

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **5343**



Introduced by Representatives
TEDDY B. BAGUILAT, JR.; JOSEPH STO. NINO B. BERNOS;
ELEANOR BULUT-BEGTANG; RONALD M. COSALAN; MAXIMO B.
DALOG; MARK O. GO; and ALLEN JESSE C. MANGAOANG

EXPLANATORY NOTE

Article X, Section 15 of the 1987 Constitution mandates the creation of autonomous regions in Muslim Mindanao and in the Cordilleras consisting of provinces, cities, municipalities and geographical areas sharing common and distinctive historical and cultural heritage, economic and social structures and other relevant characteristics within the framework of the Constitution, the national sovereignty, and the territorial integrity of the country.

Pursuant to this mandate, the Autonomous Region in Muslim Mindanao (ARMM) was created under R.A. 6734 and was strengthened and expanded under R.A. No. 9054. The Autonomous Region of the Cordillera, however, has yet to be realized.

On July 15, 1987, President Corazon C. Aquino issued Executive Order No. 220 creating the Cordillera Administrative Region with the mandate to administer the affairs of government in the region, accelerate the economic and social growth and development of the unit of the region, and prepare for the establishment of the Autonomous Region of the Cordillera

Two Organic Acts for an Autonomous Region of the Cordillera were enacted in 1990 and 1998. Both failed ratification, however, mainly because of the people's lack of information and discussion on the pros and cons of self-governance.

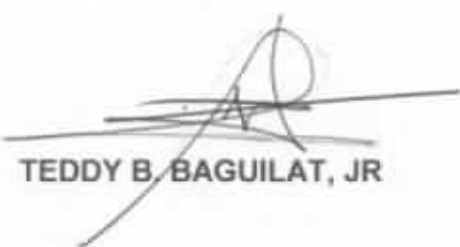
In 2006, the Regional Development Council-Cordillera Administrative Region (RDC-CAR) decided to renew the pursuit of regional autonomy after it had determined that the only way to drastically address underdevelopment and poverty in the Cordilleras would be through regional autonomy. With policy and budgetary support from the national government, the RDC-CAR has since then engaged in information, education and communication (IEC) and capability building activities towards regional autonomy at all levels in the region down to the grassroots.

The RDC-CAR prepared a working draft on Cordillera Regional Autonomy through intensive public consultation with various political and community leaders, government agencies, civil society organizations and the private sector. Draft Organic Acts were adopted and were filed in the 15th Congress as House Bill No. 5595 and in the 16th Congress as House Bill No. 4649. More recent pulse surveys reveal an increasing support to regional autonomy.

Cordillera autonomy is seen as the most effective option to provide the region with the needed solid foundation to pursue sustainable development as the region hopes to benefit from the management and use of its natural resources. Cordillera autonomy will bring to the national attention as well as the benefits of accepting and promoting cultural diversity through the formulation of multi-cultural policies for Indigenous Peoples (IPs).

Such therefore is a manifestation that regional autonomy is no longer just a lifelong dream but a vigorous desire. With broad sectoral consultations, stronger information campaign, active participation and clearer understanding of autonomy by the people of the Cordilleras, it is imperative and timely that an Organic Act for the creation of the Autonomous Region of the Cordillera be enacted.

The foregoing considered, approval of this Bill is earnestly requested.



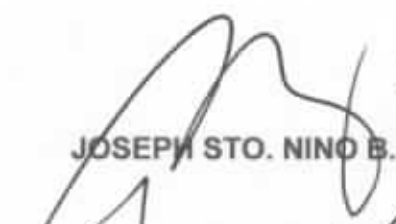
TEDDY B. BAGUILAT, JR



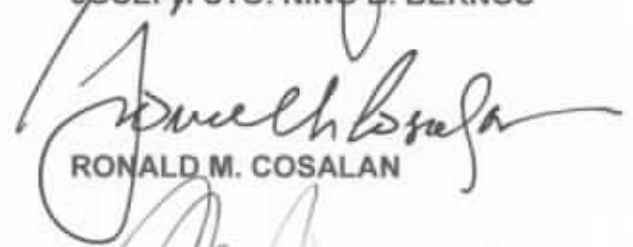
ELEANOR BULUT-BEGTANG



MAXIMO B. DALOG



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MARK D. GO



ALLEN JESSE C. MANGAOANG

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Seventeenth Congress
First Regular Session

HOUSE BILL NO. **5343**

Introduced by Representatives

**Teddy Brawner Baguilat Jr., Joseph Sto. Niño B. Bernos, Eleanor C. Bulut-Begtang,
Ronald M. Cosalan, Maximo B. Dalog, Mark O. Go, Allen Jesse C. Mangaoang**

**AN ACT ESTABLISHING
THE AUTONOMOUS REGION OF THE CORDILLERA (ARC)**

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

PREAMBLE

We, the Cordillerans, imploring the will of Divine Providence, exercising our fundamental and Constitutional right to self-determination, faithful to the pursuit of our forebears for the defense, protection, conservation and development of our patrimony and cultural heritage, in order to secure for ourselves and our posterity a region of peace and prosperity founded on truth, freedom, justice, love and human solidarity through a Regional Autonomous Government that shall ensure our human rights, our human development, and our active participation as citizens in the affairs of a united Philippine State, do proclaim this Organic Act of the Autonomous Region of the Cordillera.

**ARTICLE I
NAME AND PURPOSE**

Section 1. Name. There is hereby established an autonomous region in the Cordillera to be known as the **"Autonomous Region of the Cordillera"** (ARC).

Section 2. Purpose. The purpose of this law is to establish a political entity, provide for its basic structure of government in recognition of the justness and cause of the Cordillerans and to secure their identity and posterity and allow for meaningful governance.

**ARTICLE II
TERRITORY OF THE AUTONOMOUS REGION OF THE CORDILLERA**

Section 3. Area of the Autonomous Region of the Cordillera. The area of the Autonomous Region of the Cordillera shall consist of the city and provinces that shall vote favorably in the plebiscite called for the ratification of this Organic Act pursuant to Sec. 18, Article X of the Constitution. The area of the plebiscite shall be the provinces of Abra, Apayao, Benguet, Ifugao, Kalinga, Mountain Province, and the chartered City of Baguio.

Section 4. Cordilleran Identity. The term Cordilleran shall apply to all citizens of the Philippines who are domiciled within the territory of the Autonomous Region of the Cordillera.

ARTICLE III
DECLARATION OF POLICIES AND PRINCIPLES

Section 5. Integral Part of the Republic. The Autonomous Region of the Cordillera 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.

Section 6. Equitable share in the National Budget and Development Assistance. The central government or national 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. Whenever the Commission on Audit finds that the internal controls set up in the region are inadequate, it may require pre-audit and shall likewise conduct seminars in the communities concerned explaining the benefits and proper use of the internal revenue allotments.

Section 7. Self-Governance. In the exercise of their right to genuine autonomy and meaningful self-governance, Cordillerans are free to pursue their political, economic, social and cultural development within the framework of national sovereignty.

Section 8. Democratic Political System. The Regional Government is a democratic political system allowing the people to participate in the political processes.

Section 9. Prior and preferential right. Cordillerans shall have prior and preferential right to the natural, material, and fiscal resources of the region.

Section 10: 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, the Geneva Convention, the United Nations Charter, the United Nations Declaration on the Rights of Indigenous Peoples, the International Declaration on Human Rights, as well as those prescribed in the laws, practices, and principles binding upon members of the community of nations, and the Indigenous Peoples Rights Act (IPRA).

Section 11. Rights to Initiatives, Consultations, Referenda and Plebiscites. Without prejudice to other rights guaranteed by the Constitution, the rights of the people to 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 7160, the Local Government Code of 1991, are hereby recognized.

Section 12. Accountability of Public Officers. The Regional Government, to meet the priority needs and service requirements of its constituents shall adopt the principles of integrity, transparency and accountability in order to ensure an accountable, efficient and dynamic organizational structure.

Section 13. Upholding Human Rights. The Regional Government shall take measures to prevent torture, cruel, inhuman and degrading punishment, illegal detention and extra-judicial killings.

Section 14. Establishment of Peace Zones. The regional government adheres to the policy of peace and shall establish peace zones within the region.

Section 15. Civilian Government. Governance in the Autonomous Region is the responsibility of the duly constituted civilian government.

Section 16. Devolution of Powers. The regional government shall adopt a policy on local autonomy whereby regional powers shall be devolved to LGUs particularly in areas but not limited to education, health, human resources, science and technology, and people empowerment. Until a law implementing this provision is enacted by the Regional Assembly, RA 7160, the Local Government Code of 1991, shall continue to apply to all 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 RA 7160.

Section 17. Sustainable Use and Management of Resources. The Regional Government shall share with the national government in the exploration, development and utilization of its natural resources, the dynamic conservation and protection of natural resources by promoting the sustainable use and management thereof, by adopting the use of environmentally sound and appropriate technology and indigenous knowledge systems in the management of natural resources.

Section 18. Community Responsive Education. The Regional Government with the active involvement of State Colleges and Universities shall establish a system of education that responds to the needs of the Cordillera communities which respects and promotes indigenous knowledge, core values, systems, institutions, culture and practice; encourages the use of indigenous languages and methods of education; promotes science and appropriate technology and methodologies that encourage creative and critical thinking of the Cordilleran youth.

Section 19. Protection and empowerment of the Cordilleran youth and children. The Regional Government shall formulate plans and programs for the youth that empowers them by guaranteeing their effective participation and representation in all aspects of public affairs. Further, laws shall be enacted and measures adopted to protect children against all forms of neglect, cruelty, and exploitation which are harmful to their moral, physical, or mental health.

Section 20. Regional Arrangements. The Autonomous Region of the Cordillera shall pursue a policy of interregional development planning, coordination and mutual cooperation in order to sustain the use, development as well as the protection and conservation of its resources which benefits other regions.

Section 21. Equal Access and non-discrimination. The Regional Government shall ensure equal access by Cordillerans to resources, employment opportunities and services regardless of ethnic origin, gender, language, political conviction, economic, social status and/ or religious belief.

Section 22. Social Justice. The Regional Government shall minimize disparities between the rich and the poor, rural and urban areas within the region by providing, maintaining and ensuring the equitable delivery of basic and responsive health programs, quality education, appropriate services, livelihood opportunities, affordable and progressive housing projects and water resource development.

Section 23. Safeguards on foreign investments. The Regional Government shall provide incentives to investors, corporations and other businesses, but shall adopt measures to prevent the abuse of human rights and exploration of natural resources. To this end, the regional government

1 shall adopt local and international safeguards to review and audit the impact of all forms of
2 foreign aid, loans special projects and the like.

3
4 **ARTICLE IV:**
5 **THE AUTONOMOUS REGION OF THE CORDILLERA**

6
7 **A. Powers of the Autonomous Region of the Cordillera**

8
9 **Section 24. Powers and Functions.** The regional government shall exercise powers and
10 functions necessary for the proper governance and development of all provinces, cities,
11 municipalities, and barangays within the autonomous region consistent with the declared
12 constitutional policy on regional and local autonomy and decentralization: Provided, that nothing
13 in this Act shall be construed as to authorize the diminution of the powers and functions already
14 enjoyed by local government units.

