

[EXECUTIVE ORDER NO. 781, March 09, 1982]

ACCELERATING THE IMPLEMENTATION OF THE KILUSANG KABUHAYAN AT KAUNLARAN AND ESTABLISHING THEREBY A SPECIAL LOCAL GOVERNMENT KKK FUND, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES

WHEREAS, the enthusiastic response generated by the KKK program demands an accelerated implementation of the activities and operations at the Barangay, Municipal, Provincial and National levels, to achieve the overriding objective of bringing social justice to the Filipino Society;

WHEREAS, the Kilusang Kabuhayan at Kaunlaran as established under Executive Order No. 715 was conceived as a nationwide movement to mobilize such local and national resources for the establishment of productive enterprises that would provide sources of livelihood within the community;

WHEREAS, it is a declared policy of the State, to foster the growth of every Barangay, not only as basic political unit, but also as a firm foundation for socio-economic development;

WHEREAS, in recognition of the aforementioned policy, the National Government has extended direct assistance for community development through the establishment of Barangay Development Funds and other local Development Funds;

WHEREAS, the basic commitment of the New Republic to uplift the socio-economic conditions in the Barangays can best be achieved through the consolidation of efforts and available government financial resources which were addressed to these common development objectives; and

WHEREAS, the National Leadership recognizes the critical role of local political leadership for bringing about the transformation of the countryside into vibrant communities;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the power vested in me by the Constitution, and the authority vested in me by P.D. No. 1416, as amended, hereby order and ordain:

SECTION 1. Creation of KKK Local Government Special Fund (LGSF).

There is hereby created a KKK Local Government Special Fund (LGSF) as a Special Account of KKK in the Treasury distinct from the Regular KKK Fund established under Executive Order No. 715 and appropriated under Section 33, F, of Batas Pambansa Blg. 131, to accelerate the implementation of KKK program.

SEC. 2. Components of the LGSF

The LGSF shall be implemented in two phases with the following three major components:

A. Phase I

i) City/Municipal Livelihood Capital Fund – to finance livelihood projects initiated and approved at the City/Municipal level amounting to P100,000 per City/Municipality per year;

ii) Provincial Livelihood Capital Fund – to finance livelihood projects initiated and approved at the provincial level amounting to P500,000 per province per year.

B. Phase II

iii) Barangay Livelihood Capital Fund – to finance livelihood projects initiated and approved at the barangay level amounting to P5,000 per barangay per year.

SEC. 3. Nature and Characteristics of the LGSF

The LGSF shall be a capital fund that may partake the nature of a corporate investment fund or a revolving fund and shall therefore be exempted from the provisions of Sec. 40, 50, 51, 52, 53 and 55 of P.D. No. 1177.

As a capital fund, recovery and return to capital shall be a standard guideline for fund disposition.

SEC. 4. Management and Administration of the LGSF

In accordance with Sec. 5 of P.D. 144 and Sec. 3 of P.D. 559, the Provincial Treasurer shall be the custodian of all LGSF and he shall maintain in his books a special account therefore. Except for the provincial funds, he shall release the City/Municipal and Barangay KKK LGSF to the City/Municipal Treasurer concerned who shall be responsible for the disbursement and accounting of the same.

All interest accruing to and repayments to be realized from the LGSF herein set-forth, shall accrue to the KKK National Capital funds and shall be utilized for the implementation of other KKK projects in the area in accordance with the guidelines which may be jointly issued periodically by the KKK Secretary-General and the Minister of Local Government.

SEC. 5. Organizational Machinery of the KKK at the Provincial and Municipal Levels

The organizational machinery of the KKK at the municipal and provincial level as prescribed in Sections 6, 7, 8, 9, 10, and 11 of Executive Order No. 715 are hereby further strengthened to authorize the Governors and city/municipal Mayors to approve KKK-projects financed from LGSF herein created in accordance with the guidelines jointly promulgated by the Minister of Human Settlements and the KKK Secretary-General and the Minister of Local Government. The Chairman of the Commission on Audit, the Minister of Local Government and the Secretary-General of the KKK National Secretariat and the Minister of Human Settlements are hereby directed to immediately formulate and issue specific guidelines and rules that shall