

**Malacañang
Manila**

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 363

**PROVIDING FOR THE GUIDELINES ON THE ALLOCATION AND RELEASE
OF THE 1996 POVERTY ALLEVIATION FUND**

WHEREAS, poverty alleviation stands among the highest priorities of this Administration, and to focus poverty alleviation interventions, 20 priority provinces were identified as the primary initial targets to ensure that these provinces contribute to and benefit from country's economic growth;

WHEREAS, the focus of intensive poverty alleviation efforts has been widened to include Mindanao, particularly the Autonomous Region for Muslim Mindanao or ARMM, in view of its overall high poverty incidence and this Administration's peace and development agenda;

WHEREAS, the 1996 General Appropriations Act provides for a Poverty Alleviation Fund (PAF) amounting to P4.0 billion and designates seven (7) national agencies to oversee the implementation of identified programs;

WHEREAS, there is a need to disseminate clearly to all concerned, the allocation formula and procedures that will be adopted for the release of the PAF to ensure proper coordination between and among the national government agencies and local government units concerned;

WHEREAS, consultations were conducted with the Representatives and Governors of the 20 priority provinces as well as the Representatives of the Mindanao provinces;

NOW THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of powers vested upon me by law, do hereby order the adoption of the following guidelines for the allocation and release of the 1996 Poverty Alleviation Fund, net of reserves:

Section 1. The scholarship programs under the PAF to be administered by the Commission on Higher Education (CHED) shall be implemented nationwide, provided

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that the provincial allocations shall be based on poverty incidence and preference shall be given to the applicants from the 20 priority provinces and Mindanao.

Sec. 2. The rest of the funds under the PAF (P3.5 billion) shall be allocated to three (3) focus areas according to the 2-1-1 formula as follows: P1.75 billion for the 15 priority provinces in Luzon and Visayas; P875 million for the four provinces of the ARMM, to include the priority provinces of Sulu and Tawi-tawi; and P875 million for the remaining provinces of Mindanao, to include the priority provinces of Basilan, Agusan del Sur and Surigao del Sur. The portion of the PAF intended for each focus area shall be apportioned among the member provinces as follows, provided that priority shall be given to responding to the needs of the 5th and 6th class municipalities, particularly in the identified convergence areas under the Social Reform Agenda:

- 2.1 P1.75 billion shall be shared equally by the fifteen priority provinces in Luzon and Visayas (Abra, Antique, Apayao, Aurora, Batanes, Benguet, Biliran, Eastern Samar, Guimaras, Ifugao, Kalinga, Masbate, Mountain Province, Romblon, and Southern Leyte);
- 2.2 P875 million shall be shared equally by the ARMM provinces (Lanao del Sur, Maguindanao, Sulu and Tawi-tawi); and
- 2.3 P875 million shall be shared by the non-ARMM Mindanao provinces, P350 million of which shall be allocated equally among the priority provinces of Agusan del Sur, Basilan and Surigao del Sur, and P525 million, allocated equally among the rest of the Mindanao provinces.

Sec. 3. The identification of projects to be funded from the PAF shall be based on a survey of need to be jointly undertaken by the implementing agency and LGUs concerned.

Sec. 4. The appropriation for each component program under the PAF may be realigned to the other component programs, to address gaps in the provision of services to the target provinces, provided that the allocation scheme under Section 2 is maintained.

Sec. 5. The above guidelines shall also apply to the initial 50 percent release of allotments previously authorized, and modifications may be made to conform with the guidelines provided in this Order.

Sec. 6. The concerned departments shall submit the revised guidelines to be adopted for their program component under the PAF, and the resulting provincial allocations, to the Department of Budget and Management not later than 31 August 1996. These shall be jointly approved by the Social Reform Council Secretariat and the DBM.

Sec. 7. An oversight committee shall be created to oversee the implementation of this Executive Order, to be chaired by the Department of Budget and Management with the following agencies as members:

- Social Reform Council
- Social Development Committee
- Department of Interior and Local Government
- Presidential Commission to Fight Poverty
- Presidential Council for Countryside Development
- Office of the Presidential Assistant for Mindanao

Sec. 8. All existing guidelines on the PAF which do not conform with the provisions of this Order are hereby revoked.

Sec. 9. This Executive Order shall take effect immediately.

Done in the City of Manila, this 28th day of August 1996



By the President:



RUBEN D. TORRES
Executive Secretary

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