15
16 **Section 25. Devolved Powers.** The autonomous region is a corporate entity with jurisdiction in
17 all matters devolved to it by the Constitution and this Organic Act as herein enumerated:

- 18 (1) Administrative organization such as but not limited to:
19 a. Declaration of holidays,
20 b. Public administration and bureaucracy for the region, and
21 c. Identification, generation, and mobilization of international human resources for
22 capacity-building and other activities involving the same within the region.
23 (2) Creation of sources of revenues such as but not limited to:
24 a. Authority to regulate power generation, transmission and distribution operating
25 exclusively in the autonomous region and not connected to the national transmission
26 grid, and
27 b. Imposition of taxes to which are not already taxed by the national and local
28 government.
29 (3) Ancestral domain and natural resources such as but not limited to:
30 a. Protection of the ancestral domain and ancestral lands of indigenous cultural
31 communities (ICCs). All lands and natural resources in the autonomous region that
32 have been possessed or occupied by ICCs since time immemorial, except when
33 prevented by war, force majeure, or other forms of forcible usurpation, shall form part
34 of the ancestral domain. Such ancestral domain shall include pasture lands, worship
35 areas, burial grounds, forests and fields, mineral resources, except strategic minerals
36 such as uranium, coal, petroleum; and other fossil fuels, mineral oils, and all sources
37 of potential energy; lakes, rivers, and lagoons; and national reserves and marine
38 parks, as well as forest and watershed reservations.
39 b. Authority to grant franchises and concessions and may by law empower the Regional
40 Governor to grant leases, permits, and licenses over agricultural, forest, or mineral
41 lands. The said leases, permits, franchises, or concessions shall, however, cover areas
42 not exceeding the limits allowed by the Constitution and shall subsist for a period not
43 exceeding 25 years. Except as provided in this Organic Act, existing leases, permits,
44 licenses, franchises, and concessions shall be respected until their expiration unless
45 legally terminated earlier as provided by law, enacted by Congress or the Regional
46 Assembly.
47 c. Declaration and disestablishment of nature reserves and aquatic parks, forests, and
48 watershed reservations, and other protected areas in the autonomous region.
49 d. Authority, power, and right to the control and supervision over the exploration,
50 utilization, development, and protection of the lands, forests, water, minerals and
51 other natural resources within the autonomous region in accordance with the
52 Constitution and the pertinent provisions of this Organic Act except for the strategic
53 minerals such as uranium, petroleum, and other fossil fuels, mineral oil, and all

- 1 sources of potential energy, provided that the autonomous government shall be
2 consulted. Permits and licenses and the granting of contracts for this purpose shall be
3 within the powers of the ARC.
- 4 e. Regulation of small-scale mining to the end that the ecological balance, safety and
5 health, and the interests of the affected communities, the miners, the indigenous
6 peoples, and the local government units of the place where such operations are
7 conducted are duly protected and safeguarded.
- 8 f. Enactment of a law that regulates the grant of franchises and concessions, and
9 empowers the Regional Governor to grant leases, permits, and licenses over
10 agricultural lands and for forest management, subject to the provisions of the
11 Constitution.
- 12 (4) Personal, family and property relations shall be governed by but not limited to customary
13 justice and laws;
- 14 (5) Regional urban and rural planning development such as but not limited to:
15 a. Adoption and implementation of a comprehensive urban land reform and land use
16 program,
17 b. Land management, land distribution, and agricultural land use reclassification, and
18 c. Authority to conduct cadastral survey.
- 19 (6) Economic, social and tourism development such as but not limited to:
20 a. Establishment of transportation and communication facilities to expedite the
21 economic development of the autonomous region,
22 b. Promotion of tourism with the autonomous region, and
23 c. Regulation of games and amusement operations within the ARC.
- 24 (7) Educational policies such as but not limited to education and skills training, research
25 councils and scholarships.
- 26 (8) Preservation and development of the cultural heritage such as but not limited to the
27 establishment of its own libraries and museums, and declaration of historical and cultural
28 sites; and culture and language.
- 29 (9) Patents, trademark, trade names, and copyrights; and such other matters for the promotion
30 of the general welfare of the people of the region.

31
32 **Section 26.** The Regional Government may exercise the power of eminent domain.

33 34 **B. Intergovernmental Relations**

35
36 **Section 27. General Supervision.** Consistent with the principle of autonomy, the President shall
37 exercise general supervision over the Regional Government to ensure that laws are faithfully
38 executed.

39
40 **Section 28. Powers of Regional line agencies whose functions are covered by Sec. 25.** The
41 Regional Line Agencies whose functions are covered by Sec. 25 shall continue to exist without
42 diminution of their mandated authority and perform their functions.

43
44 **Section 29. Powers of Regional Line Agencies whose functions are devolved under Sec 25**

- 45 a. Regional Line Agencies and offices shall perform those functions devolved by the
46 Constitution to autonomous regions as enumerated in Section 25 of this Organic Act;
47 b. Regional line agency officials and employees shall continue to be paid in accordance with
48 Sec. 33. There shall be no diminution of their compensation and other benefits due its
49 officials and employees

50
51 Existing assets and properties of the regional line agencies and offices shall remain under their
52 custody and accountability.

1 **Section 30. Tenure of Civil Service Employees.** Except for just cause and after due process,
2 Civil Service officials and employees of the regional line agencies and offices in the region shall
3 not be laid off, dismissed or removed as a result of any reorganization attendant to the
4 establishment of the Autonomous Region of the Cordillera.

5
6 **Section 31. Priority in Hiring.** Civil service officials and employees of the regional autonomous
7 government and the regional line agencies in the autonomous region shall be hired in accordance
8 with appropriate Civil Service rules and regulations, but priority shall be accorded to qualified
9 Cordillerans.

10
11 **Section 32. Appointment to Third Level Positions.** The Regional Governor shall fill up third
12 level positions from among at least three (3) recommendees of the regional Personnel Selection
13 Board (PSB) that shall be duly constituted. Filling up of third level positions of regional line
14 agencies and offices shall be subject to the Career Executive Service Board (CESB)
15 requirements, where applicable. Otherwise, the selection requirements of the concerned agency
16 shall apply. **FILLING UP OF VACANT REGIONAL DIRECTOR AND ASSISTANT**
17 **REGIONAL DIRECTOR POSITIONS OF REGIONAL LINE AGENCIES AND**
18 **OFFICES IN THE AUTONOMOUS REGION SHALL FOLLOW THE EXISTING**
19 **SCREENING PROCEDURE OF THE CONCERNED AGENCY OR OFFICE AND THE**
20 **GUIDELINES PROVIDED BY THE CAREER EXECUTIVE SERVICE BOARD (CESB).**
21 **THE REGIONAL GOVERNOR SHALL RECOMMEND A MINIMUM OF THREE (3)**
22 **APPLICANTS FROM THOSE WHO APPLIED AND WHO WERE SCREENED FROM**
23 **WHOM THE PRESIDENT SHALL SELECT AND APPOINT. REGIONAL DIRECTORS**
24 **POSTED IN THE AUTONOMOUS REGION SHALL BE AS EQUALLY QUALIFIED**
25 **LIKE THOSE IN OTHER REGIONS FOR PROMOTION TO HIGHER POSITIONS IN**
26 **THE VARIOUS DEPARTMENTS, LINE AGENCIES AND OFFICES OF THE**
27 **NATIONAL GOVERNMENT.**

28
29 **Section 33. Budget Preparation.** Regional line agencies and offices whose functions are
30 devolved to the regional government under Sec. 25 shall prepare their respective budgets separate
31 and distinct from the budget of the Regional Government. Their budgets shall however be
32 attached and form part of the whole budget of the Regional Government when presented to
33 Congress to ensure that plans and priorities of the autonomous region are harmonized and
34 properly considered in the budgeting processes. Provided however, after the full implementation
35 of Sec. 167, the budget of the absorbed RLAs and offices shall continue to be funded by the
36 national government.

37
38 **Section 34. Management of ODA Funds.** The autonomous region may, upon authority of the
39 Regional Assembly, avail of Official Development Assistance (ODA)-funded projects and other
40 foreign financial grants or donations and shall undertake these projects through the regional line
41 agencies, government-owned and controlled corporations (GOCCs), state colleges and
42 universities, local government units or whichever is deemed appropriate.

43
44 **Section 35. GOCC'S.** Government Owned and Controlled Corporations (GOCCs) such as
45 Government Service Insurance System (GSIS), the Social Security System (SSS), the
46 Pagtutulungan-Ikaw, Bangko Industriya' t Gobyerno (PAG-IBIG), PhilHealth and others shall
47 continue to be governed by their respective charters and other pertinent laws.

48
49 **Section 36. Autonomy of Local Government Units.** The local government units shall continue
50 to be independent from each other and shall have the same set of local officials and employees
51 and shall enjoy autonomy and continue to exercise the powers granted them under the Local
52 Government Code and other existing laws. The Local Government Code shall apply to all
53 provinces, cities, municipalities and barangays in the autonomous region until the Regional

1 Assembly shall enact a regional Local Government Code. Nothing herein provided shall be
2 construed in any manner as to diminish the powers and functions as well as benefits and
3 privileges already being enjoyed by the local government units.

4
5 **Section 37. Supervision of local government units through the Regional Governor.**
6 Consistent with the basic policy on local autonomy, the President, through the Regional Governor
7 shall exercise direct supervision over provinces and highly urbanized cities in the autonomous
8 region to ensure that their acts are within the scope of their prescribed powers and functions.

9
10 **Section 38. Revenues and Taxes accruing to LGUs.** Revenues, taxes, fees and charges
11 generated by the local government units and the regional government from their respective local
12 tax ordinances shall exclusively accrue to them.

13
14 **Section 39. Just share in National Taxes.** The local government units in the autonomous region,
15 including the Regional Government, shall have a just share in the national taxes and applicable
16 revenues which shall be automatically released to them.

17
18 **Section 40. Equitable Share in Utilization of Resources.** The local government units in the
19 autonomous region including the Regional Government shall be entitled to an equitable share in
20 the proceeds of the utilization and development of the national wealth within their respective
21 areas, in the manner provided by law and this Organic Act.

22
23 **Section 41. City Charters.** Any chartered city within the autonomous region shall be governed
24 primarily by its Charter.

25
26 **Section 42. Creation of special political subdivisions.** Special metropolitan political
27 subdivisions may, by law, be created by the Regional Assembly, subject to a plebiscite. The
28 component cities and municipalities shall retain their basic autonomy and shall be entitled to their
29 own local executive and legislative bodies. The jurisdiction of the metropolitan authority that will
30 thereby be created shall be limited to basic services requiring coordination.

31
32 **Section 43. Right of LGU's to aggregate.** The local government units in the autonomous region
33 may group themselves, consolidate or coordinate their efforts, services, and resources for
34 purposes commonly beneficial to them in accordance with law.

35
36 **ARTICLE V:**
37 **ELECTIVE OFFICIALS OF THE AUTONOMOUS REGIONAL GOVERNMENT –**
38 **THEIR QUALIFICATIONS, TERMS OF OFFICE, VACANCIES AND**
39 **SUCCESSION AND ACCOUNTABILITY**

40
41 **Section 44. Elective Officials.** The elective officials of the Autonomous Region of the Cordillera
42 are the (a) Regional Governor, (b) Regional Vice-Governor, and (c) Members of the Regional
43 Assembly.

