. - The regional government shall recognize indigenous structures or systems which promote peace, law and order.

ARTICLE XV

Education, Science and Technology, Arts and Sports

SEC. 1. Quality Education, A Top Priority. - The regional government shall establish, maintain and support as a top priority a complete and integrated system of quality education and adopt an educational framework that is meaningful, relevant and responsive to the needs, ideals and aspirations of the people in the region.

The schools, colleges and universities existing in the autonomous region as of the date of the approval of this Act, as amended, and such other schools and institutions that may be established in the region shall be deemed integral components of the educational system of the regional government.

The educational system of the regional government shall be deemed a sub-system of the national educational system. The Regional Educational Sub-system shall enjoy fiscal autonomy and academic freedom.

Educational Policies

SEC. 2. Policies and Principles. - Consistent with the basic state policy on education, the regional government shall adopt the following educational policies and principles:

(a) *Perpetuation of Filipino & Islamic Values.* - The Regional Educational Subsystem shall perpetuate Filipino and Islamic values and ideals, aspirations, and orientations. It shall develop the total spiritual, intellectual, social, cultural, scientific and physical aspects of the people of the autonomous region to make them god-fearing, productive, patriotic citizens, conscious of their Filipino and Islamic values and cultural heritage;

(b) *Inculcation of values of peaceful settlement of disputes.* - The Regional Educational Subsystem shall prioritize the inculcation among the citizenry and students of their commitment to the peaceful settlement of disputes and grievances and the avoidance of the use of lawless violence.

To this end, emphasis shall be placed on the desirability and practicality of relying upon democratic and legal processes rather than on the use of guns or resort to violence to settle personal, familial or tribal problems. The regional assembly may, by law, establish a program for the surrender of firearms with payment of compensation provided by the regional government. The program may also be supported from the funds of the national police.

(c) *Optional religious instruction.* - Religious instruction in public schools shall be optional, with the written consent of the parent or guardian, and taught by the authorities of the religion to which the student belongs. The teaching of religion shall not involve additional costs to the government in accordance with national policies;

(d) *Inculcation of patriotism & nationalism.* - To develop, promote and enhance unity in diversity, all schools in the autonomous region shall inculcate into the minds of their students the values of

patriotism and nationalism, appreciation of the role of national and regional heroes in the historical development of the country and region, foster love of humanity, respect for human rights, and teach the rights and duties of citizenship, and the cultures of the Muslims, Christians, and tribal peoples in the region;

(e) *Vocational & special education.* - The thrusts, programs and administration of vocational, non-formal and special education shall be supported and made relevant to the manpower needs of the region;

(f) *Scholarships, student loans & scholarships.* - A system of scholarship programs, grants, student loans, subsidies and other incentives shall be made available to all poor but deserving students;

(g) *Funding for local education programs.* - Funding for local educational programs shall be the responsibility of the regional government;

(h) *Community participation in education.* - The active participation of the home, community, religious organizations and other sectors in the total educative process of the child shall be encouraged and supported;

(i) *Development of regional language.* - A regional language may be evolved and developed from the different dialects in the region;

(j) *Media of instruction in schools.* - Filipino and English shall be the media of instruction in all schools in the autonomous region. Arabic shall be an auxiliary medium of instruction;

(k) *Teaching of Arabic as subject.* - Arabic shall be taught as a subject in all grade levels as required for Muslims under existing laws and optional, for non-Muslims; and

(l) *Auxiliary official languages.* - Regional languages may be used as auxiliary official languages in the region as well as auxiliary media of instruction and communication.

(m) *Develop ethnic identity.* - Education in the autonomous region shall develop consciousness and appreciation of one's ethnic identity and shall provide a better understanding of another person's cultural

heritage for the attainment of national unity and harmony;

(n) The regional government shall recognize the participation of private institutions of learning, including the *Madaris* (Arabic schools), in providing quality education to the people of the region; and

(o) (1) *Basic education structure.* - The elementary level shall follow the basic national structure and shall provide basic education; the secondary level will correspond to four (4) years of high school, and the tertiary level shall be one (1) year to three (3) years for non-degree courses and four (4) to eight (8) years for degree courses, as the case may be, in accordance with existing laws;

(2) *Social studies subjects contents.* - Filipino and Islamic values shall be incorporated in the social studies subjects or their equivalent in appropriate grade levels and subject to agreed norms, academic freedom, and legal limitations. These values shall be taught also as a part of appropriate subjects in the secondary and tertiary levels of education;

(3) *Textbook preparation, writing, revision & printing.* - The preparation, writing, revision and printing of textbooks for the use of the schools in the autonomous region shall be the joint responsibility of the regional government and the central government. Subject to agreed norms, academic freedom and relevant legal limits, the preparation, writing, revision and printing of the textbooks shall emphasize Filipino and Islamic values. The said values shall include those of Muslims, Christians and indigenous peoples, human rights, modern sciences and technology as well as the latest advances in education that are relevant to the ideals of the autonomous region and to the Republic.

(4) *Accreditation for transfer to other schools.* - After they shall have passed the core curriculum prescribed by the central government, the students and graduates of the education system of the autonomous region shall be fully accredited for transfer to the corresponding grade levels in the schools outside the autonomous region.

(5) *Period for integration of Islamic values.* - The integration of Islamic values in the curriculum of the Regional Educational Subsystem shall be done over a period of six (6) years from the approval of this

Act, as amended, after appropriate researches and studies shall have been conducted, evaluated and approved by the regional education authorities;

(6) *Primary responsibility for learning aids and instructional materials.* The regional government shall have the primary responsibility to provide learning aids and instructional materials to the schools in the autonomous region in addition to those already prescribed by the central government;

(7) *Responsibility for selection, recruitment, appointment, promotion and civil service protection of teachers and non-teaching personnel.* - (a) The selection, recruitment, appointment and promotion of teaching and non-teaching personnel of the Regional Educational Subsystem shall be the responsibility of the regional government. The teaching and non-teaching personnel of the Regional School System who have appropriate civil service eligibility may not be replaced, removed or dismissed without just cause.

(b) The regional government may impose its regionally-defined standards for the employment of teaching and non-teaching personnel in its school system which, however, shall not be lower than the standards of the department of education, culture and sports.

(c) In the selection, recruitment, appointment and promotion of elementary, secondary and tertiary education teaching and non-teaching personnel, the minimum requirements and standards prescribed by the department of education, culture and sports, the commission on higher education and the technical education and skills development authority shall be observed by the regional educational subsystem; and

(8) *Preservation of culture, mores, customs & traditions.* - The culture, mores, customs and traditions of the Muslim people and those of the Christians and indigenous people, shall be preserved, respected, enhanced and developed.

(9) *Schools to preserve, enhance & develop cultures, mores, customs & traditions.* - The regular public and Madaris schools in the autonomous region shall be the primary vehicles for the preservation, enhancement and development of the said cultures, mores, customs and traditions.

SEC. 3. *Regional Educational Curricula.* - The regional department of education, culture and sports shall develop curricula that are relevant to the economic, social, political, cultural, moral and spiritual needs of the people in the autonomous region.

SEC. 4. *Education, Management and Control of Education.* - The management, control, and supervision of the regional educational subsystem shall be the primary concern of the regional government.

The department of education, culture and sports, the commission on higher education, and the technical education skills and development authority and other appropriate educational bodies of the central government shall monitor compliance by the regional educational subsystem with national educational policies, standards and regulations. The department of education, culture and sports, commission on higher education, and the technical education skills and development authority of the regional government shall participate in policy and decision-making activities of their counterparts of the central government in matters that affect the regional educational subsystem.

Educational Structure

SEC. 5. The regional assembly may, by law, create, support and maintain a regional department of education, culture and sports, and shall define its powers, functions and composition.

SEC. 6. *Private Schools Supervision.* - (a) The regional department of education, culture and sports shall be responsible for the supervision and regulation of private schools.

(b) Private schools, including sectarian and non-sectarian institutions of learning of whatever level, may organize themselves and shall have the right to participate and be represented by three representatives in the deliberations of the regional department of education, culture and sports on matters dealing with private schools.

(c) The representatives of the private schools to the regional department of education, culture and sports shall act for the sectarian Christian schools, non-sectarian schools and the schools of the *lumads*, if any.

(d) The right of sectarian educational institutions to propagate their religious beliefs shall be not be curtailed. The Regional Educational Subsystem shall not discriminate against the sectarian educational institutions in any manner or form.

SEC. 7. *Educational Subsystem Structure.* - The organizational structure of the Regional Educational Subsystem shall follow the basic structure of the educational system of the central government. The regional assembly may, however, create its own structures. It shall prescribe the same curricular year as those prescribed nationally.

SEC. 8. *Academic Freedom and Fiscal Autonomy.* - State colleges and universities within the autonomous region shall enjoy academic freedom and fiscal autonomy and shall continue to be governed by their respective charters as modified by this Act, as amended. The provisions of existing laws to the contrary notwithstanding, the regional government shall be represented in the board of state universities and colleges in the region by the chair of the committee on education, culture and sports of the regional assembly either as co-chairman or co-vice chairman.

SEC. 9. *Education Centers.* - All state colleges and universities in the autonomous region shall serve as regional centers for tertiary and post graduate education in their respective areas of competence.

SEC. 10. *Tribal University System.* - The regional assembly may create a tribal university system within the autonomous region to address the higher educational needs of the indigenous cultural communities in the region.

Madrasah Education

SEC. 11. *Supervision of Madaris Schools.* - Accredited madaris in the autonomous region shall be supervised by the regional department of education, culture and sports in accordance with the principles of the Constitution and this organic act, as amended.

SEC. 12. *Madrasah Educational System; Arabic as Medium of Instruction.* - The regional assembly shall enact legislation for the strengthening and development of the Madrasah Educational System in the autonomous region.

Arabic is hereby recognized as a medium of instruction in *madaris* (schools) and other Islamic Institutions.

SEC. 13. *Madaris*. - Existing *madaris* and *madaris ulya* are deemed parts of the Regional Educational Subsystem.

SEC. 14. *Madaris Teachers Qualifying Examinations; Compensation*. - The regional department of education, culture and sports shall, in coordination with the regional commission on higher education, conduct periodic competitive qualifying examinations of *madaris* teachers for permanent appointments to the Regional Educational Subsystem.

The compensation of *madaris* teachers employed in the public schools of the autonomous region shall be taken from the funds of the regional government.

Science and Technology

SEC. 15. *Science and Technology*. - Science and Technology are recognized as essential to national and regional progress and development.

SEC. 16. *Priority Legislation*. - The regional assembly shall enact laws that shall:

(a) Give priority to science, research, inventions, technology, education, and their development and utilization;

(b) Provide incentives, including tax deduction and funding assistance, and encourage the participation of the private sector in basic and applied scientific researches;

(c) Regulate the transfer and promote the adoption of technology from all sources for regional benefit;

(d) Secure and protect the exclusive rights of scientists, inventors, scholars, writers, artists and other gifted citizens to their intellectual properties; and

(e) Ensure the full and effective participation of all sectors in the planning, programming, coordination and implementation of scientific and technological researches and the acquisition, adoption, innovation and application of science and technology for development.

SEC. 17. *Environmental Changes*. - The Regional Educational Subsystem shall endeavor to respond positively and effectively to the climatic changes affecting the environment. It shall monitor and evaluate ecological developments affecting the region and develop appropriate plans to meet ecological situations. To this end, it may establish linkages with appropriate domestic and international institutions.

SEC. 18. *Non-Formal Education*. - The regional department of education, culture and sports shall institutionalize non-formal education in scope and methodology, to include literacy, numeracy and intensive skills training of the youth and adults.

Scholarship Grants and Assistance

SEC. 19. *Donations to Universities, Colleges and Schools*. - Public or private universities, colleges and schools in the autonomous region may seek and receive local or foreign donations for educational purposes. Donors to public or private universities, colleges and schools may deduct the amount of the donation from their taxable income due to the government.

SEC. 20. *Scholarship Programs*. - The regional government shall provide scholarships to qualified poor but deserving students in all levels of education. To this end, the regional government shall devote, at least, fifteen percent (15%) of its regular budget for education to support scholarships and shall endeavor to augment the funds for scholarships from other sources of revenue, public or private.

The regional government shall administer the scholarship programs of the commission on higher education and the technical education and skills development authority scholarship programs, both local and foreign within the region. The administrative and other details of this transfer of authority to administer the scholarship programs shall be done within six (6) months from the approval of this Act.

SEC. 21. *Financial Assistance for Disadvantaged, Deserving Students*. - The regional government shall provide financial assistance to disadvantaged but deserving students from any funds including those provided by the central government for that purpose.

Funds for Education

SEC. 22. *Release of Education Funds.* - Educational funds for the regional government allocated by the central government in the General Appropriations Act shall be released directly to the treasurer of the regional government.

Physical Education and
Sports Development

SEC. 23. *Physical Education and Sports Development.* - The Regional Educational Subsystem shall develop and maintain an integrated and comprehensive physical education program. It shall develop healthy, disciplined, creative, innovative, productive individuals, and promote the spirit of sportsmanship, cooperation, teamwork, goodwill and understanding.

SEC. 24. *Sports Programs.* - The Regional Educational Subsystem shall encourage and support sports programs, league competitions, indigenous games, martial arts and amateur sports, including training for regional, national and international competitions.

Cultural Heritage

SEC. 25. *Cultural Heritage.* - The cultural heritage of the people of the autonomous region shall be an integral component of regional development.

SEC. 26. *Protection and Promotion of Culture.* - The regional government shall recognize, respect, protect, preserve, revive, develop, promote and enhance the culture, customs, traditions, beliefs and practices of the people of the autonomous region. It shall encourage and undertake the recovery, collection, collation and restoration or historical and cultural properties for prosperity.

SEC. 27. *Bureau of Cultural Heritage.* - The regional assembly may, by law, create a bureau on cultural heritage. The bureau shall plan, initiate, implement and monitor cultural programs, projects and activities that preserve and enhance the positive elements of the indigenous culture of the inhabitants of the autonomous region. It shall coordinate with other concerned agencies engaged in similar and related activities.

ARTICLE XVI

Social Justice, Services, Institutions and Other Concerns

SEC. 1. *Promotion of Social Justice.* - The promotion of social justice shall include the commitment to create social, political and economic opportunities based on freedom of initiative, resourcefulness and self-reliance.

SEC. 2. (a) *Social Services.* - The regional assembly shall, consistent with the provisions of the Constitution and existing national laws, enact measures to provide and promote social services.

(b) *Food and Drug Regulation.* - The regional assembly shall, by law, establish and maintain an effective food and drug regulatory system. The rational use of drugs through an essential drugs list and the use of generic medicines or drugs, as well as the use of herbal medicines and indigenous health resources, whenever appropriate, shall be encouraged and promoted.

(c) *Other Legislation.* - The regional assembly shall also enact legislation on the following:

(1) Child health and development, including the support of the physically challenged and other disadvantaged persons in need of welfare services;

(2) Protection and development of the rights of women and of indigenous population;

(3) Registration of births, marriages and deaths; and

(4) Fixing of regional public holidays.

SEC. 3. *Housing Program.* - The regional government, in cooperation with the private sector, shall evolve its own housing program that will provide adequate, low-cost, and decent housing facilities, and other basic services to the residents of the region, especially the underprivileged.

SEC. 4. The regional assembly shall, within one (1) year from its organization, enact measures embodying re-integration programs responsive to the needs of former rebels who return to the fold of the law. A rehabilitation program shall be provided for displaced persons or communities that are victims of man-made or natural calamities.

SEC. 5. *Family as Nation's Foundation.* - The regional government recognizes the Filipino family as the foundation of the nation. It shall strengthen its solidarity and actively promote its total development.

SEC. 6. *Women Rights.* - The regional government recognizes the role of women in nation building and regional development. It shall promote their well-being and ensure their fundamental rights and equality with men.

The regional government shall take appropriate measures against all forms of exploitation of and discrimination against women.

It shall ensure the representation of women in appropriate decision and policy-making bodies.

SEC. 7. *Youth.* - The regional government recognizes the vital role of the youth in nation building.

The regional assembly may, by law create the office of the Youth Affairs and define its power, functions and composition.

SEC. 8. *People's Organization.* - The regional government shall protect and promote the rights of people's organizations.

SEC. 9. *Protection of Labor.* - The regional government recognizes labor as a primary social economic force for development. It shall afford full protection to labor, promote full employment, ensure equal work opportunities regardless of sex, race or creed, and regulate the relations between workers and employers.

The regional government shall ensure the right of labor to its just share in the fruits of production, and the right of enterprises to reasonable returns on investments and to expansion and growth.

ARTICLE XVII General Provisions

SEC. 1. The regional assembly is hereby empowered to pass a law adopting an official emblem, seal and hymn. The regional emblem and seal shall be displayed along with the national emblem and seal. The regional hymn shall be sung in after the national anthem in official proceedings at the discretion of the government officials in the autonomous region.

SEC. 2. *Disciplinary Authority Over Officials and Employees.* - The regional government shall have primary disciplinary authority over officials and employees of the regional government. In the exercise of that authority, the regional government shall apply the Civil Service Law, rules and regulations of the central government until the regional assembly shall have enacted a Regional Civil Service Law.

The Regional Civil Service Law shall govern the conduct of the civil servants, the qualifications for non-elective positions and the protection of civil service eligibles in various government positions in the autonomous region.

SEC. 3. *Oath of Office.* - All public officers and employees, as well as members of the Regional Police Force and the military establishment, shall be required to take an oath of allegiance to the Republic of the Philippines, to support and defend the Constitution and this organic act, as amended, renounce the use of violence and commit themselves to democratic means in the pursuit of their ideals and aspirations.

SEC. 4. *Civil Service Eligibility.* - Until the regional assembly shall have enacted a Civil Service Law, the civil service eligibilities required by the central government for appointments to public positions shall likewise be required for appointments to government positions in the regional government. As may be necessary, the Civil Service Commission shall hold special civil service examinations in the autonomous region. For a period not longer more than six (6) years from the approval of this Act, the central government shall endeavor to provide appropriate civil service eligibility to applicants coming from the autonomous region for government positions therein. The minimum qualifications prescribed by law shall, however, be met.

SEC. 5. *Prohibition Against Employment of Military Personnel in Civil Service.* - No member of the Armed Forces in the active service shall, at any time, be appointed or designated in any capacity to a civilian position in the regional government, including government-owned or controlled corporations, or in any of their subsidiaries or instrumentalities within the autonomous region.

SEC. 6. *Promulgation and Translation of Organic Act, as Amended.* - This organic act, as amended, shall be officially promulgated in Filipino,

English and Arabic and translated into the dialects widely spoken in the autonomous region. In case of conflict, the English text shall prevail.

ARTICLE XVIII

Amendments or Provisions

SEC. 1. Consistent with the provisions of the Constitution, this organic act, as amended, may be reamended or revised by the congress of the Philippines upon a vote of two-thirds of the members of the House of Representatives and of the Senate voting separately.

SEC. 2. The regional assembly shall have the power to initiate proposals for amended to or revision of this Organic Act, as amended, by vote of three-fourths (3/4) of all its members or it may call for a Regional Consultative Commission to propose the amendment or revision. In any case, the amendment or revision shall require the approval of the congress of the Philippines by a vote of two-thirds of the members of the House and of the Senate voting separately.

SEC. 3. Any amendment to or revision of this organic act, as amended, shall become effective only when approved by a majority of the vote cast in a plebiscite called for the purpose, which shall be held not earlier than sixty (60) days or later than ninety (90) days after the approval of such amendment or revision.

ARTICLE XIX

Transitory Provisions

SEC. 1. (a) *Sangguniang Pampook Lupon Tagapagpaganap ng Pook* of Regions IX and XII shall be deemed abolished and the members thereof considered as having ceased in office upon the election and qualification of their successors as provided in this Act.

(b) All regular and permanent personnel of the *Sangguniang Pampook* and *Lupong Tagapagpaganap ng Pook* of Regions IX and XII shall continue to hold office unless they are replaced by the regional government within six (6) months from the organization thereof; otherwise, they shall be considered regular and permanent employees of the regional government.

Nothing in this organic act, as amended, however, shall derogate from any right or privilege enjoyed by

any public official or employee under existing laws. Retiring employees shall be given full benefits under existing laws. Those who opt to transfer to another region shall be allowed, subject to the Civil Service laws and regulations.

(c) *Disposition of certain real properties of the autonomous region.* - The land and permanent buildings or structures owned, controlled, administered or in the possession of the regional government of the Muslim autonomous region in Mindanao including those formerly owned, held, administered or controlled by the defunct autonomous governments in Regions IX and XII located in provinces and cities which do not vote favorably for the inclusion of their respective areas in the Muslim autonomous region in Mindanao as provided by this Act, as amended, shall be purchased by the central government at a price agreed by the central government and the regional government within six (6) months from the date of the holding of the plebiscite mandated by this Act.

If no agreement is arrived at within the period mentioned above, the purchase price of the said properties shall be determined by the oversight committee as provided for in section 3 of Article XIX of this Act, within three (3) months from the end of the six month period mentioned above. The executive secretary of the Office of the President shall immediately inform the committee of the failure of the central government and the regional government to agree on the purchase price.

