## MALACAÑANG MANILA

## BY THE PRESIDENT OF THE PHILIPPINES

## **EXECUTIVE ORDER NO. 316**

## DEVOLVING CERTAIN POWERS AND FUNCTIONS OF THE COOPERATIVE DEVELOPMENT AUTHORITY TO THE AUTONOMOUS REGIONAL GOVERNMENT OF THE AUTONOMOUS REGION IN MUSLIM MINDANAO.

**WHEREAS,** it is the declared policy of the state to foster the creation and growth of cooperatives as a practical vehicle for promoting self-reliance and harnessing people power towards the attainment of economic development and social justice;

**WHEREAS,** all government instrumentalities, branches, subdivisions and agencies are mandated to provide technical guidance, financial assistance, and services to enable cooperatives to develop into viable and responsive economic enterprises and thereby bring about a strong cooperative movement that is free from any conditions that might infringe upon the autonomy or organizational integrity of cooperatives;

**WHEREAS,** in guidance with the state policy, the Organic Act (RA 6734) mandated the regional government to encourage and support entrepreneurial capability in the Autonomous Region in Muslim Mindanao (ARMM), and further recognizes the promotion, development, and protection of cooperatives as a vehicle to foster cooperativism in accordance with Islamic principles and local practices and traditions;

WHEREAS, the Oversight Committee for the ARMM created under the said Act has identified the functions and powers exercised by the Cooperative Development Authority (CDA) in the Autonomous Region that may be transferred, shared or retained;

**NOW, THEREFORE, I, FIDEL V. RAMOS,** President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

**SECTION 1. TRANSFER OF POWERS, FUNCTIONS AND RESPONSIBILITIES.** The following powers, functions and responsibilities of the CDA are hereby transferred to the Autonomous Regional Government (ARG), viz;

1. Formulate, adopt and implement integrated and comprehensive plans and programs on cooperative development for the ARMM consistent with



velopment plans of the government;

2. Develop and conduct management and training programs upon request of cooperatives in the ARMM that will provide members of cooperatives with entrepreneurial capabilities, managerial expertise, and technical skills required for the efficient operation of their cooperatives and inculcate in them the true spirit of cooperativism and provide, when necessary, technical and professional assistance to ensure the viability and growth of cooperatives with special concerns for agrarian reform, fishery, and economically depressed sectors;

3. Support the voluntary organization and consensual development of activities that promote cooperative movements and provide assistance towards upgrading managerial and technical expertise upon request of the cooperatives concerned;

4. Coordinate the efforts of the Local Government Units in the ARMM and the private sector in the promotion, organization and development of cooperatives;

5. Require all cooperatives, their federations and unions in the ARMM to submit their annual financial statements, duly audited by certified public ccountants, and general information sheets;

6. Assist cooperatives in the ARMM arranging for financial and other forms of assistance under such terms and conditions as are calculated to strengthen their viability and autonomy;

7. Administer all grants and donations coursed through the government for cooperative development in the ARMM, without prejudice to the right of cooperatives to directly receive and administer such grants and donations upon agreement with the grantors and donors thereof:

8. Upon request of either or both parties, to mediate and conciliate disputes within a cooperative or between cooperatives in the ARMM;

9. Formulate and adopt continuing policy initiatives in consultation with the cooperative sector in the ARMM through public hearings; and

10. Perform such other functions as may be necessary to implement the provisions of cooperative laws in this Executive Order.

**SECTION 2. REGULATORY FUNCTIONS.** Regulatory functions of the CDA that pertain to the registration and cancellation of the certificate of

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registration of cooperatives including the reporting requirements shall be the subject of a Memorandum of Agreement (MOA) between the CDA and the ARG.

**SECTION 3. STANDARD SETTING.** The ARG shall formulate its own standards in accordance with the existing laws, rules and regulations as well as local practices and traditions.

**SECTION 4. TECHNICAL ASSISTANCE.** The CDA shall make available to the ARG such technical assistance as may be necessary to enable the ARG to carry out effectively the objectives of this Executive Order.

**SECTION 5. IMPLEMENTING RULES.** The CDA, in consultation with the ARG, shall issue the implementing rules and regulations of this Executive Order within sixty (60) days from its effectivity.

**SECTION 6. SUBMISSION OF QUARTERLY REPORT.** A quarterly submission of the status of the implementation shall be submitted to the President.

**SECTION 7. SHARED POWERS, FUNCTIONS AND RESPONSIBILITIES.** Shared powers, functions and responsibilities such as cooperative education, training, division, merger, consolidation and dissolution shall be jointly implemented and funded by the CDA and the ARG in accordance with the MOA between the parties hereof.

**SECTION 8. SEPARABILITY CLAUSE.** If, for any reason, any part or provision of this Executive Order shall be held unconstitutional or declared contrary to law, other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

**SECTION 9. CDA-ARMM.** The CDA shall immediately establish an Extension Office in the ARMM to perform the powers, functions and responsibilities shared and retained by the CDA and/or shared in accordance with the MOA between the parties as provided for in Section 2 hereof, and those devolved powers, functions and responsibilities during the transition period of one (1) year.

**SECTION 10. EFFECTIVITY.** This Order shall take effect fifteen (15) days after its publication in a national newspaper of general circulation and one (1) newspaper of general circulation in the ARMM.

**DONE,** in the City of Manila, this 30<sup>th</sup>day of March in the year of our ord, Nineteen Hundred and Ninety Six.

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By the President

RUBEN D. TORRES

Executive Secretary

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