44
45 **Section 45. Qualifications**

- 46 a. Candidates for Regional Governor and Vice-Governor positions must be a citizen of the
47 Philippines and a Cordilleran, at least thirty-five (35) years of age on election day, a
48 registered voter in the region and a resident thereof for a period of at least five (5) years
49 immediately preceding the day of election, able to read and write Filipino or English or
50 any 2 other local languages in the region.
51
52 b. Candidates for the position of Member of the Regional Assembly must be a citizen of the
53 Philippines and a Cordilleran, at least thirty (30) years of age on election day, a registered

1 voter in the provincial district or city and a resident thereof for a period of at least five (5)
2 years immediately preceding the day of election, able to read and write Filipino or
3 English or any other local language in the region.
4

5 **Section 46. Disqualifications.** In addition to the disqualifications provided under Book I, Title
6 Two, Chapter 1, Section 40 of the Local Government Code, candidates for Regional Governor,
7 Vice-Governor and members of the Regional Assembly must not be related to the incumbent
8 elected regional officials within the 4th degree of consanguinity or affinity.
9

10 **Section 47. Manner of Election**

- 11 a. The Regional Governor and Vice-Governor shall be elected at large by direct vote of the
12 registered voters of the Autonomous Region of the Cordillera.
13
14 b. Each province and city shall elect their own representatives to the Regional Assembly.
15 Any chartered city in the autonomous region is entitled to two (2) representatives to the
16 Regional Assembly. Any component city shall be entitled to one (1) representative. Each
17 province shall be entitled to two (2) representatives, one (1) per provincial district.
18 Provided, that any political subdivision created after the effectivity of this Organic Act
19 shall be entitled to representation to the Regional Assembly as may be provided by law.
20
21 c. Unless otherwise provided, the regular election of the Regional Governor, Vice Governor,
22 and members of the Regional Assembly shall be held on the second Monday of May.
23

24 **Section 48. Term of Office**

- 25 a. The term of office of all elective regional officials elected after the effectivity of this
26 Organic Act shall be three (3) years which shall begin at noon on the 30th day of June next
27 following the day of election and shall end at noon of the same date three (3) years
28 thereafter. No Regional Governor, Vice-Governor, or Member of the Regional Assembly
29 shall serve for more than three (3) consecutive terms.
30
31 b. Voluntary renunciation of, or removal from, office for any length of time shall not be
32 considered as an interruption in the continuity of the service for the full term for which
33 officials were elected.
34

35 **Section 49. Oath of Office.** The Regional Governor, Vice-Governor and Members of the
36 Regional Assembly on assuming office shall take the following oath or affirmation:
37

38 *"I do solemnly swear (or affirm) that I will faithfully and conscientiously fulfill my duties*
39 *as Governor/Vice-Governor/Member of the Regional Assembly of the Autonomous*
40 *Region of the Cordillera, preserve and defend the Constitution of the Republic of the*
41 *Philippines and the Organic Act of the Autonomous Region of the Cordillera, execute*
42 *these laws, do justice to all and consecrate myself to the service of the nation and the*
43 *Autonomous Region of the Cordillera. So help me God." (In case of affirmation, the last*
44 *sentence will be omitted.)*
45

46 **Section 50. Prohibitions**

- 47 a. The Regional Governor and Vice-Governor shall not, during their tenure, engage in the
48 practice of any profession or hold any other office or employment, except as otherwise
49 provided in this Act.
50 b. The spouse and other relatives by consanguinity or affinity within the fourth civil degree
51 of the Regional Governor and the Regional Vice-Governor shall not, during their tenure,
52 be appointed officers or employees of the Regional Government, except as members of
53 their confidential staff.

- 1 c. No members of the Regional Assembly may hold any other office or employment in the
2 government or any subdivision, agency or instrumentality thereof, including government-
3 owned or controlled corporations, or their subsidiaries, during their term without
4 forfeiting their seat. Neither shall he/she be appointed to any office which has been
5 created or the emoluments whereof increased by the Regional Assembly during the term
6 for which he/she was elected.
- 7 d. The Regional Governor, and Regional Vice-Governor, and members of the Regional
8 Assembly shall not personally appear as counsel before any court of justice or before the
9 Electoral Commission or quasi-judicial and other administrative bodies.
- 10 e. The Regional Governor, Regional Vice-Governor, and members of the Regional
11 Assembly shall not participate directly or indirectly in any contract with or in any
12 franchise or special privilege granted by the Regional Government or any subdivision,
13 agency or instrumentality thereof, including any government-owned or-controlled
14 corporations or in any of their subsidiaries. They shall not intervene in any matter before
15 any office of the Autonomous Region of the Cordillera for their pecuniary benefit or
16 where they may be called upon to act on account of their office.

17
18 **Section 51. Vacancies and Succession**

- 19 a. In the event that the position of the Regional Governor becomes permanently vacant, the
20 Regional Vice-Governor shall automatically become the Regional Governor.
- 21 b. If the position of the Regional Vice-Governor becomes permanently vacant, the member
22 of the assembly garnering the highest percentage of votes in the district represented shall
23 become the vice-governor or in case of his/her permanent disability, the next higher shall
24 assume said position.
- 25 c. In case of a permanent vacancy in the assembly where automatic succession does not
26 apply, the Regional Governor shall appoint to the position so vacated the nominee of the
27 political party to which the member who caused the vacancy belonged at the time of his
28 election. Provided, however, that the appointee has all the qualifications and none of the
29 disqualifications as provided by this Organic Act. Provided, that should the one causing
30 the vacancy did not belong to any political party shall be filled by nomination by majority
31 members of the assembly. Provided further, that in both cases, he/she comes from the
32 same district represented by the member who caused the vacancy.
- 33 d. For purposes of this article, a permanent vacancy arises when the incumbent elective
34 official concerned dies, voluntarily resigns, is removed from office, fills up a higher
35 vacant office, refuses to assume office, fails to qualify, or is otherwise permanently
36 incapacitated to exercise the powers and discharge the functions of his office.

37
38 **Section 52. Temporary Vacancies**

- 39 a. When the Regional Governor is temporarily incapacitated to perform his duties for
40 physical or legal reasons such as, but not limited to, leave of absence, travel abroad, and
41 suspension from office, the regional vice governor shall automatically exercise the
42 powers and perform the duties and functions of the former except the power to appoint,
43 suspend or dismiss employees which can only be exercised if the period of temporary
44 incapacity exceeds thirty (30) working days.
- 45 b. Said temporary incapacity shall terminate upon submission to the Regional Assembly of a
46 written declaration by the Regional Governor that he has reported back to office. In
47 cases where the temporary incapacity is due to legal causes, the regional official
48 concerned shall also submit necessary documents showing that said legal causes no
49 longer exist.
- 50 c. When the incumbent Regional Governor is traveling within the country but outside his
51 territorial jurisdiction for a period not exceeding three (3) consecutive days, he may
52 designate in writing, the officer-in-charge of the said office. Such authorization shall

- 1 specify the powers and functions that the regional official concerned shall exercise except
2 the power to appoint, suspend or dismiss employees.
- 3 d. In the event, however, that the Regional Governor concerned fails or refuses to issue such
4 authorization, the Regional Vice-Governor shall have the right to assume the powers,
5 duties and functions of the said office on the fourth (4th) day of absence of the Regional
6 Governor, subject to the limitations provided in subsection c, hereof.
- 7 e. Except as provided above, the Regional Governor shall in no case authorize any regional
8 official to assume the powers, duties and functions of the office, other than the Regional
9 Vice-Governor or the highest ranking Member of the Regional Assembly, as the case may
10 be.

11
12 **Section 53. Approval of Leaves of Absence**

13 Leaves of absence of elective officials of the Autonomous Region of the Cordillera shall be
14 approved as follows:

- 15 a. Leaves of absence of regional officials, provincial governor, mayor of a highly urbanized
16 city or an independent component city shall be approved by the Regional Governor or his
17 duly authorized representative;
- 18 b. Applications for leaves of absence of other officials and employees other than those
19 enumerated above shall follow those stipulated in the Local Government Code;
- 20 c. Application for leave of the Regional Governor shall be approved by the President.

21
22 **Section 54. Compensation**

- 23 a. Unless otherwise provided by law or regional ordinance, the Regional Governor and
24 Regional Vice-Governor shall receive an annual salary equivalent to that of a department
25 secretary and undersecretary, respectively, of the national government, which shall not be
26 decreased during their tenure. No increase in the salary of the Regional Governor and
27 Regional Vice-Governor shall take effect until after the expiration of the term of the
28 Regional Governor and Regional Vice-Governor approving the same.
- 29 b. Unless otherwise provided by a regional ordinance, a member of the Regional Assembly
30 shall receive an annual salary not lower than that of an assistant secretary of the national
31 government. No increase in salary provided for by ordinance shall take effect until after
32 the expiration of the term of office of all members of the Regional Assembly approving
33 the same.
- 34 c. They shall not receive during their tenure any other emoluments from the government or
35 any other sources.

36
37 **Section 55. Accountability**

- 38 a. *Disclosure.* All regional officials shall, upon their assumption of office, make a full
39 disclosure of their financial and business interests, including those of their spouses and
40 unmarried children under eighteen (18) years of age living in their households. Members
41 of the Regional Assembly shall notify the Regional Assembly of any potential conflict of
42 interest that may arise from the filing of measures of which they are authors. This section
43 shall be governed by R.A. 6713 or the Code of conduct and ethical standards for public
44 officials and employees.
- 45 b. Discipline of Regional Elective Officials shall be governed by Chapter 4, Title Two of
46 Book I of R.A. 7160 and other applicable laws.
- 47 c. *Recall.* Regional Elective Officials may be recalled on grounds and procedures as
48 provided for by Chapter 5, Title Two of Book I of R.A. 7160 and other applicable laws.

49
50
51 **ARTICLE VI:**
52 **THE REGIONAL EXECUTIVE DEPARTMENT**
53

Section 56. Executive Authority. The executive power in the region shall be vested in a Regional Governor. He shall exercise such powers and perform such duties and functions as provided by this Organic Act and other laws.

Section 57. Scope of Executive Authority. As chief executive of the Regional Government, the Regional Governor shall exercise control and supervision over all programs, projects, services and activities of the Regional Government and regional line agencies and offices absorbed by the regional government; and supervision over local government units within the autonomous region.

Section 58. Extent of Representation by Regional Governor. The Regional Governor shall represent the Autonomous Region of the Cordillera, including the absorbed regional line agencies and offices and the local government units within the autonomous region in Cabinet meetings called by the President and other affairs involving the region.

Section 59. Regional Governor and Regional Assembly. The Regional Governor shall deliver the State of the Region Address to the Regional Assembly at the opening of its regular sessions. He/she may also appear before it at any time.

Section 60. Regional Governor to submit Budget. The Regional Governor shall submit to the Regional Assembly within thirty (30) days from the opening of every regular session, as the basis of the regional appropriations bill, budget of expenditures and sources of financing, including receipts from existing and proposed revenue measures.

Section 61. Administrative Support. The Regional Governor and the different regional departments shall have sufficient administrative and support staff to efficiently and effectively carry out their mandates and the purposes of the regional government.

Section 62. Mandatory Staff.

The regional autonomous government shall have the following mandatory staff: (1) Regional Executive Secretary, (2) Regional Accountant, (3) Regional Budget Officer, (4) Regional Administrator, (5) Regional Legal Officer, (6) Regional Treasurer, and (7) Regional General Services Officer. In addition thereto, the Regional Governor may, subject to the approval of the Regional Assembly and availability of funds, create other offices deemed necessary.

The Regional Executive Secretary and the heads of the various regional offices and employees under the executive department shall be appointed by the Regional Governor. The appointment of the heads of regional offices requires the concurrence of the majority of the members of the Regional Assembly and compliance to civil service law, rules and regulations and this Organic Act. The Regional Assembly shall act on said appointment within fifteen (15) days from the date of submission otherwise the same shall be deemed confirmed.

The rank and salary grade level of the heads of the different regional departments shall be equivalent to the regional directors of regional line agencies. They shall receive compensation, allowances and other emoluments and benefits allowed by law or ordinance. With the exception of the Regional Executive Secretary, the heads of the regional departments shall be mandatory.

The qualifications of regional appointive officials, their duties and functions, are as follows:

1) Regional Executive Secretary

- (a) The Regional Executive Secretary of the Autonomous Region of the Cordillera shall be a citizen of the Philippines and a Cordilleran, of good moral character, a holder of a college degree preferably in law, administration or any other related course from a recognized college or university. He/she must have acquired experience in management work for at least five (5) years.