Unless the price determined by the oversight committee is contested by either party within sixty (60) days from the determination thereof by an action filed with the proper court, the sale shall be perfected forthwith and legal title to the said properties shall be registered in the name of the Central government. The central government may, thereafter, dispose of the properties for value in favor of any province, city or municipality interested in them. The proceeds, thereof, shall be remitted forthwith to the regional government to fund the acquisition of suitable sites for and construction of its regional offices.

SEC. 2. *Personnel Absorbed by Regional Government.* - All personnel of the central government and of government-owned or controlled corporations who are absorbed by the regional government shall retain their seniority rights, compensation levels and other benefits.

SEC. 3. *Oversight Committee.* - Within one (1) month from the approval of this Act, as amended, an oversight committee composed of (a) the executive secretary as chairman, (b) the secretary of budget and management, (c) the regional governor of the autonomous region, (d) the speaker of the regional assembly, (e) the chair of the senate committee on local government and (f) one other senator designated by the senate president and (g) the chair of the house committee on local government and (h) one other representative representing a congressional district in the Muslim autonomous region in Mindanao designated by the speaker of the house of representatives, as members, shall be organized for the purpose of supervising the transfer to the autonomous region of such powers and functions vested in it by this Act, and the appropriations of the offices or agencies, including the transfer of properties, assets and liabilities, and such personnel as may be necessary and of identifying the other line agencies and government-owned or controlled corporations that may be absorbed by the regional government and with respect to the latter, also the terms and conditions of their turnover.

Within six (6) months after its organization as ordained by this Act, 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 receiving it. If the President fails to act within said period, the recommendations of the oversight committee shall be deemed approved.

SEC. 4. *Agencies and Offices Transferred to the Autonomous Region.* - Upon the election of the officials of the regional government, as mandated by this Act, the line agencies and offices of the central 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.

Other central government offices and agencies in the autonomous region which are not excluded under paragraph (9), Section 2, Article V of this organic act, as amended, together with their personnel, equipment, properties and budgets, shall be placed under the control and supervision of the regional government pursuant to a schedule prescribed by the oversight

committee mentioned in Section 3, Article XIX of this organic act, as amended. The transfer of these offices and agencies and their personnel, equipment, properties and budgets shall be accomplished within six (6) years from the re-organization of the regional government.

The central government shall continue to provide such levels of expenditures as may be necessary to enable the regional government to carry out the functions devolved under this Act. The annual budgetary support shall, as soon as practicable, terminate for the line agencies or offices devolved to the regional government.

SEC. 5. Notwithstanding the provisions of the preceding section, the Government Service Insurance System, the Social Security System, the *Pagtutulungan-Ikaw, Bangko, Industriya't Gobyerno (Pag-IBIG)* and other funds of similar trust or fiduciary nature shall be exempt from the coverage of this organic act, as amended.

SEC. 6. *Budgetary Law, Rules and Regulations.* - Pending the enactment of a regional budgetary law, the budgeting process of the regional government shall be governed by pertinent rules and regulations prescribed by the department of budget and management.

SEC. 7. *First Regular Elections.* - The first regular elections of the regional governor, regional vice governor and members of the regional assembly under this organic act, as amended, shall be held not earlier than sixty (60) days or later than ninety (90) days after the ratification of this Act, as amended. The commission on elections shall promulgate such rules and regulations as may be necessary for the conduct of said election.

SEC. 8. Within one (1) year from its organization, the regional assembly shall, by law, create a code commission on Muslim and a code commission on tribal laws. Each code commission shall have three (3) members. The code commissions shall codify tribal laws and Islamic laws and jurisprudence within three (3) years from their creation and submit the same laws to the regional assembly for enactment into law.

The chairs and commissioners of the code commission shall be entitled to reasonable per diems for the work.

SEC. 9. *Initial Funds for the Regional Government.* - The sum of Fifteen million pesos (P15,000,000.00), which shall be charged against the Contingent Fund of the President, is hereby appropriated for the initial organizational requirements of the regional government. Any deficiency shall be taken from savings of the central government. An amount not exceeding ten million pesos (P10,000,000.00) thereof shall be allotted to the commission on elections to undertake an information campaign on this organic act, as amended. The commission on elections shall determine the manner of campaigning and the deputization of government agencies for the purpose. The commission on elections shall adopt measures to ensure the dissemination of the said impartial information campaign.

SEC. 10. *Annual Assistance.* - In addition to the regular annual allotment to fund the regular operations of the regional government, such amounts as may be needed to fund the infrastructure projects duly identified, endorsed and approved by the regional planning board as created herein shall be provided by the central government as annual assistance for six (6) years after the approval of this Act, and shall be included in the Annual General Appropriations Act. The annual assistance herein mentioned shall be appropriated and disbursed through the Public Works Act duly enacted by the regional assembly. The national programs and projects in the autonomous region shall continue to be financed by central government funds.

SEC. 11. *Sectoral Representatives.* - The sectoral representatives mentioned in Article VII, Section 3 of this Act, shall be chosen by the sectoral groups concerned at sectoral conventions called for the purpose by the commission on elections. The sectoral conventions shall be held within three (3) months after the date of the holding of the simultaneous plebiscites mandated by this Act, as amended.

The Comelec shall formulate the rules and regulations to ensure equitable sectoral representations in the regional assembly. It shall identify and accredit the sectoral organizations, which shall be entitled to sectoral representation in the regional assembly.

The regional assembly shall enact a law for the election of marginalized and under-represented sectors, following the principle of proportional representation, within its first term following the approval of this Act.

SEC. 12. *Plebiscite and Effectivity of this Act, as Amended.* - This Act, as amended, shall take effect when approved by a majority of the votes cast in the four (4) provinces constituting the present autonomous region in Muslim Mindanao pursuant to Republic Act No. 6734, and in the provinces, cities and municipalities proposed for inclusion in the said autonomous region as mentioned above in the simultaneous plebiscites called for that purpose not earlier than sixty (60) days or later than ninety (90) days after the approval of this Act, as amended.

(a) Separate plebiscites shall be held simultaneously with the plebiscite mentioned in paragraph 2 in the Provinces of Basilan, Cotabato, Davao del Sur, Lanao del Norte, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Zamboanga del Norte, and Zamboanga del Sur, and the cities of Cotabato, Dapitan, Dipolog, General Santos, Iligan, Marawi, Pagadian, Puerto Princesa, Zamboanga, and Kidapawan to determine by majority vote cast in every province, city and municipality whether or not the voters approve the inclusion of their respective provinces, cities or municipalities in the autonomous region. Only provinces and cities voting favorably in such plebiscite shall be included in the autonomous region in Muslim Mindanao. Municipalities that vote for their inclusion in the autonomous region shall likewise become members of the autonomous region provided they qualify for conversion as a separate province or provinces pursuant to the provisions of Republic Act No. 7160, the local government code of 1991, or are merged with the province or provinces nearest to them that are already members of the autonomous region as provided in this act.

If the majority of the votes cast in the said plebiscite in the four (4) provinces favor the amendments to Republic Act 6734, the amendments will be deemed ratified as far as the said provinces are concerned.

SEC. 13. *Plebiscite Information Campaign.* - The Commission on Elections shall conduct an information campaign on the plebiscite in every municipality, city and province where the plebiscite is held. Public conferences, assemblies or meetings on dates before the plebiscite day, itself, shall be held to inform the residents thereof regarding the significance and meaning of the plebiscite and to help them to cast their votes intelligently. Free, full and constructive discussion and exchange of views

on the issues shall be encouraged. For this purpose, the assistance of persons of known probity and knowledge may be enlisted by the Commission on Elections, the regional government, the local government units or interested parties to act as speakers or resources persons.

SEC. 14. *Promulgation of Rules; Appropriations for Simultaneous Plebiscites.* - The Commission on Elections shall within fifteen (15) days from the approval of this Act, as amended, promulgate such rules and regulations as may be necessary to govern the conduct of the plebiscites.

The amount necessary for the conduct of the plebiscites shall be charged against any savings of the appropriations of the commission on elections and any deficiency thereof, shall be augmented from the contingent fund.

SEC. 15. *Zone of Peace & Development.* - The special zone of peace and development in the southern Philippines, the southern Philippines council for peace and development and the consultative assembly created under Executive Order No. 371 dated October 2, 1996, are deemed abolished and shall cease to exist as of the date of the approval of this Act, as amended, in the said plebiscites. If this Act, as amended, is rejected in the said plebiscites, the aforementioned bodies shall continue to exist until abolished by law.

SEC. 16. *Separability Clause.* - The provisions of this Act, as amended, are hereby declared to be separate and in the event one or more of such provisions are held unconstitutional, the validity of other provisions shall not be affected thereby.

SEC. 17. *Repealing Clause.* - All laws, decrees, orders, rules and regulations, and other issuances or parts thereof, which are inconsistent with this Act, are hereby repealed or modified accordingly.

SEC. 18. *Effectivity Clause.* - This Act, as amended, shall take effect after fifteen (15) days following its complete publication in at least two (2) national newspapers of general circulation and one (1) local newspaper of general circulation in the autonomous region.

Approved,

Senator Tatad. Mr. President, to sponsor the measure, I ask that the distinguished chairman of the Committee on Local Government, Sen. Aquilino Q. Pimentel Jr. be recognized, and with the consent of the Chamber that he be allowed to use some audiovisual aids.

The President. Sen. Aquilino Q. Pimentel Jr. is recognized to sponsor the measure and in the absence of any objection, the senator is permitted to use the audiovisual equipment set up in the hall.

SPONSORSHIP SPEECH OF SENATOR PIMENTEL

Senator Pimentel. Thank you very much, Mr. President.

Mr. President, my dear colleagues:

I rise to sponsor certain amendments to Republic Act No. 6734, the Organic Act that created the Autonomous Region in Muslim Mindanao.

I have an 82-page statement to make, Mr. President, and I am not too sure that our colleagues can stand the bombardment of certain ideas that will explode on the floor this afternoon.

But to situate our discussion, Mr. President, it may help if we recall briefly the whys and the wherefores of the organic act before we go into the specifics of the proposed major amendments.

Fleshing Out Constitutional Mandate

Republic Act No. 6734 was enacted to flesh out the mandate set forth in Article X of the Constitution directing Congress to enact an organic act to govern the autonomous region for the Muslims in Mindanao.

It was also meant to respond, if not in letter, at least, in spirit, to the demands of the Moro National Liberation Front (MNLF) as set forth in the so-called Tripoli Agreement which the then government of President Ferdinand E. Marcos and the MNLF led by Nur Misuari had signed in 1976 under the auspices of the Organization of Islamic Conference.

Creating Autonomous Region

Put to a vote in the plebiscite of 1989 in 13 provinces and nine cities, Republic Act No. 6734 was ratified by four provinces, namely, Sulu, Tawi-Tawi, Maguindanao and Lanao del Sur. No city ratified it.

Mr. President, it might be noteworthy to remember that the MNLF opposed the creation of the autonomous region as proposed by the government then of President Aquino. Nonetheless, four overwhelmingly Muslim provinces approved its creation and opted to be its first members.

Thereafter, the creation of the Autonomous Region in Muslim Mindanao with the four provinces as members was formally announced by the Commission on Elections on November 26, 1989.

First Elections

The first elections were held for the officials of the autonomous region in February 1990. Zacaria Candao was elected the first regional governor; Benjamin Loong, the first regional vice governor, and the regional members of the assembly from the various districts in the provinces which composed the autonomous region.

Please note, Mr. President, that regional Governor Candao is from Maguindanao.

The elective officials of the autonomous region had three-year terms of office that started from March 1990 and ended three years afterwards on March 30, 1993.

Second Elections

Thereafter, new elections were called and these were the second elections for the autonomous region which were held on March 2, 1993. Liningding Pangandaman was elected regional governor; and Nabil Tan... Where is Nabil Tan? He is here in some place, Mr. President. That handsome-looking negotiator for the Abu Sayyaf. *[Laughter]* No, his brother, Governor Tan. *[Laughter]* Nabil Tan was elected regional vice governor along with the usual members of the regional legislative assembly coming from the various districts.

Again, I call attention of our colleagues that regional Governor Pangandaman is from Lanao del Sur. So the first is from Maguindanao and the second is from Lanao del Sur.

Regional Elections, Postponed; Incumbents' Holdover

The terms of office of the regional governor and the other elective officials of the autonomous region were also for three years and they began on March 31, 1993 but before the end of their terms on March 31, 1996, the regional elections were reset to September 30, 1996. Therefore, Mr. President, their terms were extended by six months. During the period of extension, the incumbents held over as regional governor,

regional vice governor and members of the regional legislative assembly.

Third Elections

Then the third elections were called, and the autonomous region elected Nur Misuari as regional governor; Datu Guinid Matalam as regional vice governor, along with the regular members of the regional legislative assembly coming from various districts.

Again, may I point out to our colleagues that regional Governor Misuari is from Sulu.

It will thus be noticed, Mr. President, that a sort of a tradition was being established by the fact that the regional governors were elected from the three major ethnic areas among the Muslims. The first was a Maguindanaoan in the person of Zacaria Candao; the second was Liningding Pangandaman, a Maranaw, and the third is Nur Misuari who is a Tausug from Sulu.

The three-year term of Regional Governor Misuari and the term of the other elective officials of the autonomous region started from September 30, 1996. But before the end of their term on September 30, 1999, the regional elections were postponed to September 11 of this year. Their terms were, thus, extended by one year.

I wish to emphasize that point because we hear the complaint that the regional officials are not being given enough time to pursue their mandate, Mr. President. But we see here that in the case of Regional Governor Misuari and the other officials of the autonomous region, they were first extended by one year from September 30, 1999 when the elections were postponed to September 11, 2000.

Mr. President, among the reasons for the postponement of the regional elections was the perceived need to have the ongoing peace negotiations of our government with the Moro Islamic Liberation Front, headed by Salamat Hashim concluded so that the government could provide a comprehensive settlement of the grievances of the Muslims, not only of the MNLF partisans but also of the MILF rebels.

During the period of extension, the incumbents were allowed to hold over as regional governor, vice regional governor and members of the regional legislative assembly.

But as the September 11, 2000 regional elections approached, it had become clear that the elections could not be held as scheduled because of the shooting war that continues to this very day. I understand that a bomb exploded this

afternoon in Zamboanga, Mr. President, hitting a passenger vessel *Mary Joy* as it landed in Zamboanga. Verified reports indicate that one passenger died and 15 were wounded. We do not know yet the exact situation of the wounded victims.

What I am trying to say, Mr. President, is that the shooting war that erupted in late March 2000 between our government and the Moro Islamic Liberation Front in Maguindanao and parts of Lanao del Norte and Lanao del Sur is still ongoing, thereby making the holding of the elections as scheduled impractical. The government-MILF peace talks had collapsed and there was no way by which peaceful and orderly regional elections could be held in the major areas of the autonomous region. Complicating the problem were the abductions made by or attributed to the Abu Sayyaf in Basilan and in Sulu that took place respectively on March 20 and April 23, 2000 of this year. Moreover, the Commission on Elections itself admitted that it was ill-prepared to handle the elections as scheduled because it needed more time to cleanse the list of voters in the autonomous region.

Regional Elections Postponed Again

On the basis of these circumstances, Congress postponed and reset the regional elections to coincide with the local elections on the second Monday of May 2001 or specifically on May 14, 2001. Unlike the laws that had postponed the elections previously, the law that deferred the regional elections this time did not expressly confer on the incumbent regional officials the right of holdover in their respective positions. What the law did was to grant the President the power to reappoint the incumbents or to appoint new ones.

For the record, the chairman of the committee voted against the bill that reset the regional elections because it did not make clear that the incumbents had the right to hold over. This representation was of the opinion that that nebulous provision would complicate things in the autonomous region. Happily, the committee understands that the most recent statement emanating from Malacafiang is that the incumbents will stay in office until the elections are held on the second Monday of May 2001.

It is, thus, difficult to buy the line that the regional officials are not being given time to manage the affairs of the autonomous region. In fact, the present officials of the region are now in their second extension, the longest ever given to the regional officials.

Funds Released to Regional Government

Incidentally, it may also be pertinent at this point to place

on record that the central government had released to the autonomous region the following amounts:

a. P25,871,158,000.00 with NCA, or as they call it in budgetary parlance, Mr. President, Notice of Cash Allocation, broken down as follows:

- | | |
|--------------------------------|--------------------|
| 1) Regular Release | P25,027,824,000.00 |
| 2) Additional Programming | 102,294,000.00 |
| 3) 60% share; Retention of BIR | 741,040,000.00 |

b. P21,070,869,000.00 as Internal Revenue Allotment under Section 284 of Republic Act No. 7160 which is the share of the Local Government Units of the ARMM.

The total amount would, therefore, run up to P46,942,027,000.00. But, in fairness, Mr. President, I think we should not include the allocation given to the provinces, cities and municipalities and barangays within the ARMM because that is a normal allocation for all provinces, cities, municipalities and barangays, just like the rest of the country.

So what Mr. Misuari, for example, should be called to account for should only be the amount that was released to the ARMM and this is how it looks, Mr. President:

During the administration of Mr. Candao—covering the period from July 1990 to June 1993—some P4 billion was released to the ARMM; during the Pangandaman administration—from July 1993 to September 1996—P13.1 billion was released to the ARMM; and then, during the administration of Mr. Misuari—from September 1996 to the present—P29.7 billion was released.

Bureaucratic Delays

Having made that of record, the chairman feels that it should be made of record that the amounts budgeted for the regional government were not always the same amounts that were actually released to it. Under the convoluted procedures followed by the DBM, allotments are sometimes released on paper—*ang tawag diyan ay SARO* or Special Allotment Release Order—but it cannot actually be made use of by the recipient until the same releases are covered by the so-called NCAs or notice of cash allotments. Moreover, sometimes, bureaucratic delays also plagued the releases.

What have the different autonomous region administrations to show for the money that has been poured into their coffers?

Not Much of a Boon

It is a matter of public knowledge, Mr. President, that the autonomous regional setup has not proven itself as a boon to the people of the region. Much of the funds allocated to it has not been used for infrastructure development but for personnel expenditures. That, anyway, is the explanation of Regional Governor Misuari when he appeared before the House committee to defend the budget of the autonomous region and when he appeared before the Senate Committee on Economic Affairs.

Nonetheless, the committee suggests that as a Senate, we cannot and must not give up on the regional government experiment. For one thing, it is a commitment of the government to the Moro National Liberation Front that is contained in at least two agreements it had signed. The first is known as the Tripoli Agreement and the second is called the Jakarta Agreement that was entered into in the administration of Pres. Fidel V. Ramos. This was in 1996.

For another thing, the creation of the regional government is, as pointed out earlier, a constitutional obligation that we as legislators are bound to respect. The thing to do for our government is to try our best to make it work. The resetting of the regional elections to the second Monday of May 2001 is a part of our attempt to make the regional government work.

Expanding Autonomous Area

Before the regional elections are held in the second Monday of May 2001, however, it is necessary that the area of the autonomous region will have to be redefined. The reason is that, as previously mentioned, the administration of former Pres. Fidel V. Ramos and the Moro National Liberation Front had signed a peace agreement on September 2, 1996 that called for, among other things, the expansion of the area of the autonomy, and as will be explained later, the broadening of the powers of the autonomous region.

The area of the expansion of the autonomy covers 10 provinces and 10 cities which we shall detail momentarily.

The peace agreement requires that the expansion of the area of the autonomy be done according to the processes set out by our Constitution. The expanded area of the autonomy thus needs to be subjected to a plebiscite to determine the will of the voters therein.

We have to emphasize this in the light of some critical comments that we sometimes hear from certain officials of the

autonomous region and sometimes even from Governor Misuari who blurts out statements that there is no need anymore for a plebiscite. But we cannot avoid that because that is required by our own constitutional processes. The results of the plebiscite will determine the expanded area of the autonomy and the kind of powers that are to be exercised by the autonomous government.

Simultaneous Plebiscites

It is for that reason that the committee proposes the holding of simultaneous plebiscites to determine the will not only of the people in the existing four-member provinces of the Autonomous Region in Muslim Mindanao but also in the 10 provinces and 10 cities that are proposed for inclusion in the expanded area of the autonomy.

Questions for Voters of the Four-Member Provinces

The committee proposes that the plebiscite question to be asked of the voters in the four provinces that comprise the present autonomous region in Mindanao, namely, Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi, be worded differently from the question to be asked of the voters in the proposed expanded area of the autonomy.

Specifically, the committee proposes that the question to be asked of the voters in the present autonomous region in the plebiscite that will be held be worded as follows: "Do you agree that Republic Act No. 6734, the Act Creating the Autonomous Region in Muslim Mindanao be amended as proposed in this republic act?"

We assume that this bill that we are proposing will eventually become a republic act, and that is the reason we have not yet put the number of the republic act because that is still forthcoming.

The voters in the four provinces comprising the present Autonomous Region in Muslim Mindanao will be asked to answer "yes" or "no" to the question.

