

**[ EXECUTIVE ORDER NO. 731, September 16, 1981 ]**

**AMENDING CERTAIN PROVISIONS OF PRESIDENTIAL DECREE NO. 1378 CREATING THE NATIONAL COUNCIL ON INTEGRATED AREA DEVELOPMENT**

WHEREAS, the National Council on Integrated Area Development (NACIAD) was created under Presidential Decree No. 1378 to promote and support the improvement, growth and development of the countryside through integrated area development;

WHEREAS, Executive Order No. 708 provides that the Prime Minister shall assume the Chairmanship of the National Council on Integrated Area Development;

WHEREAS, in keeping with the policy of the government to effect continuing reforms, it is necessary to streamline the functions of the Council in order to facilitate the implementation of integrated area development projects; and

WHEREAS, under Presidential Decree No. 1416 as amended, the President is empowered to undertake such organizational and related improvements as may be appropriate in the light of changing circumstances and new developments.

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

SECTION 1. Section 2 of PD 1378 is hereby amended to read as follows:

"SEC. 2. Creation of the National Council on Integrated Area Development. There is hereby created a National Council on Integrated Area Development under the Office of the Prime Minister hereinafter referred to as the Council which shall be composed of the Prime Minister as Chairman, with the following as members: the Minister of Finance, the Minister of Local Government and Community Development, the Minister of Agriculture, the Minister of Agrarian Reform, the Minister of National Defense, the Minister of Natural Resources, the Minister of Public Works and Highways, the Director General of the Office of Budget and Management, the Director General of the National Economic and Development Authority and the Executive Secretary of the Council.

The President shall designate a Vice-Chairman from among the members of the Council who shall perform the functions of the Chairman in his absence.

The Council may establish an Executive Committee composed of three members to be designated by the Chairman from among the members of the Council which shall act for and in behalf of the Council when the latter is not in session.

A Program Coordinating Committee shall be formed, composed of the designated senior level representatives of the members of the Council, the Presidential Management Staff and the National Irrigation Administration, which shall be chaired by the Executive Secretary. The Committee shall assist the Council in expediting inter-agency commitments to on-going and pipeline projects.

The Council shall assume supervision and control of all other integrated area development projects not under its present jurisdiction, which are multi-sectoral in nature and are primarily sub-regional and preferably multi-provincial in geographical coverage.

The members of the Council shall receive a reasonable amount of per diem as the Council may provide for every meeting actually attended by them."

SECTION 2. A new paragraph, to be known as Paragraph (f), is added to the powers and functions of the Council provided for in Section 3 of P.D. 1378 to read as follows:

"SEC. 3. (f) Generate private sector participation in integrated area development projects and establish the appropriate mechanism for it."

SECTION 3. Section 4 of P.D. 1378 is hereby amended to read as follows:

"SEC. 4. Powers and Functions of the Chairman. The Chairman as Chief Executive Officer shall have the following powers and functions:

- a) To formulate policy guidelines and approve an integrated plan of action;
- b) To call and preside over the meetings of the Council;
- c) To appoint, upon the recommendation of the Executive Secretary, the Project Directors of the various integrated area development projects;
- d) To enter into contracts to enable it to carry out its purposes and functions under this Executive Order;
- e) To establish a system of priorities for integrated area development and provide the basic criteria for selecting project areas;
- f) To arrange and/or negotiate for funding from local and foreign financial institutions;
- g) To approve requests of the implementing departments and agencies for budget releases for projects in accordance with the integrated plan of action, budgets and work programs approved by the Council; Provided, that such approval shall be subject to the availability of funds in accordance with the existing budgetary policies, laws, rules and regulations which shall be approved by the Council;
- h) To call on any department, bureau, office, agency, or state university or college and other instrumentalities of the government for assistance in the form of personnel, facilities and other resources as the needs arise in the discharge of its