- 1 (b) The term of office of the Regional Executive Secretary shall be co-terminus with that of
2 the appointing authority.
3 (c) The Regional Executive Secretary shall, subject to the control and supervision of the
4 Regional Governor, carry out the functions and duties delegated to him/her and shall:

- 5
6 1. Directly assist the Regional Governor in the management of the affairs pertaining
7 to the Autonomous Region of the Cordillera.
8 2. Implement directives, orders and decisions.
9 3. Decide, for and in behalf of the Regional Governor, matters not requiring
10 personal attention of the Regional Governor.
11 4. Exercise supervision and control over the various units in the Office of the
12 Regional Governor including their internal administrative requirements.
13 5. Exercise supervision, in behalf of the Regional Governor, over the various
14 agencies under the Office of the Regional Governor.
15 6. Provide overall coordination in the operation of the Regional Executive Office.
16 7. Determine and assign matters to the appropriate units in the Office of the
17 Regional Governor.
18 8. Have administrative responsibility for matters in the Office of the Regional
19 Governor coming from the various regional offices and agencies of government.
20 9. Exercise primary authority to sign papers "By authority of the Regional
21 Governor", attest executive orders and other issuances unless attestation is
22 specifically delegated to other officials by him or by the Regional Governor.
23 10. Determine, with the approval of the Regional Governor, the appropriate
24 assignment of offices not placed by law under any specific regional executive
25 department.
26 11. Provide consultative, research, fact-finding and advisory service to the Regional
27 Governor.
28 12. Assist the Regional Governor in the performance of functions pertaining to
29 legislation.
30 13. Assist the Regional Governor in the administration of special projects.
31 14. Take charge of matters pertaining to protocol in the Regional Government and
32 ceremonial functions.
33 15. Provide secretarial and clerical services for the Regional Governor and other
34 bodies.
35 16. Promulgate such rules and regulations necessary to carry out the objectives,
36 policies and functions of the Office of the Regional Governor.
37 17. Perform such other functions as the Regional Governor may direct.
38

39 **2) Regional Accountant**

- 40 (a) The Regional Accountant shall be a citizen of the Philippines and a Cordilleran, of good
41 moral character, and a certified public accountant. He/she must have acquired experience
42 in the treasury or accounting service for at least five (5) years.
43 (b) The incumbent chief accountant in the office of the treasurer shall be given preference in
44 the appointment to the position of the regional accountant.
45 (c) The regional accountant shall take charge of both the accounting and internal audit
46 services of the autonomous region and shall:
47 1. Install and maintain an internal audit system in the autonomous region.
48 2. Prepare and submit financial statements to the Regional Governor and to the
49 Regional Assembly.
50 3. Apprise the Regional Assembly and other government officials on the financial
51 condition and operations of the autonomous region.
52 4. Certify to the availability of budgetary allotment to which expenditures and
53 obligations may be properly charged.

5. Review supporting documents before preparation of vouchers to determine completeness of requirements.
6. Prepare statements of cash advances, liquidation, salaries, allowances, reimbursements and remittances pertaining to the autonomous region.
7. Prepare statements of journal vouchers and liquidation of the same and other adjustments related thereto.
8. Post individual disbursements to the subsidiary ledger and index cards.
9. Maintain individual ledgers for officials and employees of the autonomous region pertaining to payrolls and deductions.
10. Record and post in index cards details of purchased furniture, fixtures, and equipment, including disposal thereof, if any.
11. Account for all issued requests for obligations and maintain and keep all records and reports related thereto.
12. Prepare journals and the analysis of obligations and maintain and keep all records and reports related thereto.
13. Exercise such other powers and perform such other duties and functions as may be provided by law or ordinance.

3) Regional Budget Officer

- (a) The Regional Budget Officer shall be a citizen of the Philippines and a Cordilleran, of good moral character, a holder of a college degree preferably in accounting, economics, public administration or any related course from a recognized college or university, and a first grade civil service eligible or its equivalent.
- (b) He/she must have acquired experience in government budgeting for at least five (5) years.
- (c) The budget officer shall take charge of the budget office and shall:
 1. Prepare forms, orders, and circulars embodying instructions on budgetary and appropriation matters for the signature of the Regional Governor;
 2. Review and consolidate the budget proposals of different departments and offices of the Regional Government;
 3. Assist the Regional Governor in the preparation of the budget and during budget hearings;
 4. Study and evaluate budgetary implications of proposed legislation and submit comments and recommendations thereon;
 5. Submit periodic budgetary reports to the Department of Budget and Management;
 6. Coordinate with the treasurer, accountant, and the planning officer for the purpose of budgeting;
 7. Assist the Regional Assembly in reviewing the approved budgets of the provincial and highly urbanized cities;
 8. Coordinate with the regional planning officer in the formulation of the regional development plan; and
 9. Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

4) Regional Administrator

- (a) The Regional Administrator shall be a citizen of the Philippines and a Cordilleran, of good moral character, and a holder of a college degree preferably in law, public administration or any other related course from a recognized college or university. He/she must have acquired experience in management and administration work for at least five (5) years.
- (b) The term of office of the Regional Administrator shall be coterminous with that of the appointing authority.
- (c) Subject to the control and supervision of the Regional Governor, the Regional Administrator shall:

1. Develop plans and strategies and upon approval thereof by the Regional Governor, implement the same particularly those which have to do with the management and administration-related programs and projects which the Regional Governor is empowered to implement and which the Regional Assembly is empowered to provide for under this Organic Act.
2. Assist in the coordination of the work of all the officials of the autonomous region, under the supervision, direction, and control of the Regional Governor, and for this purpose, he may convene the chiefs of offices and other officials of the autonomous region.
3. Establish and maintain a sound personnel program for the autonomous region designed to promote career development and uphold the merit principle in the local government service.
4. Conduct a continuing organizational development of the autonomous region with the end in view of instituting effective administrative reforms.
5. Be in the frontline of the delivery of administrative support services, particularly those related to the situations during and in the aftermath of man-made and natural disasters and calamities.
6. Recommend to the Regional Assembly and advise the Regional Governor, as the case may be, on all other matters relative to the management and administration of the regional autonomous government.
7. Exercise such other powers and perform such other duties and functions as may be prescribed by law or by ordinance.

5) Regional Legal Officer

- (a) The Regional Legal Officer shall be a citizen of the Philippines and a Cordilleran, of good moral character, and a member of the Philippine Bar. He must have practiced his profession or at least five (5) years.
- (b) The term of office of the Regional Legal Officer shall be coterminus with that of the appointing authority.
- (c) The Regional Legal Officer, the chief legal counsel of the regional autonomous government, shall take charge of the office of legal services and shall:
 1. Formulate measures for the consideration of the Regional Assembly and provide legal assistance and support to the Regional Governor, as the case may be, in carrying out the delivery of basic services and provisions of adequate facilities necessary.
 2. Develop plans and strategies and upon approval thereof by the Regional Governor, as the case may be, implement the same, particularly those which have to do with programs and projects related to legal services which the Regional Governor is empowered to implement and which the Regional Assembly is empowered to provide for under this Organic Act.
 3. Recommend measures and advise the Regional Governor on all other matters related to upholding the rule of law.
 4. Be in the frontline of protecting human rights and prosecuting any violations thereof, particularly those which occur during and in the aftermath of man-made or natural disasters or calamities.
 5. Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.
 6. In addition to the foregoing duties and functions, the legal officer shall:
 - i. Represent the regional autonomous government in all civil actions and special proceedings wherein the autonomous region or any official thereof, in his official capacity, is a party.
 - ii. When required by the Regional Governor, draft ordinances, contracts, bonds, leases and other instruments, involving any interest of the autonomous region

- 1 and provide comments and recommendations on any instrument already
2 drawn.
- 3 iii. Render his/her opinion in writing on any question of law when requested to
4 do so by the Regional Governor.
- 5 iv. Investigate or cause to be investigated any Regional Government official or
6 employee for administrative neglect or misconduct in office, and recommend
7 appropriate action to the Regional Governor as the case may be.
- 8 v. Investigate or cause to be investigated any person, firm or corporation
9 holding any franchise or exercising any public privilege for failure to comply
10 with any term or condition in the grant of such franchise or privilege by the
11 Regional Government, and recommending appropriate action to the Regional
12 Governor, as the case may be.
- 13 vi. When directed by the Regional Governor, initiate and prosecute in the
14 interest of the autonomous region any civil action on any bond, lease or other
15 contract upon any breach or violation thereof.
- 16 vii. Review and submit recommendations on ordinances approved and execute
17 orders issued.
- 18

19 **6) Regional Treasurer**

- 20 (a) The Regional Treasurer shall be a citizen of the Philippines and a Cordilleran, of good
21 moral character, and a holder of a college degree preferably in commerce, public
22 administration or law from a recognized college or university. He/she must have acquired
23 experience in treasury or accounting service for at least five (5) years.
- 24 (b) The Regional Treasurer shall take charge of the Treasury Office, perform the duties
25 provided for under Book II of the Local Government Code, and shall:
- 26 1. Advise the Regional Governor and other Regional Government officials
27 concerned regarding the disposition of government funds, and on such other
28 matters relative to public finance.
- 29 2. Take custody of and exercise proper management of the funds of the autonomous
30 region.
- 31 3. Take charge of the disbursement of all Regional Government funds and such
32 other funds the custody of which may be entrusted to him/her by law or other
33 competent authority.
- 34 4. Maintain and update the tax information system of the autonomous region.
- 35 5. Exercise such other powers and perform such other duties and functions as may
36 be prescribed by law or ordinance.
- 37

38 **7) Regional General Services Officer**

- 39 (a) The Regional General Services Officer shall be a citizen of the Philippines and a
40 Cordilleran, of good moral character, and a holder of a college degree preferably on
41 public administration, business administration and management or any other related
42 course from a recognized college or university. He/she must have acquired experience in
43 general services, including management of supply, property, solid waste disposal, and
44 general sanitation, for at least five (5) years.
- 45 (b) The Regional General Services Officer shall take charge of the Office on General
46 Services and shall:
- 47 1. Formulate measures for the consideration of the Regional Governor and provide him
48 technical assistance and support in carrying out measures to ensure the delivery of
49 basic services and provision of adequate facilities pursuant to the Local Government
50 Code and this Organic Act which require general services expertise and technical
51 support services.
- 52 2. Develop plans and strategies and upon approval thereof by the Regional Governor
53 implement the same, particularly those which have to do with the general services

supportive of the welfare of the inhabitants which the Regional Governor is empowered to implement.

3. Be in the frontline of general services related activities, such as the possible or imminent destruction or damage to records, supplies, properties, and structures and the orderly and sanitary clearing up of waste materials or debris, particularly during and in the aftermath of man-made and natural calamities and disasters.
4. Recommend and advise the Regional Governor on all matters relative to general services.
5. In addition to the foregoing duties and functions, the General Services Officer shall:
 - i. Take custody of and be accountable for all properties, real or personal, owned by the autonomous government and those granted to it in the form of donation, reparation, assistance and counterpart of joint projects.
 - ii. With the approval of the Regional Governor, assign building or land space to regional officials, who by law, are entitled to such space. Recommend to the Regional Governor reasonable rental rates for Regional Government properties, whether real or personal, which will be leased to public or private entities.
 - iii. Recommend to the Regional Governor reasonable rental rates of private properties which may be leased for the official use of the Regional Government.
 - iv. Maintain and supervise janitorial, security, government public buildings and other real property, whether owned or leased by the Regional Government.
 - v. Collate and disseminate information regarding prices, shipping and other costs of supplies and other items commonly used by the Regional Government.
 - vi. Perform archival and record management with respect to records of offices and departments of the Regional Government.
 - vii. Perform all other functions pertaining to supply and property management heretofore performed by the Regional Government Treasurer and enforce policies on records creation, maintenance, and disposal.
 - viii. Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

Section 63. There shall be a Regional Development Council (RDC) which shall function as the main planning and advisory body of the autonomous government, setting the direction of economic and social development of the autonomous region and through which regional development efforts shall be coordinated.

Section 64. The Regional Development Council, which shall be headed by the Regional Governor, shall be composed of the Regional Governor as chair, Private Sector Representative as co-chair, the Regional Director of NEDA as vice-chair, and the following as members:

- (a) All the provincial governors, the city and capital town mayors.
- (b) Two (2) members of the Regional Assembly to be designated by its presiding officer.
- (c) Private sector representatives of duly accredited private sector and non-government organizations/people's organizations, Provided that their composition shall not be more than one-fourth of the total membership.
- (d) Regional heads of line agencies who are members of the NEDA Board.
- (e) The Council may designate special non-voting members (SNVMs) coming from both the public and private sectors, upon concurrence of the majority of its regular members.

Section 65. The regional office of the National Economic and Development Authority (NEDA) shall serve as the secretariat and technical operations arm of the Council.