Meaning of "Yes" or "No" Vote in Present Members of Autonomous region

If a majority of the voters of the present four member-provinces of the ARMM vote in favor of the amendment of Republic Act No. 6734, as proposed, it would mean that as far as the four provinces are concerned, the proposed amendments increasing the area of the autonomy and the powers of the autonomous government are adopted.

Should the majority of the voters of the present member-provinces of the autonomous region vote against the amendments, it would mean that the proposed amendments increasing the powers of the autonomous region are rejected. The rejection would also mean that the autonomous region, therefore, will continue to be governed by the original provisions of the Organic Act, without any of the proposed amendments. The rejection—and I would like our colleagues to take note of this—would not, however, mean the dissolution of the autonomous region. Neither would the rejection prevent the accession as new members of the autonomous region of the provinces, cities and municipalities, the majority of whose voters vote for their inclusion in the expanded area of the autonomy.

Question for Voters in Proposed Expanded Autonomous Area

As for the voters in the proposed expanded area of the autonomy, meaning the voters in the 10 provinces and the 10 cities mentioned in the Jakarta Agreement, as well as in the municipalities in the provinces, our committee recommends that the question to be asked of them in the plebiscite be as follows:

Do you favor the inclusion of your province, city or municipality in the expanded area of the autonomy as proposed in Republic Act No. ___, the act amending Republic Act No. 6734?

The voters in the provinces, cities and municipalities in the proposed expanded area of the autonomy will be asked to answer "yes" or "no" to the question.

Meaning of "Yes" or "No" Vote in Expanded Autonomous Area

If by majority vote, any province, city or municipality should answer "yes" to the question, the province, city or municipality would then be included as new members of the autonomous region. If they should vote "no," then they would not be so included.

Although the option to say "no" is being afforded to the areas targeted for the expansion of the autonomous region, many provinces and cities, particularly Zamboanga province and city—Zamboanga City headed by Caling Lobregat; they would rather die than be included in the autonomous region—have expressed through their leaders their annoyance at having to express anew their rejection of the idea of being included in the autonomous region because they said, "We have rejected that twice already. So why do we have to reject that a third time?"

But there is no way that the proposed expansion of the autonomous region can be done without asking the voters in the area affected to give or withhold their consent through a plebiscite. Moreover, the Jakarta Agreement is an entirely new ball game, the acceptance of which has to be tested by the will of the people in a plebiscite.

Municipalities Also May Vote for Inclusion

I would like to ask our colleagues to kindly pay particular attention to this point that, this time, municipalities where Muslims predominate may opt to be included in the proposed expanded area of the autonomy even if the provinces to which they belong decide otherwise.

Unlike in the previous plebiscites where only provinces and cities were allowed to opt for inclusion or opt out of the autonomous region, this time, municipalities are given that option also. The reason for that is, it is one of the conditions that is found in the Jakarta Agreement that municipalities, where Muslims predominate and are contiguous to one another, should be allowed a chance to belong to the autonomous region.

Municipalities May Be Merged as One Province or Attached Individually to Provinces

Now, Mr. President, should the majority of the voters decide that their municipality—we are now talking of municipalities only—join the autonomous region, the municipality becomes a member of the expanded autonomous region. For the sake of expediency and practicality, the committee proposes that a municipality whose voters choose to be included in the expanded autonomous region will be grouped with other municipalities whose voters also opt to belong to the autonomous region to form a new province if they qualify under the provisions of Republic Act No. 7160, the Local Government Code of 1991. It is for the sake of expediency that we are advocating this kind of a process so that instead of just a municipality by itself adhering to the autonomous region, if we can group certain municipalities together that are joining the autonomous region for the first time as a new province, then, administratively, it will be easier to manage.

However, when they group together, we require that the municipalities concerned should qualify under the provisions of the Local Government Code. That means, in terms of population they should have the requisite number. In terms of financial income as well as territory or land area, they should qualify under the terms of the Local Government Code.

If the municipalities concerned do not meet the requirements of the Code, the committee proposes that the municipalities be attached to the provinces nearest to them which are

already or have chosen to become members of the autonomous region.

As Senator Sotto whispers about the issue of contiguity, that is correct, but we have to consider the fact that it is possible that a municipality in Basilan—remember, Mr. President, Basilan is not a member of the ARMM—could conceivably vote to be included in the ARMM. So for administrative purposes, my suggestion would be to attach that municipality—assuming that *iyon lang, isang munisipyo lang* from Basilan, would want to become a member of the autonomous region—to maybe Sulu or whatever, *kung anong pinakamalapit na probinsiya* which already belongs to the ARMM.

No Similar Rights for the Barangay

Mr. President, the committee does not endorse the idea of allowing the individual barangay in the proposed area of autonomy to opt for inclusion therein. It would probably result in an administrative nightmare if the individual barangay is given the right to become a member of the autonomous region even if its municipality opts out of it.

Reasons for Different Questions

Now, why is there a necessity to pose two different questions in the plebiscite, one for the voters in the present autonomous region and the other for the voters in the proposed expanded autonomous region?

The committee submits that the two different plebiscitary questions may be justified on prudent policy considerations.

The plebiscite question to be asked of the voters of the four province-members of the autonomous region is designed to prevent the possible breakup of the autonomous region. If the voters of the region vote themselves out of the autonomous region, our government, Mr. President, will be compelled to restart the process of creating another autonomous region because its creation is mandated by the Constitution itself. We will then have to begin again from square one. The process will become more complicated, more tedious, and certainly more expensive.

In the judgment of the committee therefore, Mr. President, if one weighs the pros and the cons of the committee proposal in this regard, one can easily see that the advantages outweigh the disadvantages. Hence, as a judgment call, the committee would rather outrightly prevent than sanction the possible breakup of the autonomous region.

Timetable

Let us talk about the timetable, Mr. President, because we are actually racing against time.

Between the regional elections that are set for the second Monday of May 2001 and today as we speak, Congress has some seven months to approve the amendments being proposed by the committee and submit them for approval by the people in the plebiscites mentioned earlier. The committee suggests that if Congress can act fast enough, we can enact the proposed amendments on or before the end of November of this year. Incidentally, the House has already passed its own version so it will only be a matter of threshing out the differences in a Bicameral Conference Committee. Then after we shall have acted on the proposed amendments, we can set the plebiscites for early February of 2001 and have the regional elections as scheduled in the second Monday of May 2001.

So much for the procedural aspects of the amendments, Mr. President. Let us now discuss the substantive amendments.

Substantive Amendments

1) The Title

The committee proposes that the name of the autonomous region be changed from "Autonomous Region in Muslim Mindanao" to THE MUSLIM AUTONOMOUS REGION IN MINDANAO.

Let me repeat that: From the present "Autonomous Region in Muslim Mindanao" whose acronym is "ARMM" and bespeaks of war and terrorism or whatever, it is now proposed that the name be changed to THE MUSLIM AUTONOMOUS REGION IN MINDANAO and the acronym will be MARM. And MARM, Mr. President, is a schoolteacher who brings peace and education to our people there.

The change immediately clarifies that there is a Muslim Autonomous Region in Mindanao but not all of Mindanao is Muslim.

Self-styled critics pan the proposal by citing Shakespeare: What is in a name? A rose by any other name would smell just as sweet.

The truth is that names do make a difference especially if the name attached to a region reflects the truth about it. That is what the proposed amendment in the name of the autonomous region is all about.

2) *The Preamble*

As to the Preamble, Mr. President, the Preamble is being modified by the introduction of new words or phrases just to clarify or underscore its intent.

3) *ARTICLE II - The Autonomous Region;
Area and Seat of Government*

The expansion of the autonomous region will cover, as I said earlier, 10 additional provinces and 10 cities. The provinces proposed for inclusion are Basilan, Cotabato, Davao del Sur, Lanao del Norte, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Zamboanga del Norte, and Zamboanga del Sur.

The 10 additional cities proposed for inclusion are Cotabato, Dapitan, Dipolog, General Santos, Iligan, Kidapawan, Marawi, Pagadian, Puerto Princesa, and Zamboanga.

Please note, Mr. President, that Marawi is included in the enumeration because contrary to the impression of people, Marawi has never opted to be included in the original Autonomous Region in Muslim Mindanao. So this time around, we are giving them a chance if they should want to be included in the MARM, that they should probably opt to be included in it.

As for the municipalities, Mr. President, that may be included in the autonomous region, certain circumstances must concur:

- (i) The municipalities should, as much as possible be "contiguous," meaning, that the municipalities should adjoin one another. The adjective "contiguous" is found in the Jakarta Agreement and the committee, therefore, adopted it.

The committee, however, is aware of the possibility that only one municipality in a province or a number of municipalities in different provinces may vote to join the autonomous region, in which case, the committee recommends that the municipality or the municipalities concerned, although not "contiguous" to one another, be nevertheless allowed to belong to the autonomous region if they so desire, subject to the conditions that we have already indicated.

- (ii) Muslims must constitute the majority of the population as determined by the last census immediately preceding the plebiscite. I understand this is also found in the Jakarta Agreement.

- (iii) Of course, the majority votes in the plebiscite must favor the inclusion of the municipalities in the autonomous region.

- (iv) As I tried to indicate earlier, the municipalities may then be organized as a new province provided they meet the requirements of RA No. 7160, the Local Government Code of 1991. But even if the municipalities concerned may not qualify as a new province under the provisions of the Local Government Code, the committee suggests that, collectively or individually, the municipalities may be merged with any of the four provinces that comprise the original members of the autonomous region nearest to them, or attached to any province or provinces that have opted to become a member or members of the autonomous region in the plebiscite that will be held for that purpose.

Mr. President, the word "nearest" describing the province or provinces to which a municipality is or municipalities are to be attached means closest in terms of distance via existing air, sea or land routes, and not necessarily in the sense of being nearest "straight as the crow flies."

Mr. President, please note that the requirement of Section 10 of RA No. 7160 that the area or areas directly affected by the alteration of boundaries of local government units must be approved in a plebiscite called for this purpose has been dispensed with in the House version of this bill and is concurred in by the committee's proposal to facilitate the implementation of the decision of the contiguous municipalities to become members of the autonomous region.

In any event, the approval of the proposed amendments has to be done through the plebiscites mentioned earlier that may cover the purpose of the plebiscite being dispensed with.

*Merger of Municipalities into or
Their Attachment to New Province*

Mr. President, the merger of the municipalities that creates a new province or their consolidation with the province or provinces nearest to them will become effective within six months after the holding of the plebiscite. We are providing a waiting period because there are many adjustments to be made—administrative, financial, and other adjustments—between the central government and the creation of this new province or the new municipalities being attached to old provinces within the autonomous region. Therefore, the waiting time of about six months should be just about enough to overcome administrative and other difficulties.

Mr. President, just for the record, we are also proposing

that the territory comprising the autonomous region as expanded will be recognized as a Special Zone of Peace and Development in Southern Philippines as stipulated in the so-called Jakarta Agreement entered into by the government and the Moro National Liberation Front in 1996.

Sec. 3. Seat of Autonomous Government

The seat of government will be decided by the Regional Assembly. But until the decision is made, the seat of the regional government shall be in Cotabato City.

The funding of the transfer of the seat of the regional government according to the House version is to be provided by the central government.

4. Article III-Guiding Principles and Policies

Now, let us go to a discussion of some of the guiding principles, Mr. President.

Sec. 1. Integral Part of the Republic

The Muslim Autonomous Region in Mindanao shall remain an integral and inseparable part of the national territory of the Republic. There are adverse comments alleging that the affirmation that the autonomous region is "an integral and inseparable part of the national territory" betrays a sign of unnecessary suspicion that the people of the autonomous region may actually entertain plans to separate from the Republic.

The committee replies, Mr. President, that the explicit statement of that policy will precisely allay fears that the creation of the autonomous region is a step towards its secession or independence. In other words, the very Act creating the Muslim Autonomous Region in Mindanao makes it abundantly clear that the region cannot use its being autonomous as an argument that it may now therefore secede or separate from the country.

Sec. 2. Peaceful Settlement of Conflicts

We are also providing a statement of policy that conflicts will be settled by peaceful means and that a renunciation of the use of lawless violence as an instrument of redress mandated by the Constitution will bind the regional government as well.

Sec. 3. Devolution of Powers

As to devolution of powers, Mr. President, the regional

government is being authorized to enact its own local government code; but in the process, we are withholding the right of the regional government to diminish and reduce the powers and the shares of the local government units within the MARM to the internal revenue share of the taxes of the nation. They should not be allowed to reduce that because otherwise it will be an incentive to the various municipalities, provinces, cities and even the barangays to vote against the regional expansion or to the amendments that are being proposed here.

Sec. 5. Customs, Traditions, Religious Freedom Guaranteed

Mr. President, as for customs, traditions, religious freedoms, we would like to emphasize that these are guaranteed to the effect that the beliefs, customs and traditions of the people in the autonomous region and the free exercise of their religions as Muslims, Christians, Jews, Buddhists or any other religious denomination in said region are hereby recognized, protected, and guaranteed.

Now, to ensure that the customs, traditions and religious freedom of people are guaranteed, Mr. President, the committee would like to suggest that certain powers, certain benefits that accrue to the MARM should be withheld until after it is shown that measures precisely to guarantee different beliefs, customs, traditions and religion of people be already enacted by the region itself.

So this is a proposal to sort of ensure that these guarantees are not just taken for granted by the MARM, Mr. President.

Discrimination Prohibited

Also, it is prohibited in the autonomous region that any person should be subjected to any form of discrimination on account of creed, religion, ethnic origin, parentage or sex.

The Committee believes, Mr. President, that these proposed amendments just mentioned are perhaps the most contentious of all, if we are to take the point of view of the Christian and other religious minorities in the area of the autonomy. Christian settlers and other minority groups have been subjected to harassment by extremist elements. I would like to underscore that adjective—"extremist" which defines elements in parts of the autonomous region through the years. Catholic priests like Fr. Roel Gallardo and a prelate, Bishop Ben de Jesus of Sulu, and protestant missionaries as well have been abducted and killed. To be fair, some Muslims believe that non-Muslim Filipinos have brought their misfortunes upon themselves by "usurping" their homeland. It is, thus, a reality that must be confronted and not just swept under the

rug of tactful or diplomatic language. And the onus of doing what is right and just under the circumstances must be placed upon those who presume to run a democratic government in the autonomous region with the active assistance and dynamic prodding of the central government.

For starters; therefore, it may be proper to require the autonomous government to guarantee the rights of all religions and the practitioners of those religions in the autonomous region.

Sec. 6. Filipino and Islamic Values in Educational Policies

As for educational policies, the regional government is required to adopt Filipino and Islamic values and ideals. If any senator believes that the values of the Lumads should also be specifically mentioned, our committee will have no objection to that.

Ultimately, Mr. President, our committee submits that promoting education among the people of the autonomous region combined with efforts to improve their economic well-being will make the difference between having a people with a fetish for the rule of the gun and a people imbued with a desire to develop their own lives as free citizens of a democratic state.

The principle that eventually education will liberate the people of the autonomous region from the shackles of poverty and violence may, however, be easier said than done. For the status of education in the autonomous region, despite the efforts of Sen. Tessie Oreta, Mr. President, is abysmal. The status of education, not Sen. Tessie Aquino-Oreta. Senator Aquino-Oreta is still pretty, as usual.

Note, for example, that while the classroom requirement in the region for the school year 1998-1999 was 10,484 classrooms, only some 8,898 classrooms had been provided. There was a backlog of some 1,586 classrooms.

As for the teacher-pupil ratio, our committee confesses that it was not able to secure that data. But it is safe to state that in the existing classrooms of the schools of the autonomous region, overcrowding by pupils and students is a common occurrence.

As for the desks, our committee has gathered data that for the school year 1998-1999, at the elementary level, the requirement ran to some 204,694 desks but only some 85,000 desks had been provided. There was, therefore, a backlog of some 119,194 desks. I would like to ask Senator Aquino-Oreta to inform us later on where the desks went.

At the secondary level, Mr. President, some 55,497 students were enrolled but only 35,615 armchairs had been provided. Thus, there was a backlog of some 16,882 armchairs.

I hope that the money was not used to buy luxury cars, Mr. President.

Sec. 8. Regional Government Authority over Natural Resources

Mr. President, as for the authority of the regional government over the natural resources, we are now shifting the control and development of natural resources to the regional government. But even within the regional government, the Muslims and other indigenous cultural communities shall have the priority rights. This is very important. This is the bone of contention as far as the Muslim population and the Lumads are concerned, that their priority rights to explore, develop, and utilize the said resources in the areas designated as parts of their respective ancestral domains must be recognized. And we are recognizing that in this proposal.

Sec. 10. Protection of Women and Children

Also, as a policy, the regional government shall uphold and protect the fundamental rights of women and children. Our committee's impression is that gender equality is a new notion in certain Muslim communities.

The King of Morocco, King Mohammed VI, has, in fact, recently come out with the pronouncement on the need to give women equal status in Islamic societies. *Bago ito*, Mr. President, only last March. The King of Morocco, King Mohammed VI, issued a statement which is quoted in this paper:

"Reality shows that in most Islamic societies, women do not enjoy the rights granted to them by the Shari'ah," the King said in a message read out in his behalf by the *charge d' mission* at the Royal Office before an international congress of Muslim Women and Science held in Fez, Central Morocco.

Islam grants women a distinguished rank and makes them equal to men, he said, adding that Islam also opens the door wide for women to seek scientific knowledge without restriction whatsoever.

King Mohammed VI deplored that circumstances did not help women assume social and scientific roles as required by the cohesion of society. "It is time for us, while we aspire to found modernity and renewal on solid bases, to correct this situation with the necessary wisdom," he said.

In fairness, Mr. President, I would like to point out that in the autonomous region today, we have women regional legislative assembly members, Faiza Dumarpa of Lanao del Sur and Ruby Shahali of Tawi-Tawi. These are lady Muslim members of the regional assembly. Therefore, despite some problems connected with giving them gender equality with the men, I think, slowly the autonomous region in Mindanao is beginning to realize that women can be a force not only for development but also for peace.

Sec. 12. Progressive Tax System

Mr. President, we are also providing that regional assembly shall adopt a progressive system of taxation. And in this connection, it has to be said that taxation is one function of government where the autonomous region, probably because of the extreme poverty situation obtaining there, is discharging miserably. *Mahirap ang koleksiyon doon.* Our committee submits that the autonomous regional government needs to be prodded vigorously to raise its own revenues in a just and reasonable manner.

Sec. 16. Human Rights Commission

Mr. President, among the innovations that our proposal is introducing is that a Human Rights Commission for the region shall be created. It is vital for this commission to be established particularly for the autonomous region to allay fears that human rights victims there may not have easy access to a government body for redress of their grievances.

As chairman, I would like to point out that the Irish Republican Army peace agreement with the Ulster protestants made the creation of a human rights commission a focal issue.

6. Article V - Powers of Government

Mr. President, on the Powers of Government, let me just say that the regional assembly shall have plenary powers except for the following matters. So in Section 3, under Article 5, *Powers of the Government*, what is enumerated here are the powers that are excepted from the powers of the regional government, which means, therefore, that the regional government cannot have anything to do with foreign affairs, national defense and security, postal service, coinage and fiscal and monetary policies, administration of justice.

Let me pause here briefly that as far as the administration of justice is concerned, while generally the administration of justice is a matter that is left to the central government, the regional government can have legislation on matters covered by Shari'ah. And let me add immediately that even as we are

saying that the regional assembly can pass legislation on the Shari'ah, the Shari'ah shall apply only to Muslims. I think it is very important to emphasize that. Because the fear of the non-Muslims is that Muslim law shall be applied to them even if they are not Muslims.

So we are making it very certain in this provision that Shari'ah shall apply only to Muslims, and that its application shall be limited by pertinent constitutional provisions particularly by the prohibition against cruel and unusual punishment. So that the practice of cutting off the hand of the thief or the cutting off of something of the rapist will not be allowed under the situation. Because that would come under the prohibition against cruel and unusual punishment, and also by the pertinent national legislation that promotes human rights and the universally accepted legal principles and precepts. We will discuss this more in detail later.

Then, the regional government may not pass legislation covering quarantine, customs and tariff, citizenship, naturalization, immigration and deportation, general auditing, national elections, maritime, land and air transportation, except those that are domestic land and air transportation plying routes in the provinces, cities or municipalities within the region, and communication facilities. Also, the regional assembly shall not have any right to pass legislation covering patents, trademarks and copyrights.

Mr. President, the enumeration is not exclusive. In other words, the committee will be guided by additional matters that the collective wisdom of this Chamber might suggest.

7. Article VI - Intergovernmental Relations

Sec. 1. General Supervision of the President over the Regional Governor

Now, as to the general supervision of the President over the regional governor, the power of supervision of the President over the regional governor is recognized. But as far as the other governors are concerned within the region, he will have to exercise that power through the regional governor; over the mayors through the regular provincial governors; and over the punong barangay through the city or municipal mayor.

I think what is important in this regard is that the President is also given the power to suspend, reduce or cancel the financial blocks or grants-in-aid, funds for infrastructure and other forms of assistance for the autonomous region: (1) If the regional government fails to account for the funds and financial assistance released to it by the central government within one month from the end of every quarter in which the funds

and financial assistance had been released, or (2) when the measures for the protection and enhancement of the civil, human, political or religious rights of the *Lumads*, Christians and other minorities in the autonomous region ordained by the Constitution and this Act are not respected or are violated or are not implemented within one (1) year from its enactment.

Mr. President, the President is also given the power to suspend the regional governor preventively for a period not exceeding six (6) months for willful violation of the Constitution, this Act or any existing law that applies to the region.

Sec. 2. Cabinet Membership

The central government shall appoint one qualified inhabitant of the autonomous region as a member of the cabinet, as recommended by the regional governor in consultation with the regional assembly.

Sec. 3. Shari'ah and Tribal Courts; Coordination with Central Government

Mr. President, we go into the most important part, I think, of this whole exercise, and that is the creation of Shari'ah and tribal courts.

Mr. President, in the matter of the Shari'ah and the tribal courts, I think the first thing that we should remember is that the Shari'ah, which is an Islamic legal system, is applicable only to the Muslims. We have to repeat that time and again to make sure that that is clearly understood. And that the judges of the Shari'ah courts shall have the same qualifications as the judges of the regional trial courts, the metropolitan trial courts or the municipal trial courts, as the case may be. In addition, they must be learned in Islamic law.

Mr. President, it may interest the Chamber to know that in the province of Sulu, there is not a single regional trial court judge sitting in the province, or a single municipal trial court judge in any of the 18 municipalities of that province. Therefore, aggrieved parties do not and cannot go to court to seek redress for their grievances because there is no court.

In the absence of a working judicial system, Mr. President, people litigate their conflicts by means of guns. Grievances are thus settled not by civilized proceedings in law but by armed combat. No wonder violent incidents that claimed the lives of people there occurred daily.

Our committee therefore suggests that some kind of a legal system which the predominantly Muslim population in Sulu could identify with be instituted there and that is the Shari'ah legal system.

To this end, our committee submits that the Chamber may well consider the possibility of investing the courts of Shari'ah judges sitting in Sulu who are lawyers with jurisdiction over criminal cases cognizable by the regional trial courts elsewhere in the country.

It just might help to restore the confidence of the people of the government which seems to have abandoned them to vicious elements in the matter of settling their conflict.

So, let me repeat that suggestion that Shari'ah judges, for example, who, to begin with, are supposed to possess the qualifications required of regional trial court judges, should be invested with powers to assume jurisdiction over criminal cases also, not merely over personal, property or probably inheritance cases, as is the practice today.

This proposal is designed to address a particular problem that is now obtaining in Sulu, as we have tried to point out the fact, for example, that there is not a single court that is operating and working in Sulu, not in Jolo, the capital town, not in any of the 18 municipalities in Sulu today.

These are lengthy provisions in the Shari'ah as we will find enumerated in our proposed amendments, because the Shari'ah may well be the core demand of the Bangsamoro. It looks like without the Shari'ah, the Muslims of Mindanao feel that they are being absorbed into the mainstream of the country's society and would thus, sooner or later, lose their identity.

The committee gathers, Mr. President, that the Shari'ah courts are trial courts that apply Islamic principles to controversies involving Muslims who are brought before them. And therefore, if a case should arise between Muslim and Muslim, that should normally be cognizable by the Shari'ah court. But if a controversy arises between a Muslim and a non-Muslim, a Muslim and a Christian, then it will be the national law that will prevail in that particular controversy. Also, a controversy between a *Lumad* and a Muslim should also be handled by the regular courts of the Republic not by the Shari'ah court.

There are proposals here in the amendments that will make the Shari'ah legal system a little more sophisticated in the sense that it will have its own Shari'ah appellate court, Mr. President. And also, there are proposals here that the Muslim Shari'ah representation should also be found even in the Judicial and Bar Council, as well as in the court administratorship system.

Now, I will rush through some of these portions, many of these parts because I will just submit them for purposes of the record.

But let me just point out that the regional police will be instituted in the autonomous region and the regional police shall be composed of the existing Philippine National Police units within the autonomous region, the members of the Moro National Liberation Front integrated into the National Police units, and other qualified persons who would join it.

And one innovation that we are introducing here, Mr. President, is that the regional police may be deployed not only in the autonomous region but where they are needed just like any other police unit in this country.

Mr. President, on matters of education, the committee would like to point out that it looks like the establishment, maintenance and support of the regional government to make education as the top priority in the region should be made possible by these amendments.

The people of the region are aware of the injunction of the prophet Mohammed that the education of his followers should be given top priority. "Seek education from cradle to grave," the prophet urged his followers. "Find education even if you have to go to China," he said.

Hopefully, once the proposals in this bill are approved, the people of the autonomous region need not go to China or elsewhere to attend good quality education. Hopefully, right there in the autonomous region or elsewhere in this country, we can provide good education for them.

There is also one innovation here that I would like to call the attention of this Chamber to. The inculcation of values for peaceful settlement of disputes. The regional educational subsystem shall prioritize the inculcation among the citizenry and students of their commitment to the peaceful settlement of disputes and grievances and the avoidance of lawless violence.

To this end, Mr. President, emphasis shall be placed on the desirability and practicality of relying upon democratic and legal processes rather than on the use of guns and resorting to violence to settle personal, familial or tribal problems.

8. ARTICLE VII - THE LEGISLATIVE DEPARTMENT

SEC. 1. REGIONAL ASSEMBLY

The regional assembly may, by law, establish a program for the surrender of firearms with payment of compensation by the regional government, and that program can be assisted by the central government.

Moreover, Mr. President, and I would like to invite the attention of my colleagues to this proposal because this is the first time it is being proposed, our committee suggests that the Firearm Surrender Program should be pursued with vigor in the autonomous region. It may not be amiss to suggest that perhaps the Firearm Surrender Program may be tied up with the *hadj* that the Muslims are bound in Islam to undertake.

The government is already supporting and organizing the *hadj* of our brother and sister Muslims to Mecca. There appears to be no reason, for instance, that the surrender of firearms by a Muslim pilgrim to Mecca will not entitle him to a free or subsidized round trip ticket covering his *hadj*, Mr. President.

And to wind up, Mr. President, I would like to mention that our committee has taken pains to elaborate at length on some of the major provisions of the proposed amendments to the Organic Act for Muslim Mindanao.

The chairman humbly submits that as a Senate, we are once again given the opportunity to help reshape the destiny of our brothers and sisters in the autonomous region as constituted at present and as proposed for expansion.

Whatever may be our feelings towards our Muslim brethren that might have been nurtured by centuries-old biases and bruised by the recent outbreak of violence in Central and Southern Mindanao, the chairman submits that a distinction should be made not only between the bandit Abu Sayyaf group and the MILF rebels but also between the latter and the Bangsamoro as a people.

The Abu Sayyaf is a band of hoodlums with a criminal agenda that needs to be excised from the body politic by police action.

The MILF is a rebel band with a political agenda that needs to be talked with to arrive at a political solution.

The excesses committed by the Muslim armed elements ought not to be attributed or charged to the Bangsamoro. There are millions of decent Muslims - men, women and children - out there in Central and Southern Mindanao who suffer innocently from the ravages of war that have been inflicted upon them without their choice. They do not want war, Mr. President. They want peace not only for their part of Mindanao but for the entire country.

It is these people who are my brothers and sisters not only because of the pigmentation of our skin, which look more or less the same, Mr. President, and the color of our blood but more so because we are children of the same God for

whom I make a plea on bended knees, first, to our colleagues in the Senate, and finally, to our people that we pass this modest effort at redressing past grievances in the hope that we can build the ramparts of peace and promote development in Central and Southern Mindanao.

If there is a shooting war between the Muslim rebel group typified by the MILF and our government, I submit that it is something that we can prevent from worsening. It is something that we should stop immediately, and cause the resumption of peace negotiations with them.

It is for the people of the autonomous region, for the people of Mindanao, and for the people of the entire Republic that the Senate committee recommends the adoption of the proposed amendments.

I find it supremely ironic, Mr. President, that people who claim that their religion is one of peace are warring against people who claim that their religion is one of love. Islam, I am told, is a religion of peace. Christianity, I have been taught, is a religion of love.

Let therefore the love of God, the love of country, the love of one another prevail in our hearts. And then we will move Mindanao and the rest of the Republic along the path of development and peace.

Thank you very much, Mr. President.

The President. The Chair would like to associate himself with the views expressed by that sponsorship speech of the Hon. Aquilino Q. Pimentel Jr. on Senate Bill No. 2129 under Committee Report No. 393.

Senator Sotto. Mr. President.

The President. The Majority Leader is recognized.

SUSPENSION OF CONSIDERATION OF S. NO. 2129

Senator Sotto. Mr. President, to give a chance to our colleagues to review the bill itself and the well-crafted sponsorship speech of the distinguished gentleman from Mindanao, I move that we suspend consideration of Senate Bill No. 2129.

The President. Is there any objection? *[Silence]* There being none, the motion is approved.

SUSPENSION OF SESSION

Senator Sotto. Mr. President, I move that we suspend the session for one minute.

The President. Is there any objection? *[Silence]* There being none, the session is suspended for one minute.

It was 5:56 p.m.

RESUMPTION OF SESSION

At 5:57 p.m., the session was resumed.

The President. The session is resumed. The Majority Leader is recognized.

Senator Sotto. Mr. President, I move that we proceed to the privilege hour at this point.

The President. Before we proceed to the privilege hour, there is an Additional Reference of Business.

Senator Sotto. I withdraw the motion, Mr. President.

Mr. President, I move that we proceed to the Additional Reference of Business.

The President. Is there any objection? *[Silence]* There being none, the motion is approved.

The Secretary will read the Additional Reference of Business.

ADDITIONAL REFERENCE OF BUSINESS

COMMUNICATIONS

The Acting Secretary [Mr. De Guzman]. Letters from Executive Secretary Ronaldo B. Zamora of the Office of the President of the Philippines, transmitting to the Senate two (2) original copies of the following republic acts which were approved and signed on August 31, September 1 and 4, 2000, respectively, by His Excellency, President Joseph Ejercito Estrada:

Republic Act No. 8946, entitled

AN ACT ESTABLISHING A NATIONAL HIGH SCHOOL IN BARANGAY CENTRALA, MUNICIPALITY OF SURALLAH, PROVINCE OF SOUTH COTABATO TO BE KNOWN AS CENTRALA NATIONAL HIGH SCHOOL, AND APPROPRIATING FUNDS THEREFOR;

Republic Act No. 8947, entitled

AN ACT ESTABLISHING A NATIONAL HIGH

just like to remind our colleagues that in connection with the sponsorship speech of Senator Pimentel on the Organic Act, it would be desirable to tackle this bill when we resume interpellations section by section or topic by topic. If that arrangement is agreeable, we would then ask our colleagues to prepare for the interpellation in that manner just to facilitate the process.

The President. Before that, is it in order for the chairman of our Committee on Local Government to suggest the topic that we will tackle?

May the Chair suggest that the chairman of the Committee on Local Government guide the Chamber and our colleagues on the topics that he prefers to tackle in the order that they would appear in the bill so that our colleagues are properly informed and can properly prepare.

Senator Pimentel. Yes, Mr. President.

The President. Maybe a circular to that effect would be most useful to our colleagues.

Senator Pimentel. Yes, Mr. President, we will do that. By Monday, we will have that schedule.

Senator Tatad. We have scheduled the interpellations to begin on Monday. Perhaps, if the circular letter can be received by the senators before Monday...

**MANIFESTATION OF SENATOR PIMENTEL
(His Sponsorship Speech to be Reflected in the Record)**

Senator Pimentel. Yes, *bukas siguro*.

May I just put on record, Mr. President, that I was not able to read all of that 82-page short sponsorship speech. Therefore, it should be considered as read for purposes of our record.

The President. For purposes of the record, the entire speech of Senator Pimentel that was submitted to the Chamber should be reflected in the *Record*.

The following is the written sponsorship speech of Senator Pimentel on Senate Bill No. 2129, An Act to amend Republic Act No. 6734, the Organic Act creating the Autonomous Region in Muslim Mindanao, September 20, 2000

**A NEW CHANCE TO BUILD PEACE IN THE
MUSLIM AUTONOMOUS REGION IN MINDANAO**

I rise to sponsor certain amendments to Republic

Act No. 6734, the Organic Act that created the Autonomous Region in Muslim Mindanao.¹

To situate our discussion, it may help if we recall briefly the whys and wherefores of the Organic Act before we go into the specifics of the proposed major amendments.

Fleshing out constitutional mandate

Republic Act No. 6734 was enacted to flesh out the mandate set forth in Article X of the Constitution directing Congress to enact an organic act to govern the autonomous region for the Muslims in Mindanao.

It was also meant to respond, if not in letter, at least, in spirit, to the demands of the Moro National Liberation Front (MNLF) as set forth in the so-called Tripoli Agreement which the then government of President Ferdinand E. Marcos and the MNLF led by Nur Misuari had signed in 1976 under the auspices of the Organization of Islamic Conference.

Creating autonomous region

Put to a vote in the plebiscite of 1989 in 13 provinces and nine cities, Republic Act No. 6734 was ratified by four provinces, namely, Sulu, Tawi-Tawi, Maguindanao and Lanao del Sur. No city ratified it.²

Thereafter, the creation of the Autonomous Region in Muslim Mindanao with the four provinces as members was formally announced by the Commission on Elections on November 26, 1989, as per Comelec Resolution No. 2205 (dated November 26, 1989).

First elections

The first elections of the elective officials of the autonomous region were then held in February 1990. Zacaria Candao was elected the first regional governor of the region; Benjamin Loong, the regional vice governor; Ismael B. Abubakar Jr., Abdulcadir T. Ibrahim, and George R. Lee, lone District of Tawi-Tawi; Nabil A. Tan, Abdulgajer Ismael, and Habib Aminkadra N. Abubakar, 1st District of Sulu; Wilson Anni and Bassar S. Abdurajak, 2nd District of Sulu; Princess Johayra Pangarungan, Padilla A.

¹ The Act was signed into law on August 1, 1998

² The MNLF opposed the creation of the autonomous region. Nonetheless, four overwhelmingly Muslim provinces approved its creation and opted to be its first members.

Pundaodaya, and Tago R. Sarip, 1st District, Lanao del Sur; Pangalian M. Balindong, Ismael B.R. Camid and Taib Dipatuan, 2nd District, Lanao del Sur; Bimbo Q. Sinsuat, Noah P. Ibay and Pagras D. Biruar, 1st District of Maguindanao; Ali B. Berman, Muslimin A. Ampatuan and Datu Pike T. Mentang, 2nd District of Maguindanao as the members of the regional legislative assembly.

Regional Governor Candao is from Maguindanao.

The elective officials of the autonomous region had three-year terms of office that started from March 1990 and ended three years afterwards on March 30, 1993.

Second elections

The next autonomous regional elections were held on March 2, 1993. Liningding Pangandaman was elected regional governor; Nabil Tan, regional vice governor; and Ruby M. Sahali, Ismael B. Abubakar Jr. and Annuar J. Abubakar, Lone District of Tawi-Tawi; Bennezer A. Tulawie, Abudulgajer J. Ismael and Abdurajik A. Maldisa, 1st District of Sulu; Wilson S. Anni, Mactmir C. Tillah and Anton J. Burahan, 2nd District of Sulu; Princess Johayra Diamond P. Pangarungan, Hadya Faysah R.P.M. Dumarpa and Mangurun B. Batuampar, 1st District of Lanao del Sur; Jamil P. Lucman, Ali Pangalian M. Balindong and Benasing O. Macarambon Jr., 2nd District of Lanao del Sur; Ibrahim P. Ibay, Datu Bimbo Q. Sinsuat and Bongarsa D. Tomawis Jr., 1st District of Maguindanao; Zaldy Puti Uy Ampatuan, Datu Guimid P. Matalam and Datu Pike T. Mentang, 2nd District of Maguindanao as members of the regional legislative assembly.

Regional Governor Pangandaman is from Lanao del Sur.

Regional elections postponed; incumbents hold-over

The three-year terms of Regional Governor Pangandaman and the other elective officials of the autonomous region began on March 31, 1993 but before the end of their terms on March 31, 1996, the regional elections were reset to September 30, 1996³. Their terms were, thus, extended by six months. During the period of extension, the incumbents held over as regional governor, regional vice governor and members of the regional legislative assembly.

Third elections

At the next elections, the autonomous region elected Nur Misuari as regional governor; Datu Guinid Matalam as regional vice governor; Rashidin H. Matba, Ruby M. Sahali and Anuar J. Abubakar, Lone District of Tawi-Tawi; Alhabsi M. Hassan, Garcia D. Tingkahan and Alvarez S. Isnaji, 1st District of Sulu; Nazir H. Ynawat Indanan M. Anni, Hussein B. Mohammad (vacated office on January 19, 1999) and Abdulajid S. Estino (assumed office on January 20, 1999), 2nd District of Sulu; Zenaida S.P. Bubong and Paisalin P. Tago, 1st District of Lanao del Sur; Abdulmalik P. Laguindab, Benasing O. Macarambon Jr. (resigned on March 27, 1998) and Akilali P. Balt (assumed office on October 12, 1998), 2nd District of Lanao del Sur, Datu Bimbo Q. Sinsuat, Kabilan G. Sema and Ibrahim P. Ibay, 1st District of Maguindanao; Zaldy Puti Uy Ampatuan (resigned on March 27, 1998), Abdulkarim T. Langkuno and Mama P. Masukat, 2nd District of Maguindanao, as members of the regional legislative assembly.

Regional Governor Misuari is from Sulu.⁴

The three-year terms of Regional Governor Misuari and the other elective officials of the autonomous region started from September 30, 1996 but before the end of their terms on September 30, 1999, the regional elections were postponed to September 11, 2000. Their terms were, thus, extended by one year.⁵

Regional elections postponed, incumbents hold-over

Among the reasons for the postponement of the regional elections was the perceived need to have the then on-going peace negotiations of our government with the Moro Islamic Liberation Front, headed by Salamat Hashim concluded so that the government could provide a comprehensive settlement of the grievances of the Muslims, not only of the MNLF partisans but also of the MILF rebels.

During the period of extension, the incumbents were allowed to holdover as regional governor, vice regional governor and members of the regional legislative assembly.

⁴ Thus far, the regional governors have been rotated among the major tribes of the Bangsamoro.

⁵ Republic Act No. 8753

³ Republic Act No. 8764

But as the September 11, 2000 regional elections approached, it had become clear that the elections could not be held as scheduled. For the shooting war that continues to this very day erupted in late March 2000 between our government and the Moro Islamic Liberation Front in Maguindanao and parts of Lanao del Norte and Lanao del Sur, thereby making the holding of the elections as scheduled impractical. The government-MILF peace talks had collapsed and there was no way by which peaceful and orderly regional elections could be held in the major areas of the autonomous region. Complicating the problem were the abductions made by or attributed to the Abu Sayyaf in Basilan and in Sulu that took place respectively on March 20 and April 23, 2000 of this year. Moreover, the Commission on Elections itself admitted that it was ill-prepared to handle the elections as scheduled because it needed more time to cleanse the list of voters in the autonomous region.⁶

Regional elections, postponed again

On the basis of these circumstances, Congress postponed and reset the regional elections to coincide with the local elections on the second Monday of May, 2001⁷ or specifically on May 14, 2001. Unlike the laws that had postponed the elections previously, the law that deferred the regional elections this time did not expressly confer on the incumbent regional officials the right of holdover in their respective positions. What the law did was to grant the President the power to reappoint the incumbents or to appoint new ones.

For the record, the chairman of your committee voted against the bill that reset the regional elections because it did not make clear that the incumbents had the right to holdover. Your chairman was of the opinion that that nebulous provision would complicate things in the autonomous region. Happily, your committee understands that the most recent statement emanating from Malacañang is that the incumbents will stay in office until the elections are held on the second Monday of May 2001.

It is, thus, difficult to buy the line that the regional officials are not being given time to manage the affairs

of the autonomous region. In fact, the present officials of the region are now in their second extension, the longest ever given to the regional officials.

Funds released to regional government

Incidentally, it may also be pertinent at this point to place on record that the central government had released to the autonomous region the following amounts:

a) P25,871,158,000.00 with NCA (Notice of Cash Allocation), broken down as follows:

Regular Release	P25,027,824,000.00
Additional Programming	102,294,000.00
60% share; Retention of BIR	741,040,000.00

b) P21,070,869,000.00 as IRA (Internal Revenue Allotment) under Section 284 of Republic Act No. 7160; share of ARMM local government units

The amounts total P46,942,027,000. The amounts released to the autonomous region according to the records of the Department of Budget and Management since the start of the existence of the autonomous region are as follows:

Administration	Period	Amount Released
Candao		
	July 1990 - June 1993	4,061,410,000.00
Pangandaman		
	July 1993 - Sept 1996	13,122,603,000.00
Misuari		
	Sept 1996 - present	29,758,014,000.00

Bureaucratic delays

Having made that of record, your chairman feels that it also has to be made of record that the amounts budgeted for the regional government were not always the same amounts that were actually released to it. Under the convoluted procedures followed by the DBM, allotments are released on paper - SARO or special allotment release order - but cannot actually be made use of by the recipient until the same releases are covered by NCAs or notice of cash allotments. Moreover, sometimes, bureaucratic delays also plagued the releases.