Section 66. The Regional Development Council shall:

- (a) Coordinate the preparation, implementation, monitoring and evaluation of short- and long- term regional development plans and investment programs, regional physical framework plans and special development plans, including the formulation of policy recommendations.
- (b) Integrate approved development plans of provinces and cities, line agencies, state universities and colleges, government owned and controlled corporations and special development authorities in the autonomous region into the regional development plan.
- (c) Review, prioritize, and endorse to the autonomous government the annual and multi-year sectoral investment programs of the autonomous region for funding and implementation.
- (d) Review and endorse to the national government the annual budgets of agency regional offices, state colleges and universities and special development authorities.
- (e) Promote and direct the inflow and allocation of private investments in the autonomous region to support regional development objectives, policies, strategies.
- (f) Review and endorse national plans, programs and projects proposed for implementation in the autonomous region.
- (g) As required by the Investment Coordinating Committee (ICC), review and endorse projects of national government agencies that have impact on the region and projects of LGUs in the region requiring national government exposure which may come in the form of guarantees, national government budget appropriations or subsidies, among others.
- (h) Initiate and coordinate the development, funding and implementation of regional and special development projects such as those involving several agencies or LGUs.
- (i) Coordinate the monitoring and evaluation of development projects undertaken by government agencies, local government units, state colleges and universities, government-owned and/or controlled corporations and special development authorities in the autonomous region.
- (j) Perform other related functions and activities as may be necessary to promote and sustain the socio-economic development of the autonomous region.

Section 67. Creation of Committees. The Council shall create appropriate technical and sectoral committees to assist in its work.

Section 68. Existing committees placed under the RDC. Existing regional coordinating committees that are created by various laws and currently attached to specific agencies, and ad-hoc program/project-based steering committees, such as, but not limited to Development Administration Committee, Economic Development Committee, Social Development Committee, Infrastructure Development Committee, Watershed and Environmental Management Committee, Committee on Indigenous Peoples' Concerns, Regional Land Use Committee, Regional Gender and Development Committee, Regional Project Monitoring Committee, Regional Competitiveness Committee, Regional Development Budget Coordinating Committee, Regional Statistical Coordination Committee, and the Cordillera Geographic Information System Network, shall be placed under the umbrella of the RDC. Secretariat work of these inter-agency committees shall continue to be provided by their mother agency.

Section 69. Attendance of Representatives to the RDC. When the need arises, the Council shall invite the Congressmen of the provinces and cities of the autonomous region.

ARTICLE VII: THE REGIONAL VICE-GOVERNOR

Section 70. Presiding Officer. The Regional Vice-Governor shall automatically become the Presiding Officer of the Regional Assembly.

Section 71. Functions of the Presiding Office. As the Presiding Officer of the Regional Assembly, the Regional Vice-Governor shall:

- (a) Sign all warrants drawn on the Regional Treasury Office for all expenditures appropriated for the operation of the Regional Assembly;
- (b) Subject to civil service law, rules and regulations, and this Organic Act, appoint all officials and employees of the Office of the Regional Vice-Governor, the Regional Assembly and the Office of the Secretary to the Regional Assembly. The appointment of the Secretary to the Regional Assembly shall however require the concurrence of the majority of the members of the Regional Assembly as well as compliance to civil service law, rules and regulations and this Organic Act;
- (c) Assume the office of the Regional Governor for the unexpired term of the latter in the event of a permanent vacancy as provided in this Organic Act;
- (d) Exercise the powers and perform the duties and functions of the Regional Governor in cases of temporary vacancy as provided in this Organic Act;
- (e) Exercise the powers and perform the duties and functions as may be prescribed by an ordinance.

ARTICLE VIII: THE REGIONAL LEGISLATIVE ASSEMBLY

Section 72. Legislative Authority. The legislative power of the Regional Government in the Autonomous Region of the Cordillera, shall be vested in the Regional Assembly, except to the extent reserved by the Constitution and this Organic Act on initiative and referendum. Within its territorial jurisdiction and subject to the provisions of the Constitution and national laws, the Regional Assembly of the Autonomous Region of the Cordillera shall have legislative powers over those functions enumerated under Section 25.

Section 73. Enactment of Ordinances and Resolutions. The Regional Assembly shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the region and its inhabitants as well as for the efficient and effective operation of the Regional Government.

Section 74. Administrative Support. The Regional Assembly shall have an administrative and support staff. Each member shall have at least three (3) confidential Legislative Assistants whose qualifications, rank and salary grade level shall be equivalent to regional executive assistants. Their term of service shall however be coterminous with their overseer.

Section 75. Regular and Special Sessions. The Regional Assembly shall start its regular session on the first Monday of July, and by resolution fix the day, time and place of its regular sessions, which shall be held at least once a week. However, the Assembly may be called to a special session by the Chairperson or the Regional Governor whenever necessary and a notice of meeting shall be sent to the member's place of residence at least twenty-four (24) hours before the special session is held. Unless otherwise concurred in by two-thirds (2/3) votes of the members, there being a quorum, no other matters may be considered at a special session except those stated in the notice. The Regional Assembly may invite the President and other government officials to address it.

Section 76. Sessions and Quorum

- (a) 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 manner, and under such penalties as the Assembly may provide.
- (b) On the first regular session following the election of its members, and within ninety (90) days thereafter, the Regional Assembly shall adopt or update its rules of proceedings

1 which shall include, among other things, the organization of the Assembly and the
2 election of its officers, creation of standing committees, the time, place and manner of
3 convening its regular and special sessions, the conduct and discipline of its members, the
4 conduct and discipline of every person present during its session, the preparation and
5 publication of its journal, the determination of quorum, and the necessary votes to pass
6 any measure, and recall proceedings in accordance with the Local Government Code.
7

8 **Section 77. Ordinance**

9

- 10 (a) Every ordinance shall embrace only one (1) subject which shall be expressed in the title
11 thereof.
- 12 (b) No ordinance shall become a law unless it has passed three readings on separate days, and
13 printed copies thereof in its final form have been distributed to the members three (3)
14 days before its passage, except when the Governor certifies to the necessity of its
15 immediate enactment to meet a public calamity or emergency affecting the region, or the
16 component provinces, cities, municipalities or barangays.
- 17 (c) Upon the last reading of an ordinance, no amendment thereto shall be allowed, and the
18 vote thereon shall be taken immediately thereafter, and the yeas and nays entered in the
19 Journal.
- 20 (d) Every ordinance passed by the Regional Assembly shall, before it becomes a law, be
21 presented to the Regional Governor. If he/she approves the same, he/she shall sign it.
22 Otherwise, he/she shall veto it and return the same with his objections to the Regional
23 Assembly, which shall enter the objections in its Journal and proceed to reconsider it. If,
24 after such reconsideration, two-thirds (2/3) of all the members of the Regional Assembly
25 shall agree to pass the ordinance, it shall become a law. The Regional Governor shall
26 communicate his veto of any ordinance to the Regional Assembly within ten (10) days
27 from receipt thereof otherwise; it shall become a law as if he/she had signed it.
- 28 (e) The Regional Governor shall have the power to veto any particular item or items in an
29 appropriation or revenue, but the veto shall not affect the item or items to which he/she
30 does not object.
31

32 **Section 78. People's Question Hour**

33

- 34 (a) There shall be a people's hour at least once a month or as often as the rules of the
35 Regional Assembly may provide, which shall be included in the Order of Business,
36 during which any member of the Cabinet may, upon his own initiative, with the consent
37 of the Regional Governor, or upon the request of the Regional Assembly, appear and
38 answer questions and interpellations by members of the Assembly on any matter
39 pertaining to his department.
- 40 (b) The Regional Assembly or any of its committees may conduct inquiries in aid of
41 legislation in accordance with its duly published rules of procedure. The rights and
42 dignity of persons appearing in or affected by such inquiries shall be respected.
43

44 **Section 79. Immunity from suit.** No member shall be questioned or be held liable in any other
45 place for any speech or debate in the Regional Assembly or in any committee thereof.
46

47 **Section 80. Appropriations Ordinance.** The Regional Assembly shall pass an appropriations
48 ordinance for the ensuing year at or before the end of each year, based on the budget of
49 expenditures and sources of funds submitted to it by the Regional Governor.

- 50 (a) No provision or enactment shall be embraced in the regional appropriations ordinance,
51 unless it relates specifically to some particular appropriations therein. Any such provision
52 or enactment shall be limited in its operation to the appropriation to which it relates.

- (b) The procedure in approving appropriations for the Regional Assembly shall strictly follow the same procedure for approving appropriations for the regional executive department.
- (c) A special appropriations ordinance shall specify the purpose for which it is intended, and shall be supported by funds actually available as certified by the Regional Treasurer or to be raised by a corresponding revenue proposal therein.
- (d) No ordinance shall be passed authorizing any transfer of appropriations. However, the Regional Governor and the presiding officer of the Assembly may, by ordinance, be authorized to augment any item in the general appropriations ordinance for their respective departments from savings in other items of their respective appropriations.
- (e) The Regional Assembly may not increase the appropriations recommended by the Regional Governor for the operation of the Regional Government as specified in the budget. The form, content and manner of preparation of the budget shall be prescribed by regional law: Provided, however, that pending the enactment of such a regional law, the budgeting process of the Regional Government shall be governed by existing national laws and rules and regulations prescribed by the Department of Budget and Management.

Section 81. Expenditure of Public Funds

- (a) No money shall be paid out of the regional treasury except in pursuance of an appropriation made by regional law.
- (b) No money or property shall be appropriated, applied, paid or used, directly or indirectly, for the use, benefit or support, of any sect, church, denomination, sectarian institution, or system of religion or for the use, benefit or support of any priest, preacher, minister or other religious teacher or dignitary as such, except when such priest, preacher, minister or dignitary is assigned to the regional police or government orphanage and rehabilitation centers or similar institutions.
- (c) All money collected on any regional tax levied for a special purpose shall be treated as a special fund and paid out for such purpose only. If the purpose for which a special fund was created has been fulfilled or abandoned, the balance, if any, shall be transferred to the general fund of the Regional Government.

Section 82. Certified True Copies of Ordinance. The Regional Assembly shall, within ten (10) working days from approval thereof, submit to the President and to both Houses of Congress a certified true copy of all ordinances and resolutions it passed.

Section 83. Creation of Offices. The Regional Assembly may create such other offices and positions as may be necessary to carry out the purpose of the regional government subject to availability of funds.

Section 84. Secretary to the Regional Assembly. There shall be a Secretary to the Regional Assembly with a rank, status and salary grade level equivalent to a head of a regional department. He must be a citizen of the Philippines and a Cordilleran, of good moral character, and a holder of a college degree preferably in law, commerce, public administration, or any other related course from a recognized college or university. He must have at least three (3) years of relevant experience.

Section 85. Program for development. Subject to national laws and, sound public administration principles, exercising the corporate powers of the Regional Government under the Constitution and R.A. 7160 of 1991, the Regional Assembly shall evolve a program for generating development financing to accelerate social and economic development in the region and implement the same, and after conducting public consultation. Provided, that when regional revenues are insufficient, the difference shall be funded by the national government.

1 **Section 86. Approval of Plans.** The Regional Assembly shall approve by ordinance the
2 recommended regional physical framework plan, the regional development plan, the regional
3 development investment program, the regional annual investment plan and regional annual
4 budget within the prescribed timetable.

5
6 **Section 87. Enactment of necessary legislation.** When the need arises, the Regional Assembly
7 shall enact ordinances and necessary legislative measures that shall strengthen and supplement
8 the implementation of national laws, devolved functions and address conflicting laws.

9
10 **ARTICLE IX:**
11 **PATRIMONY, ECONOMY AND DEVELOPMENT**
12

13 **Section 88. Coordination and Cooperation of the Regional Government with the national**
14 **government to achieve quality of life.** The Regional Government, with the support of the
15 national government, shall pursuant to regional autonomy and poverty alleviation initiate,
16 stimulate, facilitate, support and coordinate development in the region towards attaining equitable
17 distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and
18 services available to Cordillerans and an expanding productivity and income as the key to raising
19 the quality of life for all:

- 20 a. The national government shall provide financial support and assistance to the
21 Autonomous Region of the Cordillera by appropriating such sums as may be necessary to
22 accelerate the development of the autonomous region, on top of and aside from the
23 Internal Revenue Allotment (IRA) provided therewith and the Local Government Units as
24 well as the allocations already provided through the regional line agencies.
25 b. The national government shall consult and coordinate with the autonomous Regional
26 Government before programs and projects are undertaken in the autonomous region.