What have the different autonomous region administrations to show for the money that had been poured into their coffers?

⁶ Comelec Commissioner Teresita Flores' testimony before the committee on local government, February 29, 2000

⁷ Republic Act No. 8953

Not much of a boon

It is a matter of public knowledge that the autonomous regional set-up has not proven itself as a boon to the people of the region. Much of the funds allocated to it has not been used for infrastructure development but for personnel expenditures. That, anyway, is the explanation of Regional Governor Misuari when he appeared before the House committee to defend the budget of the autonomous region and when he appeared before the Senate Committee on Economic Affairs.

Nonetheless, your committee suggests that as a Senate, we cannot and must not give up on the regional government experiment. For one thing, it is a commitment of the government to the Moro National Liberation Front that is contained in at least two agreements it had signed, the first, known as the Tripoli Agreement that was entered into during the martial law administration of President Ferdinand E. Marcos⁸, and second, the Jakarta Agreement that was entered into in the administration of President Fidel V. Ramos.⁹ For another thing, the creation of the regional government is, as pointed out earlier, a constitutional obligation that we, as legislature, are bound to respect.

The thing to do is for our government to try our best to make it work. The resetting of the regional elections to the second Monday of May, 2001 is a part of our attempt as government to make the regional government work.

Expanding autonomous area

Before the regional elections are held in the second Monday of May, 2001, however, it is necessary that the area of the autonomous region will have already been redefined.

The reason the territory of the autonomous region needs to be delineated anew is that, as previously mentioned, the administration of the then President Fidel V. Ramos and the Moro National Liberation Front (MNLF) had signed a peace agreement in September 2, 1996 that called for, among other things, the expansion of the area of the autonomy and as will be explained

later the broadening of the powers of the autonomous government.

The peace agreement requires that the expansion of the area of the autonomy be done according to the processes set out by our constitution.¹⁰ The expanded area of the autonomy, thus, needs to be subjected to a plebiscite to determine the will of the voters therein.¹¹ The results of the plebiscite will define the expanded area of the autonomy where the regional elections are conducted and the kind of powers to be exercised by the autonomous government.

Simultaneous plebiscites

It is for that reason that your committee proposes the holding of simultaneous plebiscites to determine the will of the people not only in the four provinces that now comprise the autonomous region in Mindanao but also in the ten provinces and ten cities that are proposed for inclusion in the expanded area of the autonomy.

Your committee proposes that the plebiscite question to be asked of the voters in the four provinces that comprise the present autonomous region in Mindanao, namely Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi be worded differently from the question to be asked of the voters in the proposed expanded area of the autonomy.

Question for voters of the four-member provinces

Specifically, your committee proposes that the question to be asked of the voters in the present autonomous region in the plebiscite be worded as follows: Do you agree that Republic Act No. 6734, the Act creating the Autonomous Region in Muslim Mindanao be amended as proposed in Republic Act No. ____?

The voters in the four provinces comprising the present autonomous region in Muslim Mindanao will be asked to answer "yes" or "no" to the question.

⁸ Signed on November 17, 1976 and took effect on December 23, 1976

⁹ Signed of September 2, 1996

¹⁰ Section 2(b) of the implementing Structure and Mechanism of the Peace Agreement provides that the new area of autonomy shall be determined by the provinces and cities that will vote or choose to join the said autonomy (1998). It may be provided by the Congress in a law that clusters of contiguous Muslim-dominated municipalities voting in favor of autonomy be merged and constituted into a new province(s) which shall become part of the new Autonomous Region.

*Meaning of "yes" or "no" vote in present
members of autonomous region*

If a majority of the voters of the present member-provinces of the autonomous region vote in favor of the amendment of Republic Act No. 6734, the Act that created the Autonomous Region in Muslim Mindanao, it would mean that, as far as the four provinces are concerned, the proposed amendments increasing the area of the autonomy¹² and the powers of the autonomous government are adopted.

Should the majority of the voters of the present member provinces of the autonomous region vote against the amendments, it would mean that the proposed amendments increasing the powers of the autonomous government are rejected. The rejection would also mean that the autonomous region will, therefore, continue to be governed by the original provisions of the Organic Act¹³, Republic Act No. 6734 without the proposed amendments. The rejection would not, however, mean the dissolution of the autonomous region. Neither would the rejection prevent the accession as new members of the autonomous region of the provinces, cities and municipalities the majority of whose voters vote for their inclusion in the expanded area of the autonomy.

*Question for voters in proposed expanded
autonomous area*

As for the voters in the proposed expanded area of the autonomy, meaning the voters in the ten provinces and the ten cities mentioned in the Jakarta Agreement as well as in the municipalities in the provinces, your committee recommends that the question to be asked of them in the plebiscite be as follows:

Do you favor the inclusion of your province, city or municipality in the expanded area of the autonomy as proposed in Republic Act No. _____, the Act amending Republic Act No. 6734?

The voters in the provinces, cities and municipalities in the proposed area of the autonomy will be asked to answer "yes" or "no" to the question.

¹¹ Sections 10 and 18, Article X, 1987 Constitution

¹² 10 more provinces and 10 more cities are proposed to be added to the present four provinces

¹³ Republic Act No. 6734

*Meaning of "yes" or "no" vote in expanded
autonomous area*

If by majority vote, any province, city or municipality should answer "yes" to the question, the province, city or municipality would then be included as new members of the autonomous region. If they should vote "no," they would not be so included.

Although the option to say "no" is being afforded to the areas targeted for the expansion of the autonomous region, many provinces and cities, particularly Zamboanga province and city, have expressed through their leaders their annoyance at having to express anew their rejection of the idea of their being included in the autonomous region.¹⁴

There is no way, however, that the proposed expansion of the autonomous region can be done without asking the voters in the area affected to give or withhold their consent through a plebiscite.

Municipalities also may vote for inclusion

Our colleagues will please note that in the proposal under discussion, individual municipalities where Muslims predominate may opt to be included in the proposed expanded area of the autonomy. In the first plebiscite that was held to determine the area to be covered by the autonomous region as provided for by Republic Act No. 6734, only the voters of provinces and cities had been given the chance to decide whether or not they wanted to belong to the autonomous region.¹⁵ Now under your committee's proposal, municipalities may vote to affiliate themselves with the autonomous region even if the province or provinces to which they belong vote otherwise.

*Municipalities may be merged as one province or
attached individually to provinces*

Should the majority of the voters decide that their municipality should join the autonomous region,

¹⁴ Of the 13 provinces and 9 cities that participated in the plebiscite held on November 19, 1998, only Maguindanao, Lanao del Sur, sulu, and Tawi-Tawi voted for the approval of the Organic Act for Muslim Mindanao (Republic Act No. 6734)

¹⁵ Republic Act No. 6734 set a plebiscite which was held on November 19, 1989 asking the following question: "Do you vote for the approval of the organic act for the autonomous region in Muslim Mindanao (Organic Act No. 6734)?"

the municipality becomes a member of the expanded autonomous region. For the sake of expediency and practicality, your committee proposes that a municipality whose voters choose to be included in the expanded autonomous region will be grouped with other municipalities whose voters also opt to belong to the autonomous region to form a new province if they qualify under the provisions of Republic Act No. 7160, the Local Government Code of 1991. If the municipalities concerned do not meet the requirements of the code, your committee proposes that the municipalities be attached to the provinces nearest to them which are already or have chosen to become members of the autonomous region.

A "yes" response to the plebiscitary question from a majority of the votes cast in the proposed area of the expanded autonomy entitles their province or city or municipality¹⁶ to be included as new members of the expanded autonomous region.

No similar rights for the barangay

Your committee does not endorse the idea of allowing the individual barangay in the proposed expanded area of the autonomy to opt for inclusion therein. It would probably result in an administrative nightmare if the individual barangay be given the right to become a member of the autonomous region even if its municipality opts out of it.

Reasons for different questions

Now, why is there a necessity to pose two different questions in the plebiscite, one for the voters in the present autonomous region and the other for the voters in the proposed expanded autonomous region?

Your committee submits that the two different plebiscitary questions may be justified on prudent policy considerations.

The plebiscite question to be asked of the voters of the four province-members of the autonomous region is designed to prevent the possible break-up

of the autonomous region. If the voters of the region vote themselves out of the autonomous region, our government will be compelled to restart the process of creating another autonomous region as its creation is mandated by the Constitution, itself.¹⁷ We will then have to begin again from square one. The process will become more complicated, more tedious and more expensive.

In the judgment of your committee, if one weighs the pros and cons of the committee proposal in this regard, one can easily see that the advantages outweigh the disadvantages. Hence, as a judgment call, your committee would rather outrightly prevent than sanction the possible break-up of the autonomous region.

Timetable

Between the regional elections that are set for the second Monday of May 2001 and today as we speak, Congress has some seven months to approve the amendments being proposed by your committee and submit them for approval by the people in the plebiscites mentioned earlier. Your committee suggests that if Congress can act fast enough, we can enact the proposed amendments on or before the end of November of this year; set the plebiscites for early February 2001 and have the regional elections as scheduled in the second Monday of May 2001.

So much for the procedural aspects regarding the amendments of Republic Act No. 6734, the Organic Act that created the Autonomous Region in Muslim Mindanao.

Let us now discuss the substantive amendments proposed by your committee.

Substantive amendments

1. THE TITLE

(a) Name of autonomous region. From the name "Autonomous Region in Muslim Mindanao", it is now proposed that the name be changed into "the Muslim Autonomous Region in Mindanao."

The change clarifies immediately that there is a Muslim Autonomous Region in Mindanao but not all of Mindanao is Muslim.

¹⁶ Your committee does not suggest that barangay even if Muslim dominated be allowed to opt to join the expanded area of the autonomy only for the sake of expediency and practicality. One can easily imagine a barangay amidst a sea of non-Muslim barangay opting to belong to the expanded autonomous region. The situation can create administrative nightmares in local governance.

¹⁷ See Article X, Section 1, Constitution

Self-styled critics pan the proposal by citing Shakespeare: What is in a name? A rose by any other name would smell just as sweet.

The truth is that names do make a difference especially if the name attached to a region reflects the truth about it. That is what the proposed amendment in the name of the autonomous region is all about.

2. THE PREAMBLE

The style of the preamble has been modified by the introduction of new words or phrases to clarify or underscore its intent.

3. ARTICLE I - NAME OF THE AUTONOMOUS REGION

* Change of name. The change of the name of the autonomous region as already mentioned is formally reiterated.

4. ARTICLE II - THE AUTONOMOUS REGION; AREA & SEAT OF GOVERNMENT

(a) Expansion of autonomous region. The expansion of the autonomous region to include the provinces, cities and contiguous municipalities that vote favourably for their inclusion in the region in a plebiscite called for that purpose.

* The 10 additional provinces proposed for inclusion are Basilan, Cotabato, Davao del Sur, Lanao del Norte, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Zamboanga del Norte, and Zamboanga del Sur.

* The 10 additional cities proposed for inclusion are Cotabato, Dapitan, Dipolog, General Santos, Iligan, Kidapawan, Marawi, Pagadian, Puerto Princesa, and Zamboanga.

* As for the municipalities that may be included in the autonomous region, certain circumstances must concur:

(i) The municipalities should, as much as possible, be "contiguous", meaning that the municipalities should adjoin one another. The adjective "contiguous" is found in the Jakarta Agreement and your committee adopted it.

Your committee, however, is aware of the possibility that only one municipality in a province or a number of municipalities in different provinces may vote to join the autonomous region in which case, your committee recommends that the municipality or municipalities concerned, although not "contiguous" to one another be, nevertheless, allowed to belong to the autonomous region if they so desire, subject to the conditions set forth hereafter.

(ii) Muslims constitute the majority of the population as determined by the last census immediately preceding the plebiscite.

* This provision is also found in the Jakarta Agreement.

(iii) The majority votes cast in the plebiscite favor the inclusion of their municipalities in the autonomous region.

(iv) The municipalities may, then, be organized as a new province provided they meet the requirements of Republic Act No. 7160, the Local Government Code of 1991.¹⁸ But even if the municipalities concerned may not qualify as a new province under the provisions of the Local Government Code, your committee suggests that collectively or individually, the municipalities may be merged with any of the four provinces that comprise the original members of the autonomous region nearest to them or attached to any province or provinces that had opted to become a member or members of the autonomous region in the plebiscite held for the purpose of ratifying the proposed amendments mentioned herein.

The word "nearest" describing the province or provinces to which a municipality is or municipalities are to be attached means closest in terms of distance via existing air, sea or land routes and not necessarily in the sense of being nearest "straight as the crow flies."

Please note that the requirement of Section 10 of Republic Act No. 7160 that the area or areas

¹⁸ The requirements are 1. on population, these must at least, be some 250,000 people in the province being created; 2. on income, the province must have an income of, at least P20,000.00 at the time of its creation, based on 1991 constant prices; and 3. on territory, the province must have, at least square 2,000 kilometers

directly affected by the alteration of boundaries of local government units must be approved in a plebiscite called for this purpose has been dispensed with in the House version of this bill and is concurred in by your committee's proposal to facilitate the implementation of the decision of the contiguous municipalities to become members of the autonomous region. In any event, the approval of the proposed amendments has to be done through the plebiscites mentioned earlier that may cover the purpose of the plebiscite being dispensed with here.

Merger of municipalities into or their attachment to new province

The merger of the municipalities that creates a new province or their consolidation with the province or provinces nearest to them as mentioned above becomes effective within six (6) months after the holding of the plebiscite specified herein. Thereafter, the said municipalities shall be deemed members of the autonomous region. The six-month maximum waiting time is intended to enable the municipalities and provinces concerned as well as the central government departments to make the necessary administrative, fiscal and other adjustments to effect the smooth absorption of the municipality concerned into another province or the transformation of the municipalities concerned into a new province or provinces. If the adjustments could be made earlier, the transfer of the municipality or municipalities concerned to the jurisdiction of the autonomous region may be effected earlier than the six-month maximum waiting time.

The territory comprising the autonomous region as expanded is hereby recognized as the Special Zone of Peace and Development in Southern Philippines as stipulated in the so-called Jakarta peace agreement entered into by the government and the Moro National Liberation Front in 1996.

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SEC. 3. *Seat of Autonomous Government.* — The regional legislative assembly hereinafter referred to as the regional assembly, shall by law fix the permanent seat of government of the regional government in a province or city that is a member of the autonomous region, taking into consideration accessibility and efficiency in which its mandate may be carried out under this Act.

Until the seat of the regional government is transferred as provided above, its provisional seat shall be in Cotabato City. The first regional assembly elected after the plebiscite mentioned in this Act, shall, within its term, identify the site of the permanent seat of the regional government. The central government shall appropriate funds for the transfer of the provisional seat to its permanent site as determined by the regional assembly.

* The funding of the transfer of the seat of the regional government to its permanent site is to be provided by the central government. That is how the House version would have it and which your committee has adopted.

5. ARTICLE III - GUIDING PRINCIPLES & POLICIES

SEC. 1. *Integral part of the Republic.* — The Muslim Autonomous Region in Mindanao shall remain an integral and inseparable part of the national territory of the republic as defined by the Constitution and existing laws.

* Adverse comments allege that the affirmation that the autonomous region is "an integral and inseparable part of the national territory" betrays a sign of unnecessary suspicion that the people of the autonomous region may actually entertain plans to separate from the republic.

Your committee replies that the explicit statement of that policy will precisely allay fears that the creation of the Autonomous Region is a step towards its secession or independence. In other words, the very Act creating the Muslim autonomous region in Mindanao makes it abundantly clear that the region cannot use its being autonomous as an argument that it may now secede or separate from the country.

SEC. 2. *Peaceful settlement of conflicts.* — The policy to settle conflicts by peaceful means, and to renounce the use of lawless violence as an instrument of redress as mandated by the Constitution binds the regional government.

* Some observers criticize the adoption of the policy as an expression of bias against Muslims. Your committee submits that bias has nothing to do with the insertion of the policy as an amendment to the Organic Act. After all, the policy to settle conflicts

peacefully and to renounce the use of force may be deduced from Article II, Sections 2 and 5 of the Constitution. Moreover, it is meant to be an expression of an ideal that the population of the autonomous region should aspire for.

* To be blunt, it also seeks to suggest that there is an alternative to the historical proclivity of extremists in the region to resort to the use of arms and violence to settle grievances.

SEC. 3. Devolution of Powers. -- The regional government shall adopt a policy on local autonomy whereby regional powers shall be devolved to local government units where appropriate. Until a law implementing this provision is enacted by the regional assembly, Republic Act No. 7160, the Local Government Code of 1991, shall continue to apply to all the provinces, cities, municipalities and barangays within the autonomous region.

The regional assembly may not pass any law to diminish, lessen or reduce the powers, functions and shares in the internal revenue taxes of the said local government units as provided by Republic Act No. 7160.

* Again, some observers fault the provision just mentioned for being an imposition on the regional government. While it does look like an imposition, your committee submits that it is a prohibition that in the end will work for the good of all local government units in the region and the regional autonomous government.

* Your committee has gathered from the consultations it had conducted in the major centers of population of the present and the proposed expanded area of the regional autonomy that one of the issues being raised by the local government officials in the region is that the powers, functions and funds granted to them by the Local Government Code are being "filtered and diluted" by the regional government.

* Hence, your committee believes that it is better to expressly prohibit the regional government from diminishing or reducing the powers, functions and funds of the local governments in the region than to be simply silent about it.

SEC. 4. Charters Govern Cities. -- Highly urbanized and other cities within the autonomous

region shall continue to be governed by their charters. Nothing in this Act shall be construed as to diminish the powers and functions already enjoyed by these cities.

* Your committee notes that the wording of the proposed amendments relates only to highly urbanized cities. That is not the intention. In fact, it is a clerical omission that needs to be rectified so that not only highly urbanized but other cities as well shall continue to be governed by their respective charters.

SEC. 5. Customs, Traditions, Religious Freedom Guaranteed. -- The beliefs, customs and traditions of the people in the autonomous region and the free exercise of their religions as Muslims, Christians, Jews, Buddhists or any other religious denomination in the said region are hereby recognized, protected and guaranteed.

The regional assembly shall adopt measures to ensure mutual respect for and protection of the distinct beliefs, customs, and traditions and the respective religions of the inhabitants, thereof, be they Muslims, Christians, Jews, Buddhists or any other religious denomination. The representation of the regional government in the various central government bodies as provided for by Article V, Section 5 of the proposed amendments shall be effected upon approval of the measures herein provided.

Discrimination prohibited

No person in the autonomous region shall be subjected to any form of discrimination on account of creed, religion, ethnic origin, parentage or sex.

The regional government shall ensure the development, protection and well-being of all indigenous tribal communities. Priority legislation in this regard shall be enacted for the benefit of those tribes that are in danger of extinction as determined by the Southern Philippines Cultural Commission.

* Your committee believes that the proposed amendments just mentioned are perhaps the most contentious of all if we are to take the point of view of the Christian and other religious minorities in the area of the autonomy.

* Christian settlers and other minority groups have been subjected to harassment by extremist

removed from office by order of the secretary of Finance in cases involving the share of the central government or by the regional governor in cases involving the share of the regional government and by the proper local government executive in cases involving the share of local government.

SEC. 10. Treasury Bills, Notes and Other Debt Papers. -- The regional government may issue treasury bills, bonds, promissory notes and other debt papers or documents pursuant to law enacted by the regional assembly.

SEC. 11. Economic Agreements. -- Subject to the provisions of the Constitution, the regional government shall evolve a system of economic agreements and trade compacts to generate block grants for regional investments and improvements of regional economic structures which shall be authorized by law enacted by the regional assembly. Pursuant to specific recommendations of the regional economic and development planning board, the regional government may assist local government units in their requirements for counterpart funds for foreign-assisted projects.

SEC. 12. Donations or Grants; Tax Deductible. -- The regional government may accept donations or grants for the development and welfare of the people in the autonomous region. Such donations or grants that are used exclusively to finance projects for education, health, youth and culture, and economic development, may be deducted in full from the taxable income of the donor or grantor.

SEC. 13. Regional Tax Exemptions. -- The regional assembly may grant exemptions from regional taxes.

SEC. 14. Foreign or Domestic Loans. -- The regional governor may be authorized by the regional assembly to contract foreign or domestic loans in accordance with the provisions of the Constitution. The loans so contracted may take effect upon approval by a majority of all the members of the regional assembly.

SEC. 16. Collection and Sharing of Internal Revenue Taxes. -- The internal revenue taxes collected within the autonomous region for a period of six (6) years starting from the date of the effectivity of this Act shall be allotted for the use of the regional government in the Annual General Appropriations Act of the central government.

The Bureau of Internal Revenue or the duly authorized treasurer of the province, city or municipality concerned shall collect such taxes and remit the shares of the regional government and the central government directly to their respective treasurers or through their duly accredited depository banks within thirty (30) days from the end of each quarter of the year. Failure to so remit the share of the central government may cause the suspension, withholding or forfeiture of the share of the province, city or municipality concerned to the extent of the amount that had not been remitted in favor of the central government.