27
28 **Section 89. Autonomous Region Cordillera Development Plan.** The Regional Government
29 through the Regional Development Council shall formulate its development plans taking into
30 consideration the Cordilleran's unique needs and aspirations, consistent with national
31 development goals. The Development Plan shall include the promotion of growth and full
32 employment, human development, and address social and economic inequities that have resulted
33 from decades of neglect, historical injustice, poverty and inequality.

34
35 **Section 90. Control and Supervision over natural resources.** Regional Government shall have
36 control and supervision over natural resources in accordance to this Organic Act.

37
38 **Section 91. Preferential Rights of Cordilleras to utilize and develop natural resources.** The
39 exploration, development, utilization, and enjoyment of natural resources shall be allowed to
40 citizens of the Philippines and to private enterprises, including corporations, cooperatives, and
41 similar collective organizations with at least sixty percent (60%) of their capital investment or
42 capital stocks directly controlled or owned by Filipinos: Provided that the implementation of
43 programs, projects, and activities related to these natural resources in the region shall comply
44 with the provisions of the Constitution and this Organic Act.

45
46 **Section 92. Comprehensive Framework for Sustainable Development.** The Regional
47 Government shall develop a comprehensive framework for sustainable development through the
48 proper conservation, utilization and development of natural resources. Such framework shall
49 guide the Regional Government in adopting programs and policies and establishing mechanisms
50 that focus on the environment dimensions of social and economic interventions. It shall include
51 measures for the reduction of vulnerability of women and marginalized groups to climate change
52 and variability.

Section 93. Development of Lands 18° above in slope. The Regional Government in partnership with the communities, especially the indigenous peoples or indigenous cultural communities, and their government units, and support of the national government shall adopt measures for the development of communities occupying lands eighteen degrees in slope or over, by providing the necessary infrastructure, financial and technical support.

Section 94. Transportation and communication system. The Regional Government shall, in coordination with the national government, establish a transportation and communication system interconnecting the various areas of the autonomous region with each other and to other regions adjacent to the Cordilleras. Likewise, the Regional Government in close coordination with component local government units shall plan, construct, modernize and maintain rural and urban infrastructure facilities and utilities, including alternative transport systems within critical environments.

Section 95. Comprehensive Agrarian Reform Program. Subject to ecological considerations, the Regional Government shall adopt and implement a comprehensive rural agrarian reform program, as well as an urban development program consistent with the Constitution and national laws and policies to ensure the just and sustainable utilization of land within its jurisdiction.

Section 96. Standards for environmental protection. The Regional Government shall develop standards pertaining to the protection, conservation, and enhancement, of the environment and natural resources, appropriate to the socio- cultural and environmental uniqueness of the Cordillera.

Section. 97. Transfer of Existing Nature Reserves and Protected Areas. The management and protection of nature reserves and aquatic parks, forests, watershed reservations, and other protected areas in the Autonomous Region that have already been defined by and under the authority of the National Government shall be transferred to the Regional Government.

The Regional Transition Committee composed of the Regional Governor, Department of Environment and Natural Resources, National Commission on Indigenous Peoples, representatives of IPs and ICCs affected, as well as other relevant government agencies shall cause the process of transferring these areas including the conduct of surveys of all affected areas and the planning and transition for each and every protected area. Such process shall be completed within a period not exceeding two years.

Section 98. Policies of the Autonomous Region of the Cordillera on Renewable and other Energy Resources and Extractive Industries. Policies on Renewable and other energy resources and extractive industries shall be drawn up by the Legislative Assembly in accordance with its Comprehensive Sustainable Development Plan, as well as its over-all medium-term and long- term Regional Development Plan.

Section 99. Financial and Technical Assistance Agreements. - The applications for financial and technical assistance agreements covering mineral resources within the region shall be commenced at and recommended by the Regional Government to the President.

The manner by which the Regional Government shall make the recommendation shall be in accordance with Section 98.

Section 100. Participation of the Autonomous Region of the Cordillera in Government in National Development Planning. To ensure that the Regional development plans are reflected in the national development plans, the Regional Government shall participate in national

development planning. The Regional Governor shall be a full-fledged member of the Board of the National Economic and Development Authority.

ARTICLE X: SOURCES OF REVENUES AND OTHER FISCAL MATTERS

Section 101. Share from the National Revenues. To conserve, protect and develop the national patrimony and heritage located in the Autonomous Region of the Cordillera, and devolved to the region by this Organic Act, and to fund the operations of the Regional Government, the Regional Government shall, in addition to the existing shares of local government units, regional line agencies and other government institutions, have a share of the national revenues which include but not limited to the following:

(a) *Two and a half percent (2.5%) of the national Internal Revenue Taxes.* The Regional Government shall have a share in the national internal revenue taxes equivalent to 2.5 percent based on the collection of the third fiscal year preceding the current fiscal year, in addition to the internal revenue allotment shares of the local government units. Eighty percent (80%) of such share shall be appropriated in the annual regional budget for development projects. The internal revenue allotment share of the Regional Government shall be released directly to the Regional Government Treasurer and shall not be subject to any lien or holdback that may be imposed by the national government for whatever purpose.

(b) *Forty percent (40%) Share of the National Wealth Tax.* The Regional Government shall have a separate forty percent (40%) share of the gross collections in the preceding fiscal year from mining taxes, royalties, environmental services, forestry and fishery charges, energy production charges, and such other taxes, fees and charges, including related surcharges, interests and fines derived from the utilization and development of the national wealth within its territorial jurisdiction. Provided, that the Regional Government shall likewise be entitled to ten percent (10%) share of the gross collections from the utilization of national wealth sourced or emanating from the autonomous region by persons, individual or juridical, operating outside the territorial jurisdiction of the autonomous region. Provided that the share in national wealth shall be used for the preservation and further development of the environment.

Local Government Units shall have a share of one and one-half percent (1.5%) of the gross sales or receipts or fifty percent (50%) of the gross collection, whichever is higher, derived from renewable energy taxes, mining taxes, royalties, forestry and fishery charges, and such other taxes, fees and charges, including related surcharges, interests or fines, and from its share in any co-production, joint ventures or production sharing agreement in the utilization and development of the national wealth within their territorial jurisdiction. This provision shall be applicable to all corporations, partnership, individuals and other entities including government agencies and government owned or controlled corporations engaged in the utilization and development of the national wealth within the region irrespective of existing contrary laws, rules and regulations of national application.

(c) *Two percent (2%) share out of the Economic Zones Tax.* The Regional Government shall have a separate two percent (2%) share out of the five percent (5%) final tax on gross income earned or equivalent to forty percent (40%) of total tax paid by businesses within the economic zones found in the Cordillera, in addition to the existing shares of the local government units of two percent (2%). The fund shall be used for Trade and Industry programs.

Local government units shall have a separate two percent (2%) share out of the five percent (5%) final tax on gross tax paid by businesses within the economic zones.

- (d) *Twenty percent (20%) Share of Excess in Value Added Tax.* The Regional Government shall have a separate twenty percent (20%) share of the excess in VAT collections from the immediately preceding year. The fund shall support cottage industry programs.

Local Government Units shall have a separate twenty percent (20%) share of the excess in VAT collections from the immediately preceding year.

- (e) *Fifteen percent (15%) Share of Total Excise Tax.* The Regional Government shall have a separate fifteen percent (15%) share of the total excise tax collection on locally manufactured Virginia-type cigarettes manufactured within the territorial jurisdiction of the autonomous region for the second calendar year preceding the year of distribution, in addition to the existing shares of the local government units. The fund shall be used for agriculture programs.

Local Government Units shall have a separate fifteen percent (15%) share from the total excise tax collection on locally manufactured Virginia-type cigarettes for the second year preceding the year of distribution.

- (f) *Fifteen percent (15%) Share of Incremental Excise Tax in Burley and Native Tobacco Products.* The Regional Government shall have a separate fifteen percent (15%) share of the excise tax collected on burley and native tobacco products collected within the region.

Local Government Units shall have a separate fifteen percent (15%) share of the excise tax collected on burley and native tobacco products.

- (g) *Forty percent (40%) Share of Renewable and other energy Tax.* The Regional Government shall have a separate forty percent (40%) of the special privilege tax on Renewable and other energy resources developed for the maintenance of watersheds and social and economic development of the upstream host communities.

Local Government Units' share from the renewable and other energy resources tax shall be based on the computation provided under the Local Government Code (RA 7160).

- (h) Three percent (3%) of net income of Philippine Amusement and Gaming Corporation (PAGCOR) and Philippine Charity Sweepstakes Office (PCSO) for construction and maintenance of school buildings, hospitals and related structures and services.

- (i) Shares in future tax impositions by the national government.

Section 102. Sources of Regional Government Revenues. The Regional Government shall have the power to create its own sources of revenues and to levy fees, charges and taxes subject to such guidelines and limitations of the Constitution and this Act, consistent with the basic policy of local autonomy and which include but not 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 permit 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 or national 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.

Section 103. Situs of Taxation. All corporations, partnerships, and other entities, including government agencies, government-owned and -controlled corporations directly engaged in business in the region shall pay their corresponding taxes, fees, and charges to the province, city, municipality or barangays where such establishments are conducting their business operations irrespective of the location of their principal or main offices.

Section 104. Appropriations from the national government to be downloaded to the regional government

- (a) *Regional line agencies.* The national government shall continue to provide appropriations for the regular operations and programs of line agencies in the region. In addition, each national government agency shall appropriate not less than five percent (5%) of its annual budget to fund priority programs in the region.
- (b) *Regional structure.* The national government shall provide appropriations for the mandatory organizational structure and positions of the Regional Government.
- (c) The Regional Government may access other special purpose funds appropriated in the national budget.

Section 105. Eighty percent (80%) share of national fees and charges collected within the region (e.g. DOTr, NBI, NSO, BID, PEZA, DFA, DOH, DPWH, DENR, PRC, DOT, DICT, and other collecting agencies) shall be directly remitted to the regional treasury and fifty percent (50%) of this share shall be automatically retained by the collecting agencies to augment their regular operating expenses.

Section 106. Donations or grants to the region to finance, to provide for, or to be used in undertaking projects in health, education, culture, youth and sports development, human settlements, science and technology, and in economic development, shall be deductible in full in determining the taxable income of the donor or grantor. Provided, that the validation and certification processes for such donations or grants shall have been done according to regional law.

Section 107. The Regional Government, in accordance with the provisions of the Constitution and national laws and upon the recommendation of the Regional Development Council and ratification of the Regional Assembly, shall evolve a system of economic agreements or trade compacts to generate grants and foreign loans for development of the region.

Section 108. The Regional Governor may contract loans only in accordance with the provisions of the Constitution and national laws and subject to the approval of the Regional Assembly.

Section 109. The Regional Assembly shall have the power to grant incentives or exemption on fees and charges which the autonomous region is empowered under this Act to impose. An ordinance granting incentives, exemptions or both shall only be passed with the concurrence of a majority of all the members of the Regional Assembly.

Section 110. The Regional Government may establish and capitalize a Regional Development Bank which shall administer its own funds. The bank shall be under the supervision of the Bangko Sentral ng Pilipinas (BSP) and under the general banking laws.

Section 111. The Regional Government shall formulate fiscal and regulatory licensing standards appropriate for the region.

**ARTICLE XI:
AGRICULTURE, AGRARIAN REFORM,
TRADE AND INDUSTRY, TOURISM AND COOPERATIVE**

Section 112. Agrarian Reform and Sustainable Agricultural and fisheries development. Consistent with applicable laws, the Regional Government shall, as a basic policy, promote agrarian reform and sustainable agricultural development within the principles of social equity and poverty alleviation, food security and food sufficiency, global competitiveness, fair trade, rational use of resources.