Fifty percent (50%) of the yearly incremental revenue from tax collections under Section 106, value-added tax on sales of goods or properties; Section 108. Value-added tax on sale of services and use or lease of properties, and Section 116, tax on persons exempt from value-added tax, of the National Internal Revenue Code, shall be shared by the regional government and the local government units within the area of autonomy as follows:

(a) Forty percent (40%) shall accrue to and be retained by the city or municipality which collected the taxes;

(b) Thirty percent (30%) shall accrue and be remitted by the city or municipality which collected the taxes to the provincial government concerned; and

(c) Thirty percent (30%) shall accrue and be remitted by the city or municipality that collected the taxes to the regional autonomous government.

The city or municipality concerned shall directly remit the shares of the taxes to their provincial government and the regional government, respectively, thru their latter's duly authorized treasurers or banks within thirty (30) days from the end of each quarter of every year.

Officials responsible for the non-remittance as provided herein may also be suspended or removed from office as specified elsewhere in this Act, as amended.

The provinces, cities, municipalities and barangays within the autonomous region shall continue to receive their respective shares of the internal

revenue taxes as provided for in Section 284 of the local government code of 1991. The six-year (6) period above mentioned may be extended by an executive order of the President.

**12. ARTICLE XI - ANCESTRAL DOMAIN,
ANCESTRAL LANDS AND AGRARIAN
REFORM**

SEC. 1. *Ancestral Domain; Lands of Indigenous Cultural Communities.* -- Subject to the Constitution and existing laws, the regional government shall undertake measures to protect the ancestral domain and ancestral lands of indigenous cultural communities.

All lands and natural resources in the autonomous region that have been possessed or occupied by indigenous cultural communities since time immemorial, except when prevented by war, *force majeure*, or other forms of forcible usurpation, shall form part of the ancestral domain. Such ancestral domain shall include pasture lands, worship areas, burial grounds, forests and fields, mineral resources, except strategic minerals such as uranium, coal, petroleum; and other fossil fuels, mineral oils, and all sources of potential energy; lakes, rivers and lagoons; and national reserves and marine parks, as well as forest and watershed reservations. Until laws are enacted that provide otherwise, fifty percent (50%) of the revenues derived from the utilization and development of such strategic materials shall accrue to the regional government and the provinces, cities, municipalities and barangays in the autonomous region. The sharing between the regional government and the local government units in the revenues derived from the strategic materials mentioned above shall be apportioned according to the formula set out in Section 5, Article XIII of this Organic Act, as amended.²⁰

The Indigenous Peoples Rights Act that provides that all sources of potential energy found in ancestral lands form a part of their ancestral domain may actually be modified in the sense that strategic

minerals such as uranium, coal, petroleum and other fossil fuels, mineral oils and all sources of potential energy are excluded from their ancestral domain. It is, however, proposed that 50% of the revenues derived therefrom shall accrue to the regional government and the local governments. Perhaps, this can even be modified so that a substantial percentage of the 50% share of the regional and local governments may accrue to the indigenous peoples from whose ancestral domain the revenues from sources of energy are raised.

Your committee submits that that arrangement may well preclude an Aceh-like rebellion from taking place in the autonomous region.

Lands in the actual, open, public, and uninterrupted possession and occupation by an indigenous cultural community for at least thirty (30) years are ancestral lands.

SEC. 2. The constructive or traditional possession of lands and resources by an indigenous cultural community may also be recognized subject to judicial affirmation, the petition for which shall be instituted within a period of ten (10) years from the effectivity of this Act. The procedure for judicial affirmation of imperfect titles under existing laws shall, as far as practicable, apply to the judicial affirmation of titles to ancestral lands.

The foregoing provisions notwithstanding, titles secured under the Torrens System, and rights already vested under the provisions of existing laws shall be respected.

* Your committee suggests that amendments may be introduced in this bill for compensatory damages to be awarded by the courts to indigenous persons or tribes who were deprived of their lands fraudulently or forcibly by other people who had subsequently secured land titles over the said lands. The damages may be taken from the assurance funds or from a special fund that may be created by law.

SEC. 3. As used in this Act, the phrase "indigenous cultural community" refers to Filipino citizens residing in the autonomous region who are:

(a) *Tribal peoples.* These are citizens whose social, cultural and economic conditions distinguish them from other sectors of the national community; and

²⁰ Although there are similarities in the definition of "ancestral domain" between the MARM bill and Indigenous People's Right Act (IPRA) law, the MARM bill definition of ancestral domain does not include strategic minerals" such as "uranium, coal, petroleum, and other fossil fuels, mineral oils and all sources of potential energy." The definition is restrictive, compared to the IPRA law. All sources of potential energy do not form part of "ancestral domains" under this bill.

(b) *Bangsa Moro people*. These are citizens who are believers in Islam and who have retained some or all of their own social, economic, cultural and political institutions.

SEC. 4. *Cultural Communities*. -- The customary laws, traditions, and practices of indigenous cultural communities on land claims and ownership and settlement of land dispute shall be implemented and enforced among the members of such communities.

SEC. 5. *Ecological Balance*. -- The proclamations issued by the central government declaring old growth or natural forests and all watersheds within the autonomous region as forest reserves are hereby reiterated. The forest reserves shall not be subjected to logging operations of any nature or kind.

Forest concessions, timber licenses, contracts or agreements of any kind or nature whatsoever granted by the central government or by the regional government as of the date of the approval of this Act, are hereby cancelled, nullified and voided, and shall not be renewed until thirty (30) years after the approval of this Act.

If the said forest reserves are logged over or are mined by authority or neglect of the regional government, the funds provided by the central government including the internal revenue shares of the regional government may be withheld, reduced, cancelled or forfeited by order of the President.

Ten percent (10%) of the shares of the internal revenue taxes of the regional government and of the provinces, cities, municipalities and barangays of the autonomous region and all allocations for the development of the autonomous region by the central government shall be devoted to reforestation projects and other environmental activities to enhance the protection and development of the environment in the autonomous region.

The regional government shall require corporations, companies and other entities within the ancestral domain of the indigenous cultural communities whose operations adversely affect the ecological balance to take the necessary preventive measures and safeguards to restore, enhance and maintain such a balance.

SEC. 6. Unless authorized by the regional

assembly, lands of the ancestral domain titled to or owned by an indigenous cultural community shall not be disposed of to non-members.

SEC. 7. No portion of the ancestral domain shall be open to resettlement by nonmembers of the indigenous cultural communities.

SEC. 8. *Regional Land Reform*. -- Subject to the provisions of the Constitution, the regional assembly may enact an Agrarian Reform Law suitable to the special circumstances prevailing in the autonomous region.

13. ARTICLE XII - URBAN AND RURAL PLANNING AND DEVELOPMENT

SEC. 1. *Urban and Rural Development*. -- The regional government shall promote and formulate comprehensive and integrated regional urban and rural development policies, plans, programs and projects responsive to the needs, aspirations and values of the people in the autonomous region.

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SEC. 3. *Equitable Development*. -- The regional government shall provide equitable opportunities for the development of every province, city, municipality and barangay within its jurisdiction and shall strengthen their existing planning bodies to ensure wider public participation.

SEC. 4. *Urban Land, Land and Water Use*. -- Consistent with the Constitution, this Organic Act, as amended, and subject to ecological considerations, the regional government shall within one (1) year from the approval of this Organic Act, as amended, adopt and implement a comprehensive urban land reform and land and water use program, to ensure the just utilization of lands and waters within its jurisdiction.

14. ARTICLE XIII - ECONOMY AND PATRIMONY

SEC. 1. *Regional Economy and Conservation of Patrimony*. -- Consistent with the Constitution and existing laws, the regional assembly may enact laws pertaining to the regional economy and patrimony that are responsive to the needs of the region. The regional government may not lower the standards required by the central government for the protection,

conservation and enhancement of the natural resources.

SEC. 2. Economic Zones, Centers and Ports. -

- The regional government shall encourage, promote and support the establishment of economic zones, industrial centers, ports in strategic areas and growth centers to attract local and foreign investments and business enterprises.

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The regional assembly may provide incentives to investors. The central government may likewise grant incentives to investors in the autonomous region in addition to those provided by the regional government.

SEC. 4. Regional Economic Zone Authority; Freeports. -- The regional government may establish a regional economic zone authority in the autonomous region. The regional economic zone authority shall have similar powers as the Philippine Economic Zone Authority and consistent with the Special Economic Zones Act of 1995. The regional assembly may provide such additional powers and functions to the regional economic zone authority as may be necessary to meet the special circumstances of the autonomous region.

Once the regional economic zone authority is created by a regional assembly legislation, the Philippine Export Zone Authority shall no longer authorize any other economic zone within the autonomous region. Any corporation, firm or entity established within the autonomous region by authority of the Philippine Export Zone Authority shall be placed under the jurisdiction of the regional economic zone authority and shall continue to enjoy the benefits granted to it by the Philippine Export Zone Authority.

SEC. 5. Use, Development of Mines, Minerals and Other Natural Resources; Revenue Sharing; Exceptions. -- (a) Regional Supervision and Control. The control and supervision over the exploration, utilization, development and protection of the mines and minerals and other natural resources within the autonomous region are hereby vested in the regional government in accordance with the Constitution and the pertinent provisions of this Organic Act, as amended, except for the strategic minerals such as uranium, petroleum, and other fossil fuels, mineral oils, all sources of potential energy, as well as national reserves and aquatic parks, forest and watershed

reservations already delimited by authority of the central government and those that may be defined by an Act of Congress within one (1) year from the effectivity of this Act, as amended.

(b) Sharing Between Central Government and Regional Government in Strategic Minerals Revenues, Taxes or Fees. Fifty percent (50%) of the revenues, taxes or fees derived from the use and development of the strategic minerals shall accrue and be remitted to the regional government within thirty (30) days from the end of every quarter of every year. The other fifty percent (50%) shall accrue to the central government.

(c) Sharing Between Regional Government and Local Government Units in Strategic Minerals Revenues, Taxes or Fees. The share of the regional government mentioned above is hereby apportioned as follows: thirty percent (30%) to the regional government; twenty percent (20%) to all the provinces; fifteen percent (15%) to all the cities; twenty percent (20%) to the all municipalities and fifteen percent (15%) to all the barangays. If there are no cities in the autonomous region as of the date the sharing abovementioned is done, the share of the cities shall be divided equally by all the provinces, municipalities and barangays in the autonomous region.

The sharing stipulated here may be modified so that ancestral domain claims over strategic minerals may be addressed as suggested earlier.

(d) Regional Assembly Authority to Grant Franchises and Concessions and Empower Regional Governor to Grant Leases, Permits and Licenses. The regional assembly shall by law have the authority to grant franchises and concessions and may by law empower the regional governor to grant leases, permits and licenses over agricultural, forest or mineral lands. The said leases, permits, franchises or concessions shall, however, cover areas not exceeding the limits allowed by the Constitution and shall subsist for a period not exceeding twenty-five (25) years. Except as provided in this Act, existing leases, permits, licenses, franchises and concessions shall be respected until their expiration unless legally terminated earlier as provided by law enacted either by Congress or by the regional assembly.

(e) Consultations with Cultural Communities, Needed. The permits, licenses, franchises or

concessions over the natural resources located within the boundaries of an ancestral domain shall be issued by the regional assembly only after consultations are conducted with the cultural community concerned.

SEC. 6. *Use and Development of Natural Resources Open to Citizens.* -- The exploration, development and utilization of natural resources, except those referred to in the first paragraph of Section 5 of this Article, shall be allowed to all citizens and to private enterprises, including corporations, associations, cooperatives, and such other similar collective organizations with at least sixty percent (60%) of their capital investment or capital stocks directly controlled or owned by citizens.

SEC. 7. *Preferential Rights of Citizen-Inhabitants of Autonomous Region.* -- Subject to the exceptions provided in this Act, as amended, citizens who are inhabitants of the autonomous region shall have preferential rights over the exploration, utilization and development of natural resources of the autonomous region. Existing rights over the exploration, utilization and development of natural resources shall be respected subject to the exceptions specified in this Act, as amended.

SEC. 8. *Rules, Regulations and Fees.* -- The regional assembly shall by law regulate the exploration, utilization, development, and protection of the natural resources, including the mines and minerals, except the strategic minerals as provided in this Act. The regional government shall, pursuant to the said law, prescribe the rules and regulations and impose regulatory fees in connection therewith. Upon the enactment of the said law and the effectivity of such rules and regulations, the fees imposed by the regional government shall replace those that had been imposed by the central government.

SEC. 9. *Regulation of Small-Scale Mining.* -- Small-scale mining shall be regulated by the regional government to the end that the ecological balance, safety and health and the interests of the indigenous cultural communities, the miners and the people of the place where such operations are conducted are duly protected and safeguarded.

SEC. 10. *Regional Economic and Development Planning Board; Composition and Functions.* -- There is hereby created a regional economic and development planning board. The board shall be

chaired by the regional governor. The members of the board shall be composed of all the provincial governors and the city mayors of the provinces and cities within the autonomous region; the speaker and two (2) members of the regional assembly who shall be appointed by the speaker, one of whom shall be nominated by the opposition; and five representatives elected by the private sector as prescribed by the regional assembly.

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SEC. 11. *Pioneering Public Utilities and Cooperatives.* -- The regional assembly may, in the interest of regional welfare and security, establish and operate pioneering public utilities. Upon payment of just compensation, it may cause the transfer of the ownership of such utilities to cooperatives or other collective organizations.

SEC. 12. *Proclamation of State of Emergency; Operation of Public Utilities.* -- (a) *Temporary take-over of operations.* The regional government may, in times of regional emergency declared by the regional governor, when the public interest so requires and under such reasonable terms and safeguards as may be prescribed by the regional assembly, temporarily take over or direct operation of any privately-owned public utility or business affected with public interest. The public utility or business concerned may contest the take over of its operations by the regional government by filing a proper case or petition with the Court of Appeals.

(b) *Proclamation of state of emergency.* The regional governor may proclaim a state of emergency over the region or parts thereof whenever typhoons, flash floods, earthquakes, tsunamis or other natural calamities cause widespread damage or destruction to life or property in the region. The state of emergency proclaimed by the regional governor shall only be for the purpose of maximizing the efforts to rescue imperiled persons and properties and the expeditious rehabilitation of the damaged area. The state of emergency proclaimed shall in no way suspend any provision of the Constitution or this Organic Act, as amended, as well as the pertinent laws promulgated by the central or regional governments.

SEC. 13. *Legislating Benefits, Compensation for Victims of Mining and Mining Operations; Rehabilitation of Affected Areas.* -- The regional

assembly shall enact laws for the benefit and welfare of the inhabitants injured, harmed or adversely affected by the harnessing of natural and mineral resources in the autonomous region. Such laws may include payment of just compensation to and relocation of the people and rehabilitation of the areas adversely affected by the harnessing of natural and mineral resources mentioned above.

The regional assembly may by law require the persons, natural or juridical, responsible for causing the harm or injury mentioned above to bear the costs of compensation, relocation and rehabilitation mentioned above wholly or partially.

SEC. 14. *Reforestation; Support for Lumads or Tribal Peoples.* -- The regional government shall actively and immediately pursue reforestation measures to ensure that at least fifty percent (50%) of the land surface of the autonomous region shall be covered with trees, giving priority to watershed areas, strips of land along the edges of rivers and streams and shorelines of lakes and the seas within or abutting the autonomous region.

The regional government shall adopt measures for the development of lands eighteen percent (18%) in slope or over by providing infrastructure, financial and technical support to upland communities specially the *lumads* or tribal peoples.

The regional government shall also adopt measures to employ the people who may be displaced by the cancellation or revocation of timber concessions, licenses, contracts or agreements mentioned in paragraph above.

SEC. 15. *Prohibition Against Toxic or Hazardous Substances.* -- The regional government shall prohibit the use, importation, deposit, disposal and dumping of toxic or hazardous substances within the autonomous region.

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SEC. 17. *Incentives, Tax Rebates and Holidays.* -- The regional assembly may by law grant incentives, including tax rebates and holidays, for investors in businesses that contribute to the development of the autonomous region. It may provide similar incentives to companies doing business in the autonomous region which reinvest at least fifty percent (50%) of

their net profits therein, and to cooperatives which reinvest at least ten percent (10%) of their surplus into socially-oriented projects in the autonomous region.

SEC. 18. *Transport and Communication Facilities, Priority Projects.* -- The regional government shall give priority to the establishment of transportation and communication facilities to expedite the economic development of the autonomous region.

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Agriculture, Fisheries and Aquatic Resources

SEC. 21. *Farming and Fishing Cooperatives.* - The regional government shall recognize, promote and protect the rights and welfare of farmers, farm-workers, fisherfolk and fish-workers, as well as cooperatives and associations of farmers and fish-workers.

SEC. 22. *Agricultural Productivity; Organic Farming.* -- The regional government shall encourage agricultural productivity and promote diversified and organic farming.

SEC. 23. *Soil and Water Conservation.* -- The regional government shall give top priority to the conservation, protection, utilization and development of soil and water resources for agricultural purposes.

SEC. 24. *Aquatic and Fisheries Code.* -- The regional assembly may enact an aquatic and fisheries code which shall enhance, develop, conserve and protect marine and aquatic resources, and shall protect the rights of subsistence fisherfolk to the preferential use of communal marine and fishing resources, including seaweeds. This protection shall extend to offshore fishing grounds, up to and including all waters fifteen (15) kilometers from the coastline of the autonomous region but within the territorial waters of the republic, regardless of depth and the seabed and the subsoil that are included between two (2) lines drawn perpendicular to the general coastline from points where the boundary lines of the autonomous region touch the sea at low tide and a third line parallel to the general coastline.

The provinces and cities within the autonomous region shall have priority rights to the utilization, development, conservation and protection of the aforementioned offshore fishing grounds.

The provinces and cities concerned shall provide support to subsistence fisherfolk through appropriate technology and research, adequate financial, production, marketing assistance and other services.

The regional assembly shall enact priority legislation to ensure that fish-workers shall receive a just share from their labor in the utilization, production and development of marine and fishing resources.

The regional assembly shall enact priority legislation to develop science, technology and other disciplines for the protection and maintenance of aquatic and marine ecology.

SEC. 25. *Agriculture and Fisheries Bureau.* -- The regional assembly shall by law, create a Bureau on Agriculture and Fisheries and define its composition, powers and functions.

Trade and Industry

SEC. 27. *Cottage Industries.* -- The regional government shall promote and protect cottage industries by providing assistance such as marketing opportunities, financial support, tax incentives, appropriate and alternative technology and technical training to produce semi-finished and finished products. Deserving small and medium-scale cottage industries may be provided priority assistance.

SEC. 28. *Banks and Financial Institutions.* -- The regional government shall, subject to the supervision of the Bangko Sentral ng Pilipinas, encourage the establishment in the autonomous region of:

(a) Banks and financial institutions and their branches, and

(b) Off-shore banking units of foreign banks.

SEC. 29. *Islamic Banks.* -- The Bangko Sentral ng Pilipinas shall establish an Islamic Bank and authorize the establishment of its branches in the autonomous region.

The members of the board of directors or trustees of the Islamic Bank shall be appointed by the President upon recommendation of the regional governor. The persons recommended by the regional governor shall possess educational qualifications and sufficient experience in the management and operation of Islamic

banking and shall be subject to confirmation by the regional assembly before they are recommended to the President.

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SEC. 30. *Bangko Sentral Regional Bank.* -- The Bangko Sentral ng Pilipinas shall establish a Bangko Sentral Regional Bank with full banking services in the capital city or any suitable municipality in the autonomous region within one (1) year from the approval of this Act, as amended. The regional governor shall submit a list of qualified persons to the appropriate Bangko Sentral authority from which the staff of the regional office may be chosen.

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SEC. 31. *Barter and Counter-Trade.* -- Subject to existing laws, the regional government shall regulate traditional barter trade and counter-trade with Indonesia, Malaysia, or Brunei. The goods or items that are bartered or counter-traded with the said countries shall not be sold elsewhere in the country without payment of appropriate customs or import duties. The Department of Finance shall, in consultation with the regional government, promulgate the rules to govern barter and counter-trade within six months from the approval of this Act, as amended.

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Safeguards against smuggling will have to be introduced to protect the interests of our own people.

SEC. 34. *Foreign Investments.* -- Subject to the provisions of the Constitution, the regional government shall regulate and exercise authority over foreign investments within its jurisdiction. The central government may intervene in such matters only if national security is involved.

Tourism Development

SEC. 35. *Regional Tourism.* -- The regional government shall have primary jurisdiction in the promotion of tourism within the autonomous region. In promoting tourism, the diverse cultural heritage, and the moral and spiritual values of the people in the autonomous region shall be upheld, respected and maintained.

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15. ARTICLE XIV - PUBLIC ORDER AND SECURITY

SEC. 1. *Law and Order.* -- The regional government shall give priority to the maintenance and preservation of law and order for the establishment of peace and the protection of life, liberty and property of the people in the autonomous region, in consonance with the provisions of the Constitution and this Act, as amended.

SEC. 2. *Regional Security Force.* -- There is hereby created a Philippine National Police Regional Command for the autonomous region, hereafter called the Special Regional Security Force or Regional Police Force, in short.

SEC. 3. *Law Governing Regional Police Force.* -- The regional assembly shall enact laws to govern the Regional Police Force consistent with the pertinent provisions of the Constitution and this Act, as amended.

The members of the Moro National Liberation Front who are integrated into the Regional Police Force may be deployed in the autonomous region or elsewhere in the republic as may be determined by the proper police authorities.

SEC. 4. *Regional Police Force Composition.* -
- The Regional Police Force shall be composed of the existing Philippine National Police units within the autonomous region, the members of the Moro National Liberation Front integrated into the National Police units and other qualified persons who join it. Qualified residents of the autonomous region shall be given priority enlistment rights to join the Regional Police Force.

SEC. 5. *Powers and Functions of Regional Police Force.* -- The Regional Police Force shall exercise within the autonomous region the following powers and functions:

(a) Enforce laws enacted by the Congress and by the regional assembly relative to the protection of lives and properties of the people;

(b) Maintain law and order and ensure public safety;

(c) Investigate and prevent crimes, arrest criminal offenders, bring criminal suspects to justice and assist in their prosecution;

(d) Effect other arrests, searches and seizures in accordance with the Constitution and pertinent laws;

(e) Detain persons for a period not exceeding what is prescribed by law, inform the person so detained of all his or her rights under the Constitution and observe the human rights of all people in the autonomous region;

(f) Process applications for the licensing of firearms for approval by the proper officials of the National Police;

(g) Initiate drives for the licensing or surrender of unlicensed firearms; confiscate unlicensed firearms after such drives are over; prosecute or recommend to the President the grant of amnesty or pardon to possessors of unlicensed firearms who surrender them; and

(h) Perform such other duties and exercise all other functions as may be provided by law enacted by Congress or by the regional assembly.

SEC. 6. *Observance of Constitution and Laws.* -
- The Regional Police Force shall be charged with the preservation of peace, the maintenance of law and order, and the protection of life, liberty, and property in the autonomous region in consonance with the Constitution and pertinent legislation.

The Regional Police Force shall be run professionally and free from partisan political control. The discharge of its functions shall be done impartially and with professional integrity. It shall be constrained by and accountable to the law.

SEC. 7. *Regional Police Framework and Organization.* The philosophical framework and structural organization of the Regional Police Force shall be as follows:

(a) It shall be civilian in nature and character;

(b) The scope of its operations shall be regional. The Regional Police Force, its units or personnel may be deployed elsewhere in the republic as directed by the National Police Commission or when needed to suppress lawless violence, pursue and arrest criminal offenders or maintain law and order. In such circumstances, the order to deploy must be signed by the chairman of the National Police Commission and

approved by the President. The President may also order the said deployment on his own authority.

* Your committee suggests in this provision that the regional police be subject to deployment not only in the autonomous region but elsewhere in the country.

(c) It shall be headed by a regional director who shall be assisted by two (2) deputies, one (1) for administration and one (1) for operations. The regional director and the two deputies shall come from the ranks of the professional police force, preferably from any province, city or municipality of the autonomous region.

(d) It shall have regional, provincial, and city or municipal offices;

(e) At the provincial level, there shall be a provincial office, headed by a provincial director who shall be a professional police officer with the rank of police superintendent, at least; and

(f) At the city or municipal level, there shall be an office or station, which shall be headed by a Chief of Police who shall be a professional police officer with the rank of police superintendent for the city and police inspector for the municipality.

SEC. 8. Power of Regional Governor Over Regional Police Force. -- The regional governor shall have the following powers over the Regional Police Force:

(a) To act as the deputy of the National Police Commission in the region and as the *ex officio* chair of the regional police commission;

(b) To exercise operational control and general supervision and disciplinary powers over the Regional Police Force;

(c) To employ or deploy the elements of and assign or reassign the Regional Police Force through the regional director. The Regional Director may not countermand the order of the regional governor unless it is in violation of the Constitution and the law;

(d) To recommend to the President the appointment of the regional director and his two (2) deputies;

(e) To oversee the preparation and implementation of the Integrated Regional Public Safety Plan;

(f) To impose, after due notice and summary hearings of the citizen's complaints, administrative penalties on personnel of the Regional Police Force except those who are appointed by the President; and

(g) Do everything necessary to promote widespread support by the various communities making up the autonomous region for the Regional Police Force.

SEC. 9. Regional Police Directors. -- The selection, assignment and appointment of the Provincial and City Directors of the Regional Police Force and the assignment of Moro National Liberation Front integreees shall be done pursuant to Republic Act No. 6975, or the Philippine National Police Law, as amended.

SEC. 10. Regional Police Commission. -- There is hereby created a regional police commission, which shall perform the functions of the National Police Commission in the autonomous region. The regional police commission shall be under the administration and control of the national police commission. The chairman and the members, thereof, shall be appointed by the regional governor subject to confirmation by the regional assembly. The chairman shall be an *ex officio* commissioner of the National Police Commission on matters dealing with the regional police force.

The regional police commission shall have the power to investigate complaints against the regional police force. Appeals from its decisions may be lodged with the National Police Commission. Pending resolution of the appeal, its decisions may be executed. The rules and regulations governing the investigation of members of the national police shall be followed by the regional police commission in the absence of rules and regulations enacted by the regional assembly.

SEC. 11. Regional Defense and Security. -- The defense and security of the autonomous region shall be the responsibility of the central government. Towards this end, there is hereby created a Regional Command of the Armed Forces for the autonomous region, which shall be organized, maintained and utilized in accordance with national laws. The central government shall have the authority to station and deploy in the autonomous region such elements of the armed forces as may be necessary to carry out that responsibility. Qualified inhabitants of the autonomous region shall be given preference for assignments in the said regional command.

SEC. 12. *Calling Upon the Armed Forces.* -- The provisions of the preceding sections notwithstanding, the regional governor may request the President to call upon the armed forces:

(a) To prevent or suppress lawless violence, invasion or rebellion, when the public safety so requires, in the autonomous region in accordance with the provisions of the Constitution;

(b) To suppress the danger to or breach of peace in the autonomous region, when the Regional Police Force is not able to do so; or

(c) To avert any imminent danger to public order and security in the area of autonomy.

The President may on his own accord send the armed forces into the autonomous region to attain the above objectives if the regional governor does not act within fifteen (15) days after the occurrence of the events mentioned above that need to be prevented or suppressed.

SEC. 13. *Indigenous Structures.* -- The regional government shall recognize indigenous structures or systems which promote peace, law and order.

* Your committee understands this provision to mean that if the datu or sultanate systems could work to help maintain law and order and promote the peace in the community, resort to those systems are sanctioned by the Organic Act as amended.

16. ARTICLE XV - EDUCATION, SCIENCE AND TECHNOLOGY, ARTS AND SPORTS

* There are several provisions about education, science and technology, arts and sports that follow. All such provisions are intended to enable the regional government to offer to its people quality and relevant education.

* Your committee suggests that education may help speed up the delivery of the people of the autonomous region from the grip of ignorance and poverty which as everybody knows spawn several ills that plague not only the region but the entire nation as well.

* Here are some hard facts that we have to address. The statistics that follow show how pitiful

is the educational situation of the people in the autonomous region.

1. Backlog in classrooms: For school year 1998-1999, classroom requirement was 10,484. There are 8,898 existing classrooms, making a backlog of 1,586 classrooms.

2. Teacher-pupil ratio: Most of the classrooms are overcrowded due to lack of teachers in most ARMM provinces especially in far-flung areas.

3. Desks: In 1998-1999 a total of 409,388 pupils enrolled in elementary level with desk requirement of 204,694. The actual number of desks is 85,500. There is, thus, a backlog of 119,194 desks. In the secondary level, there are 55,497 students. But there are only 38,615 armchairs. There is a need for 16,682 armchairs.

Your committee hopes that we can remedy the situation and inculcate upon the leaders of our educational system that more than luxury cars that serve only to inflate their ego, the real needs of education for our people must be attended to by them in a concrete manner.

SEC. 1. *Quality Education, A Top Priority.* -- The regional government shall establish, maintain and support as a top priority a complete and integrated system of quality education and adopt an educational framework that is meaningful, relevant and responsive to the needs, ideals and aspirations of the people in the region.

The schools, colleges and universities existing in the autonomous region as of the date of the approval of this Act, as amended, and such other schools and institutions that may be established in the region shall be deemed integral components of the educational system of the regional government.

The educational system of the regional government shall be deemed a subsystem of the national educational system. The regional educational subsystem shall enjoy fiscal autonomy and academic freedom.

* The people of the region are aware of the injunction of the prophet Mohammed that the education of his followers should be given top priority even if they have to "go to China."

* Hopefully, once the proposals in this bill are approved, the people of the autonomous region need not go to China or elsewhere to attain good, quality education.

Educational Policies

SEC. 2. *Policies and Principles.* -- Consistent with the basic state policy on education, the regional government shall adopt the following educational policies and principles:

(a) *Perpetuation of Filipino and Islamic values.* The regional educational subsystem shall perpetuate Filipino and Islamic values and ideals, aspirations, and orientations. It shall develop the total spiritual, intellectual, social, cultural, scientific and physical aspects of the people of the autonomous region to make them God-fearing, productive, patriotic citizens, conscious of their Filipino and Islamic values and cultural heritage;

* As has been observed earlier in your committee's discussion of Section 6, Article III, the omission of *Lumad* values in the enumeration of the values that are to be perpetuated was not malicious in the sense that it was purposely made so as to preclude their inclusion in the enumeration. Rather, it was your committee's understanding that *Lumad* values may very well be covered by the values of other cultural communities that are sought to be protected elsewhere in these amendments.

* Nonetheless, your committee is disposed to accept any amendment that will clarify matters to allay apprehensions that *Lumad* values are being left out of consideration by the Senate.

(b) *Inculcation of values of peaceful settlement of disputes.* The regional educational subsystem shall prioritize the inculcation among the citizenry and students of their commitment to the peaceful settlement of disputes and grievances and the avoidance of the use of lawless violence.

To this end, emphasis shall be placed on the desirability and practicality of relying upon democratic and legal processes rather than on the use of guns or resort to violence to settle personal, familial or tribal problems. The regional assembly may, by law, establish a program for the surrender of firearms with payment of compensation provided by the regional

government. The program may also be supported from the funds of the national police.

* Your committee suggests that the firearms surrender program should be pursued with vigor in the autonomous region. It may not be amiss to suggest that perhaps the firearms surrender program may be tied up with the *hadj* that Muslims are duty bound in Islam to undertake.

The government is already supporting and organizing the *hadj* of our brother and sister Muslims to Mecca. There appears to be no reason, for instance, the surrender of firearms by a Muslim pilgrim to Mecca will not entitle him to a free or a subsidized round trip ticket covering his *hadj*.

(c) *Optional religious instruction.* Religious instruction in public schools shall be optional, with the written consent of the parent or guardian, and taught by the authorities of the religion to which the student belongs. The teaching of religion shall not involve additional costs to the government in accordance with national policies;

(d) *Inculcation of patriotism and nationalism.* To develop, promote and enhance unity in diversity, all schools in the autonomous region shall inculcate into the minds of their students the values of patriotism and nationalism, appreciation of the role of national and regional heroes in the historical development of the country and region, foster love of humanity, respect for human rights, and teach the rights and duties of citizenship, and the cultures of the Muslims, Christians, and tribal peoples in the region;

(e) *Vocational and special education.* The thrusts, programs and administration of vocational, non-formal and special education shall be supported and made relevant to the manpower needs of the region;

(f) *Scholarships, student loans and subsidies.* A system of scholarship programs, grants, student loans, subsidies and other incentives shall be made available to all poor but deserving students;

(g) *Funding for local education programs.* Funding for local educational programs shall be the responsibility of the regional government;

(h) *Community participation in education.* The active participation of the home, community, religious

organizations and other sectors in the total educative process of the child shall be encouraged and supported;

(i) Development of regional language. A regional language may be evolved and developed from the different dialects in the region;

(j) Media of instruction in schools. Filipino and English shall be the media of instruction in all schools in the autonomous region. Arabic shall be an auxiliary medium of instruction;

(k) Teaching of Arabic as subject. Arabic shall be taught as a subject in all grade levels as required for Muslims under existing laws and optional, for non-Muslims;

(l) Auxiliary official languages. Regional languages may be used as auxiliary official languages in the region as well as auxiliary media of instruction and communication;

(m) Develop ethnic identity. Education in the autonomous region shall develop consciousness and appreciation of one's ethnic identity and shall provide a better understanding of another person's cultural heritage for the attainment of national unity and harmony;

(n) The regional government shall recognize the participation of private institutions of learning, including the Madaris (Arabic schools), in providing quality education to the people of the region; and

(p) (i) Basic education structure. The elementary level shall follow the basic national structure and shall provide basic education; the secondary level will correspond to four (4) years of high school, and the tertiary level shall be one (1) year to three (3) years for non-degree courses and four (4) to eight (8) years for degree courses, as the case may be, in accordance with existing laws;

(ii) Social studies subjects contents. Filipino and Islamic values shall be incorporated in the social studies subjects or their equivalent in appropriate grade levels and subject to agreed norms, academic freedom, and legal limitations. These values shall be taught also as a part of appropriate subjects in the secondary and tertiary levels of education;

(iii) Textbook preparation, writing, revision and printing. The preparation, writing, revision and printing of textbooks for the use of the schools in the autonomous region shall be the joint responsibility of the regional government and the central government. Subject to agreed norms, academic freedom and relevant legal limits, the preparation, writing, revision and printing of the textbooks shall emphasize Filipino and Islamic values. The said values shall include those of Muslims, Christians and indigenous peoples, human rights, modern sciences and technology as well as the latest advances in education that are relevant to the ideals of the autonomous region and to the republic.

* Again, if it is desired to specify *Lumad* in lieu of the generic phrase "indigenous peoples" to emphasize the matter of whose values are being advanced in education, your committee is prepared to accept amendments to that end.

(iv) Accreditation for transfer to other schools. After they shall have passed the core curriculum prescribed by the central government, the students and graduates of the education system of the autonomous region shall be fully accredited for transfer to the corresponding grade levels in the schools outside the autonomous region.

(v) Period for integration of Islamic values. The integration of Islamic values in the curriculum of the regional educational subsystem shall be done over a period of six (6) years from the approval of this Act, as amended, after appropriate researches and studies shall have been conducted, evaluated and approved by the regional education authorities.

* Your committee suggests that it may be appropriate to include the integration of *Lumad* values also under this paragraph, if it is so desired by the Chamber.

(vi) Primary responsibility for learning aids and instructional materials. The regional government shall have the primary responsibility to provide learning aids and instructional materials to the schools in the autonomous region in addition to those already prescribed by the central government.

(vii) Responsibility for selection, recruitment, appointment, promotion and civil service protection of teachers and non-teaching personnel. (a) The selection, recruitment, appointment and promotion of teaching and non-teaching personnel of the regional educational subsystem shall be the responsibility of the regional government. The teaching and non-teaching personnel of the regional school system who have appropriate civil service eligibility may not be replaced, removed or dismissed without just cause.

(b) The regional government may impose its regionally-defined standards for the employment of teaching and non-teaching personnel in its school system which, however, shall not be lower than the standards of the Department of Education, Culture and Sports.

(c) In the selection, recruitment, appointment and promotion of elementary, secondary and tertiary education teaching and non-teaching personnel, the minimum requirements and standards prescribed by the Department of Education, Culture and Sports, the Commission on Higher Education and the Technical Education and Skills Development Authority shall be observed by the regional educational subsystem; and

(viii) Preservation of culture, mores, customs and traditions. The culture, mores, customs and traditions of the Muslim people and those of the Christians and indigenous people, shall be preserved, respected, enhanced and developed.

* The same suggestion may be made here to specify *Lumad* culture, mores, customs and traditions as among those that have to be preserved, respected, enhanced and developed.

(ix) Schools to preserve and develop cultures, mores, customs and traditions. The regular public and Madaris schools in the autonomous region shall be the primary vehicles for the preservation, enhancement and development of the said cultures, mores, customs and traditions.

SEC. 3. *Regional Educational Curricula.* -- The regional Department of Education, Culture and Sports shall develop curricula that are relevant to the economic, social, political, cultural, moral and spiritual needs of the people in the autonomous region.

SEC. 4. *Education, Management and Control of Education.* -- The management, control, and supervision of the regional educational subsystem shall be the primary concern of the regional government.

The Department of Education, Culture and Sports, the Commission on Higher Education, and the Technical Education Skills Development Authority and other appropriate educational bodies of the central government shall monitor compliance by the regional educational subsystem with national educational policies, standards and regulations. The Department of Education, Culture and Sports, Commission on Higher Education, and the Technical Education Skills Development Authority of the regional government shall participate in policy and decision-making activities of their counterparts of the central government in matters that affect the regional educational subsystem.

Educational Structure

SEC. 5. The regional assembly may, by law, create, support and maintain a regional Department of Education, Culture and Sports, and shall define its powers, functions and composition.

SEC. 6. *Private Schools Supervision.* -- (a) The regional Department of Education, Culture and Sports shall be responsible for the supervision and regulation of private schools.

(b) Private schools, including sectarian and non-sectarian institutions of learning of whatever level, may organize themselves and shall have the right to participate and be represented by three representatives in the deliberations of the regional Department of Education, Culture and Sports on matters dealing with private schools.

(i) The representatives of the private schools to the regional Department of Education, Culture and Sports shall act for the sectarian Christian schools, non-sectarian schools and the schools of the *Lumads*, if any.

(ii) The right of sectarian educational institutions to propagate their religious beliefs shall not be curtailed. The regional educational subsystem shall not discriminate against the sectarian educational institutions in any manner or form.

SEC. 7. *Educational Subsystem Structure.* -- The organizational structure of the regional educational subsystem shall follow the basic structure of the educational system of the central government. The regional assembly may, however, create its own structures. It shall prescribe the same curricular years as those prescribed nationally.

SEC. 8. *Academic Freedom and Fiscal Autonomy.* -- State colleges and universities within the autonomous region shall enjoy academic freedom and fiscal autonomy and shall continue to be governed by their respective charters as modified by this Act, as amended. The provisions of existing laws to the contrary notwithstanding, the regional government shall be represented in the board of state universities and colleges in the region by the chairman of the Committee on Education, Culture and Sports of the regional assembly either as co-chairman or co-vice chairman.

SEC. 9. *Education Centers.* -- All state colleges and universities in the autonomous region shall serve as regional centers for tertiary and post graduate education in their respective areas of competence.

SEC. 10. *Tribal University System.* -- The regional assembly may create a tribal university system within the autonomous region to address the higher educational needs of the indigenous cultural communities in the region.

Madrasah Education

SEC. 11. *Supervision of Madaris Schools.* -- Accredited madaris in the autonomous region shall be supervised by the regional Department of Education, Culture and Sports in accordance with the principles of the Constitution and this Organic Act, as amended.

SEC. 12. *Madrasah Educational System; Arabic as Medium of Instruction.* -- The regional assembly shall enact legislation for the strengthening and development of the Madrasah Educational System in the autonomous region.

Arabic is hereby recognized as a medium of instruction in *madaris* (schools) and other Islamic Institutions."

SEC. 13. *Madaris.* -- Existing *madaris* and *madaris ulya* are deemed parts of the regional educational subsystem.

Your committee understands that *madaris ulya* is the rough equivalent of graduate schools in the madrasah educational system.

SEC. 14. *Madaris Teachers Qualifying Examinations; Compensation.* -- The regional Department of Education, Culture and Sports shall, in coordination with the regional Commission on Higher Education, conduct periodic competitive qualifying examinations of *madaris* teachers for permanent appointments to the regional educational subsystem.

The compensation of *madaris* teachers employed in the public schools of the autonomous region shall be taken from the funds of the regional government.

Science and Technology

SEC. 15. *Science and Technology.* -- Science and Technology are recognized as essential to national and regional progress and development.

SEC. 16. *Priority Legislation.* -- The regional assembly shall enact laws that shall:

(a) Give priority to science, research, inventions, technology, education, and their development and utilization;

(b) Provide incentives, including tax deduction and funding assistance, and encourage the participation of the private sector in basic and applied scientific researches;

(c) Regulate the transfer and promote the adoption of technology from all sources for regional benefit;

(d) Secure and protect the exclusive rights of scientists, inventors, scholars, writers, artists and other gifted citizens to their intellectual properties; and

(e) Ensure the full and effective participation of all sectors in the planning, programming, coordination and implementation of scientific and technological researches and the acquisition, adoption, innovation and application of science and technology for development.

SEC. 17. *Environmental Changes.* -- The regional educational subsystem shall endeavor to respond positively and effectively to the climatic changes affecting the environment. It shall monitor and

evaluate ecological developments affecting the region and develop appropriate plans to meet ecological situations. To this end, it may establish linkages with appropriate domestic and international institutions.

SEC. 18. Non-Formal Education. -- The regional Department of Education, Culture and Sports shall institutionalize non-formal education in scope and methodology, to include literacy, numeracy and intensive skills training of the youth and adults.