(a) The Regional Government shall ensure that basic agricultural support services and infrastructure be accessible to the small and marginalized farmers and fisher folks. It shall likewise promote agribusiness and full employment based on a sound agricultural development and agrarian reform.

(b) The Regional Government shall put special emphasis on production towards self-sufficiency of staple food commodities and shall at all times guarantee the availability, accessibility and affordability of safe food commodities.

(c) The Regional Government shall work on the improvement of the quality and value of raw and processed agri-based products as a means to enhance competitiveness of the agriculture and fisheries sectors in the domestic and global markets.

(d) The Regional Government shall formulate and implement measures to promote indigenous concept of farming and protect the farmers from unfair trade practices and unfair competition.

(e) The Regional Government shall ensure the equitable and rational distribution of public resources and investments in order to obtain the optimum returns on investments and to benefit a greater number of constituents.

(f) The Regional Government shall always consider the limited carrying capacity of the region's natural and agricultural resources in the development of agricultural and fisheries programs and interventions.

Section 113. Development of Water Resources. The Regional Government shall give top priority to the conservation, protection, testing, utilization and development of water resources for agriculture, fisheries development, domestic water supply and power development. It shall enact appropriate legislation which shall enhance, develop, conserve, and protect natural fishery resources especially on specie endemic to the Cordillera.

Section 114. Promoting the rights of fisher folks. The Regional Government shall recognize, promote, and protect the rights and welfare of fisher folks, their associations and cooperatives. The provinces and cities concerned shall support to subsistence fisher folk through adequate funds, appropriate technology and research, marketing assistance, and other support services like fishery processing facilities and access to credit.

Section 115. Agriculture Production. The Regional Government shall pursue the following strategies to develop and increase agricultural productivity.

- (a) Pursue a multidisciplinary research, development and extension activities to produce and promote technologies and invent machinery and facilities, that will be used to improve productivity and product quality, reduce cost of production, enhance value-addition and improve processing, and enhance abilities to protect the environment and agricultural resources.
- (b) Initiate, encourage and give highest priority support to small and medium agribusiness enterprises and industries with linkages to agriculture. It shall ensure the allocation of adequate public investments to establish adequate support-agricultural infrastructure and facilities to sustain such ventures.
- (c) Formulate and implement product standards and regulatory rules that will ensure the production, processing, distribution and marketing of safe and globally-competitive products, and simultaneously promote environmental conservation.
- (d) Ensure that all sectors involved in the [production, processing and marketing of food and non- food products shall strictly adhere to appropriate existing laws and regulations on the proper utilization and disposal of synthetic and chemical inputs and materials, and industrial and toxic wastes. Relative to this, the Regional Government shall pursue and encourage organic methods of agriculture. ; in a day

Section 116. Prevent flight of labor and capital. To promote investments and employment and to prevent flight of capital and labor from the region, the Regional Government shall adopt measures:

- (a) Against monopolies, cartels and unfair competition in public utilities, development, trading and similar concerns. It may, in the interest of regional welfare and security, establish and operate pioneering public utilities. Upon payment of just compensation, it may transfer the ownership of such utilities to cooperatives or other collective organizations.
- (b) To initiate, encourage and support industrialization in the region, taking into account the culture and capabilities of the people of the area to control or manage their resources, the ecological needs of the area and the protection, conservation and development of resources.

Section 117. Eco-cultural Tourism. Consistent with the preservation of cultural heritage and the protection of ecology, the Regional Government shall promote eco-cultural tourism in the region. Sites with historical, scientific, cultural significance including natural and man-made landmarks and scenic vistas shall likewise be preserved, maintained and protected.

Section 118. Promote Economic Zones. The Regional Government shall encourage, promote and support the establishment and development of economic zones, industrial and trade centers, and airports, in strategic areas and growth centers in the region, including the necessary support infrastructure in accordance with land use and other environmental considerations.

Section 119. Marketing and Exportation of Indigenous Products. The Regional Government shall in coordination with the local government units, encourage investments, development, marketing and exportation of indigenous and other local products in accordance with its development goals and priorities.

Section 120. Cooperatives. The Regional Government shall promote cooperatives registered with the Cooperative Development Authority as tools for economic development, social justice, and people empowerment to initiate policies and develop mechanisms to enjoin the participation

1 of the banking sector and financial institutions in the delivery of credit assistance for the
2 establishment and building of rural enterprises and small-medium enterprises (SMEs).

3
4
5 **ARTICLE XII:**
6 **EDUCATION, SCIENCE AND TECHNOLOGY,**
7 **LANGUAGE, ARTS AND CULTURE AND SPORT**
8

9 **Section 121. Jurisdiction over regional educational policies.** The Regional Government shall
10 have jurisdiction over the formulation of regional educational policies and on the preservation,
11 safeguarding and development of cultural heritage. It shall have the following plans and
12 programs:

- 13
14 (a) The establishment of educational institutions, colleges and universities which shall enjoy
15 fiscal and administrative autonomy but subject to regional laws. Existing educational
16 institutions, colleges and universities shall continue to be governed by their respective
17 charters;
18 (b) The Development of curricular programs relevant to the preservation and development of
19 cultural heritage and responsive to the social, economic, political and moral needs of the
20 Cordillerans;
21 (c) The adoption and enactment of educational policies that shall recognize, support, develop
22 and promote existing indigenous system of learning.
23 (d) The creation of Regional Educational Board that will supervise, govern and intervene in
24 the establishment, adoption and implementation of educational policies and programs of
25 both formal and informal education for schools, colleges and universities in the region
26

27 **Section 122. Education with highest budget allocation.** The Regional Government shall assign
28 the highest budgetary priority to education.
29

30 **Section 123. Exemption from taxes and duties.** Private educational institutions, colleges and
31 universities shall enjoy the protection and support of the Regional Government. All revenues and
32 assets of non-stock, non-profit educational institutions used actually, directly and exclusively for
33 educational purposes shall be exempt from taxes and duties.
34

35 **Section 124. Creation of Regional Scholarship Committee for Education.** The Regional
36 Government shall assist the national government to provide free basic education and shall
37 likewise endeavor to provide free tertiary education through scholarship programs, subsidies,
38 research grants and other incentives to poor, gifted, and deserving individuals. Towards this end,
39 there shall be created a Regional Scholarship Committee for Education.
40

41 **Section 125. Rights of Teachers and Parents to Organize.** The right of teachers, employees,
42 students and parents to organize themselves and to participate in school policy and decision-
43 making shall be guaranteed.
44

45 **Section 126. Culture sensitive education.** The educational system in the region shall develop a
46 program, research, instruction and extension that will promote consciousness and appreciation of
47 the ethnic identity of the people in the region and shall provide a better understanding of their
48 cultural heritage for the attainment of national unity and harmony in all levels of education. It
49 shall provide, promote, enhance or adopt a curriculum in all levels that includes Cordillera
50 languages, customs and traditions and other indigenous knowledge systems and practices, as may
51 be applicable.
52

53 **Section 127. State colleges and universities.**

- (a) State colleges and universities in the region shall form part of the regional educational sub- system of the autonomous region and shall continue to enjoy fiscal and institutional autonomy, continue to be governed by their respective charters and enjoy support of the Regional Government.
- (b) The Regional Government shall be represented in the board of regents or trustees in state universities and colleges in the region.
- (c) The budget of state colleges and universities in the region while prepared separately shall form part the budget of the Regional Government when presented to congress for approval. The state colleges and universities shall continue to receive funding from the national government while the Regional Government shall provide additional funding.
- (d) The Regional Government shall capacitate state colleges and universities in order to provide assistance to regional development.

Section 128. School charters. Subject to the general supervision of the Regional Government, all schools with charters shall continue to be governed by their respective charters.

Section 129. Priority on Indigenous and appropriate technology. The management of scientific and indigenous research and appropriate technology on all levels of education including research institutions shall be given priority by the Regional Government.

Section 130. Intellectual property rights. Incentives and safeguards for intellectual property rights, and assistance in the registration of patents and copyrights shall be accorded to Cordillera artists, writers, scientists, researchers and inventors.

Section 131. Medium of instruction. The Regional Government shall retain English and Filipino as a medium of instruction in all levels of education. Consistent with its regional and cultural identity, and whenever possible, it shall adopt a system of multi-lingual or mother tongue-based approach in basic education to strengthen and enrich the various languages and dialects in the region as well as the national language as maybe appropriate.

Section 132. Region-wide Physical Fitness. The Regional Government shall design and implement region-wide physical fitness, sports development programs, and indigenous games and sports which shall be a cooperative responsibility of the school, the community, and the government.

Section 133. Establishment of Council and Commissions and Center on Research, Cultural Heritage and Research.

The Regional Government shall:

- a. Establish a Regional Research Coordinating Council, which shall harmonize the research and development efforts of the academe, research institutions, citizen's research, other organizations and community initiated research in the region.
- b. Establish Cordillera Commission for the Preservation and Promotion of Cultural Heritage Center for the promotion, research, documentation, coordination with other groups and institutions and, establish and maintain a data bank on all indigenous matters

ARTICLE XIII: SOCIAL JUSTICE, HEALTH AND WELFARE

Section 134. Measures on Social Protection. The Regional Government commits itself to social protection and shall among other things, adopt measures to:

- (a) Empower and improve the quality of life of the poor, disadvantaged, marginalized, and vulnerable individuals, families, sectors and communities of the region.

- (b) Reduce or eradicate poverty to ensure that all Cordillerans are free from all forms of deprivation, vulnerability, and abuse.
- (c) Create equal opportunities for assistance and protection for all Cordillerans.
- (d) Promote gender and development (GAD) through the creation, adoption and sustainability of programs and policies that are gender sensitive.
- (e) Enact measures and develop programs that will protect the people from any threat of violence and exploitation, eliminate trafficking in persons and mitigate pressures for involuntary migration and servitude of persons, not only to support trafficked persons but more importantly, to ensure their recovery, rehabilitation and reintegration into the mainstream of society.

Section 135. Equality of Employment Opportunities. The Regional Government shall undertake steps to protect the labor sector and promote equality of employment opportunities for all. Towards this end, it shall, among other things, provide for:

- (a) Participation of the Regional Government in the regional wage board in working out periodic adjustments and rational standardization of compensation rates to ensure a sustainable and decent wage for all workers.
- (b) Profit and productivity gain-sharing schemes that recognize the right of workers to a just share in the profits and productivity gains of businesses, provide incentives thereof, and the right of the enterprise to reasonable returns on investments.
- (c) Protection of workers against unhealthy and unsafe working conditions.
- (d) Mandatory corporate social responsibility towards employees and host community.

Section 136. Hiring of Qualified Cordillerans. The Regional Government shall promote the hiring of qualified Cordillerans in government projects and private businesses located in the autonomous region.

Section 137. Health as Basic Human Right. The Regional Government recognizes health as a basic human right and the attainment, maintenance and protection thereof shall be its responsibility. It affirms health as an instrument for and a product of socio-economic development. For this purpose, it shall, among other things:

- (a) Establish, maintain, and support an effective health care delivery system utilizing primary health care as a comprehensive and integrated approach.
- (b) Ensure that the health care system is governed by the principles of service, social justice and equity.
- (c) Promote health knowledge and skills that will enable its people to take responsibility for their health.
- (d) Give relevant training and appropriate standards for health workers and professionals.
- (e) Establish and maintain an effective food and drug regulatory system which shall provide for the adoption of an essential drug list, encourage the use of generic medicines or drugs, and promote the use of herbal medicines and indigenous health resources.
- (f) Conduct research on traditional healing methods and promote indigenous health care practices.
- (g) Evolve financing schemes to effectively lessen the costs of health care without sacrificing the quality of health care services; and
- (h) Prioritize health by allocating at least 5% of the Regional Annual Budget to form the base of health budget.

Section 138. Rights of Workers. The Regional Government shall, in consonance with the Constitution, guarantee the rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including those provided by law.

Section 139. Rights of Vulnerable Sectors.

1 The Regional Government shall:

- 2 (a) Promote the well-being of differently-abled persons, the mentally handicapped, the
3 elderly, the homeless, widowed and orphans, retirees, and veterans, adult offenders and
4 children in conflict with the law and victims.
- 5 (b) Assist victims of calamities, abused and depressed children and women in crisis
6 situations, including victims of adult offenders and children in conflict with the law
7

8 **Section 140. Program for rebel returnees.** The Regional Government shall adopt a social
9 integration program responsive to the needs of rebel returnees including adult offenders and
10 children in conflict with the law.

11
12 **Section 141. Social and Insurance measures.** The Regional Government shall adopt insurance
13 and social security measures responsive to the needs of its people to supplement existing
14 privileges.
15

16 **Section 142. Housing Programs.** The Regional Government, in cooperation with the private
17 sector, shall promote housing programs where needed, which shall be financed under liberal
18 credit terms and shall utilize indigenous materials, architecture and technology. Participation of
19 housing cooperatives to administer the projects shall be encouraged.
20

21 **Section 143. Role of Cordilleran Women.** The Regional Government shall recognize and
22 strengthen the role of the Cordillera women in nation-building. It shall ensure the full
23 implementation of the Magna Carta of Women and all other existing laws that promote the
24 welfare and protection of women.
25

26 **Section 144. Comprehensive program on Youth.** The Regional Government shall establish a
27 comprehensive program on youth development, create the structures to implement the same and
28 appropriate adequate funds to provide support for the program.
29

30 **Section 145. Support to Peoples' Organization.** The Regional Government shall promote and
31 support duly established peoples' organizations and encourage the formation of organizations,
32 especially those of the underprivileged.
33

34 **ARTICLE XIV:** 35 **PEACE AND ORDER** 36

37 **Section 146.** The Regional Government shall promote and maintain peace and order and public
38 safety in the region. It shall not allow private armies.
39

40 **Section 147.** The defense and security of the autonomous region shall be the responsibility of the
41 national government with due recognition to recommendations from the Regional Government.
42

43 **Section 148.** The Regional Government shall have co-management over peace-keeping programs
44 and initiatives and undertake close coordination with the Philippine National Police as well as the
45 Armed Forces of the Philippines and other National Law Enforcement Agencies.
46

47 **Section 149.** The provisions of the preceding sections notwithstanding, the Regional Governor
48 may request the President of the Philippines to call upon the Armed Forces of the Philippines:

- 49 (a) To prevent or suppress lawlessness, violence, invasion or rebellion, when the public
50 safety so requires, in accordance with the provisions of the Constitution.
- 51 (b) To suppress the danger to or breach of peace in the autonomous region, when the police
52 forces of the autonomous region are not able to do so.
- 53 (c) To avert any imminent danger to public order and security in the autonomous region.

1
2 **Section 150.** The Regional Government shall strengthen and enhance indigenous institutions or
3 systems as may be applicable and found to be acceptable and effective in the promotion of social,
4 political, economic and peace and order in the region. It shall provide for a system of
5 incorporating indigenous practices in conflict resolution wherever and whenever applicable
6

7 **ARTICLE XV:**
8 **GENERAL PROVISIONS**
9

10 **Section 151.** This Organic Act shall be officially promulgated in Filipino and English and
11 translated into the languages widely spoken in the autonomous region. In case of conflict, the
12 English text shall prevail.
13

14 **Section 152.** The Regional Assembly may adopt a new name for the Autonomous Region of the
15 Cordillera after public consultation.
16

17 **Section 153.** The Regional Government shall have a regional flag, emblem and hymn.
18

19 **ARTICLE XVI:**
20 **PERSONAL, FAMILY, INDIGENOUS AND PROPERTY RELATIONS**
21

22 **Section 154.** Customary laws affecting personal, family, tribal and property relations in the
23 Cordillera shall be recognized.
24

25 **Section 155.** The family as the basic unit of society shall be protected.
26

27 **Section 156.** Marriages solemnized in accordance with the indigenous customary laws of the
28 place shall be valid, and the dissolution of such marriages in accordance with these laws shall be
29 recognized.
30

31 **Section 157.** Settlement of dispute done in accordance with customary practices shall be
32 recognized.
33

34 **Section 158.** Acquisition and encumbrance of property in accordance with customary laws of the
35 place shall be recognized and protected.
36

37 **Section 159.** Upon agreement of the parties, settlement of disputes involving property rights and
38 ownership shall be governed by the customary laws of the place where the property is located.
39

40 **ARTICLE XVII:**
41 **AMENDMENTS OR REVISIONS**
42

43 **Section 160.** Any amendment to, or revision of this Act may be made by Congress upon
44 recommendation of the majority of all members of the Regional Assembly.
45

46 **Section 161.** Any amendment to or revision of this Organic Act shall become effective when
47 ratified by a majority of the votes cast in a plebiscite called for the purpose which shall be held
48 not earlier than sixty (60) days nor later than ninety (90) days after the approval of such
49 amendment or revisions.
50

51 **ARTICLE XVIII:**
52 **TRANSITORY PROVISIONS**
53

54 **Section 162. Coverage of the Plebiscite.** The coverage of the plebiscite shall be the provinces of
55 Abra, Apayao, Benguet, Ifugao, Kalinga, Mountain Province, and the chartered City of Baguio.

Any two or more provinces and/or cities voting favorably for this Organic Act in the plebiscite shall comprise the Autonomous Region of the Cordillera while those voting unfavorably for this Organic Act in the plebiscite shall remain within their current region.

Section 163. Unless otherwise provided by law, the date of election of the first set of officials of the Regional Government shall be in the next local election following the ratification of this Organic Act in the plebiscite. Subsequent elections shall coincide with the nationwide local elections.

Section 164. For purposes of the first regional election, candidates must have actually resided and a registered voter in the region for at least seven (7) years immediately preceding the election. Provided that they meet all other qualifications and none of the disqualifications under Article V of this Organic Act.

Section 165. Except for the regional line agencies, the Cordillera Executive Board, the Cordillera Regional Assembly, and the Cordillera Bodong Administration as a commission, created under Executive Order No. 220, and the Cordillera Regional Development Council created by Executive Order 30 after the de-activation of the above-mentioned Cordillera bodies, shall cease to exist immediately upon the assumption of office of the Regional Governor.

Section 166. The seat of the Regional Government of ARC shall be determined by the majority of all members of the Regional Assembly: Provided, however, that the interim seat of the Regional Government shall be in the City of Baguio.

Section 167. Within one (1) month from the organization of the Regional Government, an Oversight Committee composed of the executive secretary as Chairperson, the secretary of the Department of Budget and Management, the Cordillera Regional Governor, the presiding officer of the Cordillera Legislative Assembly, two (2) senators to be designated by the Senate President, two (2) representatives to be designated by the Speaker of the House of Representatives, the incumbent Chairperson and Co-Chairperson of the Regional Development Council, the Secretary of the Department of the Interior and Local Government, the Chairperson of NCIP 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 Organic Act and the appropriations of the offices or agencies including the transfer of properties, assets and liabilities, and all personnel of the 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, without diminution of their compensation and other benefits. Provided, the salaries of these absorbed personnel shall continue to be funded by the national government.

Within six (6) months after its organization, the oversight committee shall submit its report and recommendation to the President of the Philippines who shall act on the report and recommendations within ninety (90) days after receipt thereof: Provided, however, that if the President fails to act within said period, the recommendations of the Oversight Committee shall be deemed approved.

Section 168. Over and above [that] THE regularly given to Local Government Units and regional line agencies, the national government shall continue its annual allotment to the Regional Government. In addition, the national government shall provide the Autonomous Region of the Cordillera an annual assistance of Ten billion pesos (P10,000,000,000.00) for the first five (5) years and Five billion pesos (P5,000,000,000.00) for the next five (5) years to be allocated in the following manner:

- (a) Twenty percent (20%) of the annual subsidy for the Regional Government shall be for regional infrastructure, livelihood and revenue generating projects.

(b) Six percent (6%) of the annual subsidy shall remain with the Regional Government as Trust Fund.

(c) The remaining seventy-four percent (74%) of the annual subsidy shall be allocated as follows:

1. Twenty-three percent (23%) of the seventy-four percent (74%) shall be divided equally among the Provinces and Highly Urbanized Cities which shall be for infrastructure, livelihood and revenue generating projects.
2. Two percent (2%) of the seventy-four percent (74%) for Component Cities which shall be for infrastructure, livelihood and revenue generating projects.
3. Thirty-five percent (35%) of the seventy-four percent (74%) shall be divided equally among the Municipalities which shall be for infrastructure, livelihood and revenue generating projects.
4. Forty percent (40%) of the seventy-four (74%) shall be divided equally among the barangays for infrastructure, livelihood and revenue generating projects.

In the case of a chartered city, barangays shall take their shares from the city government. Provided, that the projects shall be in accordance with the Regional and Local Development Plans and Budgets as approved by their respective legislative bodies.

Section 169. Disclosure and transparency. Funds shall be available exclusively for the specific purpose for which they have been appropriated. Any officer of the Autonomous Region of the Cordillera whose duty permits or requires the possession, custody and disbursement of the funds shall be accountable and responsible thereof. Financial records shall be kept, audited and made public annually or as often as maybe necessary.

Section 170. The share of each local government unit shall be released without need of any further action, directly to the provincial, city, municipal or barangay treasurer, as the case may be on a quarterly basis within five (5) days after the end of each quarter, and which shall not be subject to any lien or hold back that may be imposed by the Regional Government for whatever purpose.

Section 171. The creation of the Autonomous Region of the Cordillera shall take effect when approved by a majority of the votes cast by the constituent units provided in Section 3, Article II of this Act, in a plebiscite which shall be held not earlier than three (3) months but not later than six (6) months after this Act takes effect: Provided, that only the provinces and cities voting favorably in such plebiscite shall be included in the ARC.

The sum of Two billion six hundred ninety five million (P2,695,000,000) is hereby appropriated for the following purposes:

- (a) Twenty million pesos (PhP20,000,000.00) to be allotted to the Regional Development Council for the conduct of a well-coordinated inter-sectoral and inter-agency Regional, Provincial, Municipal and Barangay information campaign on this Act.
- (b) Seventy million pesos (PhP70,000,000.00) shall be equitably divided among the provinces and the city for the conduct of IEC purposes.
- (c) Twenty Five million pesos (PhP25,000,000.00) to be allotted to the Commission on Elections.
- (d) Eighty million pesos (PhP80,000,000.00) to be allotted to the Regional Government for its initial organizational requirements.
- (e) Two billion five hundred million (P2,500,000,000) for the construction of the regional government center.

Par (a) and (b) shall be released upon the effectivity of this Organic Act.

1 The Regional Development Council with the assistance of the Philippine Information Agency,
2 and in consultation with the provincial/city governments, the Cordillera Association of Regional
3 Executives, and other key stakeholders, shall determine the manner of campaigning and the
4 deputization of government agencies, non-government organizations and other stakeholders for
5 purposes of conducting a well-coordinated information campaign within the first three months
6 after the passage of this Act.

7
8 The amount of Two billion six hundred ninety-five million (P2,695,000,000) as herein
9 appropriated shall be charged against the contingent fund. Any deficiency thereof shall be taken
10 from any available funds of the national government.

11
12 **Section 172.** Any provision or part of this Organic Act found to be invalid or unconstitutional
13 shall not invalidate the provisions or parts thereof not affected thereby.

14
15 **Section 173.** All laws inconsistent with this Organic Act are hereby repealed or modified
16 accordingly.

17
18 **Section 174.** Creation of a Local Government Center for the Cordillera.

19
20 **ARTICLE XIX:**
21 **EFFECTIVITY**
22

23 **Section 175.** This Act shall take effect after fifteen (15) days following its complete publication in
24 at least two (2) national newspapers and all local newspapers of general circulation in the
25 autonomous region.

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30 *Approved,*