Scholarship Grants and Assistance

SEC. 19. Donations to Universities, Colleges and Schools. -- Public or private universities, colleges and schools in the autonomous region may seek and receive local or foreign donations for educational purposes. Donors to public or private universities, colleges and schools may deduct the amount of the donation from their taxable income due to the government.

SEC. 20. Scholarship Programs. -- The regional government shall provide scholarships to qualified poor but deserving students in all levels of education. To this end, the regional government shall devote, at least, fifteen percent (15%) of its regular budget for education to support scholarships and shall endeavor to augment the funds for scholarships from other sources of revenue, public or private.

The regional government shall administer the scholarship programs of the Commission on Higher Education and the Technical Education and Skills Development Authority scholarship programs, both local and foreign within the region. The administrative and other details of this transfer of authority to administer the scholarship programs shall be done within six (6) months from the approval of this Act.

SEC. 21. Financial Assistance for Disadvantaged, Deserving Students. -- The regional government shall provide financial assistance to disadvantaged but deserving students from any funds including those provided by the central government for that purpose.

Funds for Education

SEC. 22. Release of Education Funds. -- Educational funds for the regional government allocated by the central government in the General Appropriations Act shall be released directly to the treasurer of the regional government.

* Your committee suggests that a proviso be added that the funds shall not be used for any other purpose than for education.

Physical Education and Sports Development

SEC. 23. Physical Education and Sports Development. -- The regional educational subsystem shall develop and maintain an integrated and comprehensive physical education program. It shall develop healthy, disciplined, creative, innovative, productive individuals, and promote the spirit of sportsmanship, cooperation, teamwork, goodwill and understanding.

SEC. 24. Sports Programs. -- The regional educational subsystem shall encourage and support sports programs, league competitions, indigenous games, martial arts and amateur sports, including training for regional, national and international competitions.

Cultural Heritage

SEC. 25. Cultural Heritage. -- The cultural heritage of the people of the autonomous region shall be an integral component of regional development.

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SEC. 27. Bureau of Cultural Heritage. -- The regional assembly may, by law, create a bureau on cultural heritage. The bureau shall plan, initiate, implement and monitor cultural programs, projects and activities that preserve and enhance the positive elements of the indigenous culture of the inhabitants of the autonomous region. It shall coordinate with other concerned agencies engaged in similar and related activities.

17. ARTICLE XVI - SOCIAL JUSTICE, SERVICES, INSTITUTIONS AND OTHER CONCERNS

SEC. 1. Promotion of Social Justice. -- The promotion of social justice shall include the commitment to create social, political and economic opportunities based on freedom of initiative, resourcefulness and self-reliance.

SEC. 2. (a) Social Services. -- The regional assembly shall, consistent with the provisions of the constitution and existing national laws, enact measures to provide and promote social services.

(b) *Food and Drug Regulation.* -- The regional assembly shall, by law, establish and maintain an effective food and drug regulatory system. The rational use of drugs through an essential drugs list and the use of generic medicines or drugs, as well as the use of herbal medicines and indigenous health resources, whenever appropriate, shall be encouraged and promoted.

(c) *Other Legislation.* -- The regional assembly shall also enact legislation on the following:

- (i) Child health and development, including the support of the physically challenged and other disadvantaged persons in need of welfare services;
- (ii) Protection and development of the rights of women and of indigenous population;
- (iii) Registration of births, marriages and deaths; and
- (iv) Fixing of regional public holidays.

SEC. 3. *Housing Program.* -- The regional government, in cooperation with the private sector, shall evolve its own housing program that will provide adequate, low-cost, and decent housing facilities, and other basic services to the residents of the region, especially the underprivileged.

SEC. 4. The regional assembly shall, within one (1) year from its organization, enact measures embodying re-integration programs responsive to the needs of former rebels who return to the fold of the law. A rehabilitation program shall be provided for displaced persons or communities that are victims of man-made or natural calamities.

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SEC. 6. *Women's Rights.* -- The regional government recognizes the role of women in nation building and regional development. It shall promote their well-being and ensure their fundamental rights and equality with men.

The regional government shall take appropriate measures against all forms of exploitation of and discrimination against women.

It shall ensure the representation of women in appropriate decision and policy-making bodies.

* This provision intends to upgrade the status of women in the area of the autonomy. It may well help stabilize law and order also in the region.

SEC. 7. *Youth.* -- The regional government recognizes the vital role of the youth in nation building.

The regional assembly may, by law, create the Office of Youth Affairs and define its powers, functions and composition.

SEC. 8. *NGOs and People's Organization.* -- The regional government shall protect and promote the rights of non-government and people's organizations.

* Your committee will accept amendments here to include non-government organizations for protection by the regional government.

SEC. 9. *Protection of Labor.* -- The regional government recognizes labor as a primary social economic force for development. It shall afford full protection to labor, promote full employment, ensure equal work opportunities regardless of sex, race or creed, and regulate the relations between workers and employers.

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18. ARTICLE XVII - GENERAL PROVISIONS

SEC. 1. The regional assembly is hereby empowered to pass a law adopting an official regional emblem, seal and hymn. The regional emblem and seal shall be displayed along with the national emblem and seal. The regional hymn shall be sung in after the national anthem in official proceedings at the discretion of the government officials in the autonomous region.

* In displaying the regional emblem and seal with the national emblem and seal, it is understood that the national emblem and seal shall occupy a place of honor higher than the regional emblem and seal just as the national anthem is to be sung before the regional anthem when appropriate.

* Your committee suggests that appropriate sanctions be imposed on the officials or employees who fail to observe the order of priority mentioned earlier.

* The attention of our colleagues is called to a proposed rearranging of the sequence of the paragraphs here. Your committee suggests that at the proper time, the oath of office provision be marked as Section 2 and the other sections renumbered accordingly.

SEC. 2. Disciplinary Authority Over Officials and Employees. -- The regional government shall have primary disciplinary authority over officials and employees of the regional government. In the exercise of that authority, the regional government shall apply the Civil Service Law, rules and regulations of the central government until the regional assembly shall have enacted a Regional Civil Service Law.

SEC. 3. Oath of Office. -- All public officers and employees, as well as members of the Regional Police Force and the military establishment, shall be required to take an oath of allegiance to the Republic of the Philippines, to support and defend the Constitution and this Organic Act, as amended, renounce the use of violence and commit themselves to democratic means in the pursuit of their ideals and aspirations.

The Regional Civil Service Law shall govern the conduct of the civil servants, the qualifications for non-elective positions and the protection of civil service eligibles in various government positions in the autonomous region.

SEC. 4. Civil Service Eligibility. -- Until the regional assembly shall have enacted a Civil Service Law, the civil service eligibilities required by the central government for appointments to public positions shall likewise be required for appointments to government positions in the regional government. As may be necessary, the Civil Service Commission shall hold special civil service examinations in the autonomous region. For a period not longer more than six (6) years from the approval of this Act, the central government shall endeavor to provide appropriate civil service eligibility to applicants coming from the autonomous region for government positions therein. The minimum qualifications prescribed by law shall, however, be met.

SEC. 5. Prohibition Against Employment of Military Personnel in Civil Service. -- No member of the armed forces in the active service shall, at any time, be appointed or designated in any capacity to a civilian position in the regional government, including

government-owned or controlled corporations, or in any of their subsidiaries or instrumentalities within the autonomous region.

SEC. 6. Promulgation and Translation of Organic Act, As Amended. This Organic Act, as amended, shall be officially promulgated in Filipino, English and Arabic and translated into the dialects widely spoken in the autonomous region. In case of conflict, the English text shall prevail.

19. ARTICLE XVIII - AMENDMENTS OR PROVISIONS

SEC. 1. Consistent with the provisions of the Constitution, this Organic Act, as amended, may be re-amended or revised by the Congress of the Philippines upon a vote of two-thirds of the members of the House of Representatives and of the Senate voting separately.

SEC. 2. The regional assembly shall have the power to initiate proposals for amendment to or revisions of this Organic Act, as amended, by a vote of three-fourths (3/4) of all its members or it may call for a Regional Consultative Commission to propose the amendment or revision. In any case, the amendment or revision shall require the approval of the Congress of the Philippines by a vote of two-thirds of the members of the House and of the Senate voting separately.

SEC. 3. Any amendment to or revision of this Organic Act, as amended, shall become effective only when approved by a majority of the vote cast in a plebiscite called for the purpose, which shall be held not earlier than sixty (60) days or later than ninety (90) days after the approval of such amendment or revision.

20. ARTICLE XIX - TRANSITORY PROVISIONS

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(c) Disposition of certain real properties of the autonomous region. The land and permanent buildings or structures owned, controlled, administered or in the possession of the regional government of the Muslim Autonomous Region in Mindanao, including those formerly owned, held, administered or controlled by the defunct autonomous governments in Regions IX and XII located in provinces and cities which do

not vote favorably for the inclusion of their respective areas in the Muslim Autonomous Region in Mindanao as provided by this Act, as amended, shall be purchased by the central government at a price agreed upon by the central government and the regional government within six (6) months from the date of the holding of the plebiscite mandated by this Act.

If no agreement is arrived at within the period mentioned above, the purchase price of the said properties shall be determined by the oversight committee as provided for in Section 3 of Article XIX of this Act, within three (3) months from the end of the six-month period mentioned above. The executive secretary of the Office of the President shall immediately inform the committee of the failure of the central government and the regional government to agree on the purchase price.

Unless the price determined by the oversight committee is contested by either party within sixty (60) days from the determination thereof by an action filed with the proper court, the sale shall be perfected forthwith and legal title to the said properties shall be registered in the name of the central government. The central government may, thereafter, dispose of the properties for value in favor of any province, city or municipality interested in them. The proceeds, thereof, shall be remitted forthwith to the regional government to fund the acquisition of suitable sites for and construction of its regional offices.

SEC. 2. Personnel Absorbed By Regional Government. -- All personnel of the central government and of government-owned or controlled corporations who are absorbed by the regional government shall retain their seniority rights, compensation levels and other benefits.

SEC. 3. Oversight Committee. -- Within one (1) month from the approval of this Act, as amended, an oversight committee composed of (a) the executive secretary as chairman, (b) the secretary of Budget and Management, (c) the regional governor of the autonomous region, (d) the speaker of the regional assembly, (e) the chairman of the Senate Committee on Local Government and (f) one other senator designated by the Senate President and (g) the chairman of the House Committee on Local Government and (h) one other representative representing a congressional district in the Muslim Autonomous Region in Mindanao designated by the speaker of the House of

Representatives, as members, shall be organized for the purpose of supervising the transfer to the autonomous region of such powers and functions vested in it by this Act, and the appropriations of the offices or agencies, including the transfer of properties, assets and liabilities, and such personnel as may be necessary; and of identifying the other line agencies and government-owned-or-controlled corporations that may be absorbed by the regional government and, with respect to the latter, also the terms and conditions of their turnover.

Within six (6) months after its organization as ordained by this Act, 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 receiving it. If the President fails to act within said period, the recommendations of the oversight committee shall be deemed approved.

SEC. 4. Agencies and Offices Transferred to the Autonomous Region. -- Upon the election of the officials of the regional government, as mandated by this Act, the line agencies and offices of the central 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.

Other central government offices and agencies in the autonomous region which are not excluded under paragraph (9), Section 2, Article V of this Organic Act, as amended, together with their personnel, equipment, properties and budgets, shall be placed under the control and supervision of the regional government pursuant to a schedule prescribed by the oversight committee mentioned in Section 3, Article XIX of this Organic Act, as amended. The transfer of these offices and agencies and their personnel, equipment, properties and budgets shall be accomplished within six (6) years from the reorganization of the regional government.

The central government shall continue to provide such levels of expenditures as may be necessary to enable the regional government to carry out the functions devolved under this Act. The annual budgetary support shall, as soon as practicable, terminate for the line agencies or offices devolved to the regional government.

SEC. 5. Notwithstanding the provisions of the preceding section, the Government Service Insurance System, the Social Security System, the *Pagtutulungan-Ikaw, Bangko, Industriya't Gobyerno* (Pag-IBIG) and other funds of similar trust or fiduciary nature shall be exempt from the coverage of this Organic Act, as amended.

SEC. 6. *Budgetary Law, Rules and Regulations.* -- Pending the enactment of a regional budgetary law, the budgeting process of the regional government shall be governed by pertinent rules and regulations prescribed by the Department of Budget and Management.

SEC. 7. *First Regular Elections.* -- The first regular elections of the regional governor, regional vice governor and members of the regional assembly under this Organic Act, as amended, shall be held not earlier than sixty (60) days or later than ninety (90) days after the ratification of this Act, as amended. The Commission on Elections shall promulgate such rules and regulations as may be necessary for the conduct of said election.

SEC. 8. Within one (1) year from its organization, the regional assembly shall, by law, create a code commission on Muslim and a code commission on tribal laws. Each code commission shall have three (3) members. The code commissions shall codify tribal laws and Islamic laws and jurisprudence within three (3) years from their creation and submit the same to the regional assembly for enactment into law.

The chairs and commissioners of the code commissions shall be entitled to reasonable per diems for the work.

SEC. 9. *Initial Funds for the Regional Government.* -- The sum of Fifteen million pesos (P15,000,000.00), which shall be charged against the Contingent Fund of the President, is hereby appropriated for the initial organizational requirements of the regional government. Any deficiency shall be taken from savings of the central government. An amount not exceeding ten million pesos (P10,000,000.00) thereof shall be allotted to the Commission on Elections to undertake an information campaign on this Organic Act, as amended. The Commission on Elections shall determine the manner of campaigning and the deputization of government agencies for the purpose. The Commission on Elections shall adopt measures to ensure the

dissemination of the said impartial information campaign.

SEC. 10. *Annual Assistance.* -- In addition to the regular annual allotment to fund the regular operations of the regional government, such amounts as may be needed to fund the infrastructure projects duly identified, endorsed and approved by the regional planning board as created herein shall be provided by the central government as annual assistance for six (6) years after the approval of this Act, and shall be included in the Annual General Appropriations Act. The annual assistance herein mentioned shall be appropriated and disbursed through a Public Works Act duly enacted by the regional assembly. The national programs and projects in the autonomous region shall continue to be financed by central government funds.

* The rationale for the infusion of additional funds for the autonomous region is to give the region a chance to catch up with the rest of the nation in matters of development.

SEC. 11. *Sectoral Representatives.* -- The sectoral representatives mentioned in Article VII, Section 3 of this Act, shall be chosen by the sectoral groups concerned at sectoral conventions called for the purpose by the Commission on Elections. The sectoral conventions shall be held within three (3) months after the date of the holding of the simultaneous plebiscites mandated by this Act, as amended.

The Comelec shall formulate the rules and regulations to ensure equitable sectoral representations in the regional assembly. It shall identify and accredit the sectoral organizations, which shall be entitled to sectoral representation in the regional assembly.

The regional assembly shall enact a law for the election of marginalized and under-represented sectors, following the principle of proportional representation, within its first term following the approval of this Act.

SEC. 12. *Plebiscite and Effectivity of this Act, As Amended.* This Act, as amended, shall take effect when approved by a majority of the votes cast in the four (4) provinces constituting the present Autonomous Region in Muslim Mindanao pursuant to Republic Act No. 6734, and in the provinces, cities and municipalities proposed for inclusion in the said

autonomous region as mentioned above in the simultaneous plebiscites called for that purpose not earlier than sixty (60) days or later than ninety (90) days after the approval of this Act, as amended.

(a) Separate plebiscites shall be held simultaneously with the plebiscite mentioned in paragraph 2 in the provinces of Basilan, Cotabato, Davao del Sur, Lanao del Norte, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Zamboanga del Norte, and Zamboanga del Sur, and the cities of Cotabato, Dapitan, Dipolog, General Santos, Iligan, Marawi, Pagadian, Puerto Princesa, Zamboanga, and Kidapawan to determine by majority vote cast in every province, city and municipality whether or not the voters approve the inclusion of their respective provinces, cities or municipalities in the autonomous region. Only provinces and cities voting favorably in such plebiscite shall be included in the Autonomous Region in Muslim Mindanao. Municipalities that vote for their inclusion in the autonomous region shall likewise become members of the autonomous region provided they qualify for conversion as a separate province or provinces pursuant to the provisions of Republic Act No. 7160, the Local Government Code of 1991, or are merged with the province or provinces nearest to them that are already members of the autonomous region as provided in this Act.

If the majority of the votes cast in the said plebiscite in the four (4) provinces favor the amendments to Republic Act No. 6734, the amendments will be deemed ratified as far as the said provinces are concerned.

SEC. 13. Plebiscite Information Campaign. -- The Commission on Elections shall conduct an information campaign on the plebiscite in every municipality, city and province where the plebiscite is held. Public conferences, assemblies or meetings on dates before the plebiscite day itself, shall be held to inform the residents thereof regarding the significance and meaning of the plebiscite and to help them to cast their votes intelligently. Free, full and constructive discussion and exchange of views on the issues shall be encouraged. For this purpose, the assistance of persons of known probity and knowledge may be enlisted by the Commission on Elections, the regional government, the local government units or interested parties to act as speakers or resource persons.

SEC. 14. Promulgation of Rules; Appropriations for Simultaneous Plebiscites. -- The Commission on Elections shall within fifteen (15) days from the approval of this Act, as amended, promulgate such rules and regulations as may be necessary to govern the conduct of the plebiscites.

The amount necessary for the conduct of the plebiscites shall be charged against any savings of the appropriations of the Commission on Elections and any deficiency thereof, shall be augmented from the contingent fund.

SEC. 15. Zone of Peace and Development. -- The Special Zone of Peace and Development in the Southern Philippines, the Southern Philippines Council for Peace and Development and the consultative assembly created under Executive Order No. 371 dated October 2, 1996, are deemed abolished and shall cease to exist as of the date of the approval of this Act, as amended, in the said plebiscites. If this Act, as amended, is rejected in the said plebiscites, the aforementioned bodies shall continue to exist until abolished by law.

SEC. 16. Separability Clause. -- The provisions of this Act, as amended, are hereby declared to be separate and in the event one or more of such provisions are held unconstitutional, the validity of other provisions shall not be affected thereby.

SEC. 17. Repealing Clause. -- All laws, decrees, orders, rules and regulations, and other issuances or parts thereof, which are inconsistent with this Act, are hereby repealed or modified accordingly.

* Your committee begs the indulgence of the Chamber to help identify specific acts of Congress or presidential proclamations, decrees, issuances or orders that may need to be repealed or modified.

SEC. 18. Effectivity Clause. - This Act, as amended, shall take effect after fifteen (15) days following its complete publication in at least two (2) national newspapers of general circulation and one (1) local newspaper of general circulation in the autonomous region.

* My dear colleagues, your committee has taken pains to elaborate at length on some major provisions of the proposed amendments to the Organic Act for Muslim Mindanao.

Your chairman humbly submits that as a Senate, we are once again given the opportunity to help reshape the destiny of our brothers and sisters in the autonomous region as constituted at present and as proposed for expansion.

Whatever be our feelings towards our Muslim brethren that might have been nurtured by centuries-old biases and bruised by the recent outbreak of violence in Central and Southern Mindanao, your chairman submits that a distinction should be made not only between the bandit Abu Sayyaf group and the MILF rebels but also between the latter and the Bangsamoro as a people.

The Abu Sayyaf is a band of hoodlums with a criminal agenda that needs to be excised from the body politic by police action. The MILF is a rebel band with a political agenda that needs to be talked with to arrive at a political solution.

The excesses committed by Muslim armed elements ought not to be attributed or charged to the Bangsamoro. There are millions of decent Muslims—men, women and children—out there in Central and Southern Mindanao who suffer innocently from the ravages of war that had been inflicted upon them without their choice. They do not want war. They want peace not only for their part of Mindanao but for the entire country.

It is these people who are my brothers and sisters not only because of the pigmentation of our skin and the color of our blood but more so because we are children of the same God for whom I make a plea on bended knees first to our colleagues in the Senate and finally to our people that we pass this modest effort at redressing past grievances in the

hope that we can build the ramparts of peace and promote development in Central and Southern Mindanao.

If there is a shooting war between the Muslim rebel group typified by the MILF and our government, I submit that it is something that we can prevent from worsening. It is something that we should stop immediately. And cause the resumption of peace negotiations with them.

It is for the people of the autonomous region, the people of Mindanao, and the people of the entire Republic that your committee recommends the adoption of the proposed amendments.

I find it supremely ironic that people who claim that their religion is one of peace are warring against people who claim that their religion is one of love. Islam, I am told, is a religion of peace. Christianity, I have been taught, is a religion of love.

Let the love of God, the love of country, the love of one another prevail in our hearts. And we will move Mindanao and the rest of the Republic along the path of development and peace.

ADJOURNMENT OF SESSION

Senator Tatad. Mr. President, there being no further business, I move that we adjourn the session until three o'clock in the afternoon on Monday, September 25, 2000.

The President. The session is adjourned until three o'clock in the afternoon on Monday, September 25, 2000, if there is no objection. *[There was none.]*

It was 6:17 p.m.