

**[ EXECUTIVE ORDER NO. 102, May 16, 2002 ]**

**CREATING THE OFFICE FOR OFFICIAL DEVELOPMENT  
ASSISTANCE ABSORPTION**

WHEREAS, the capacity of the Philippines to absorb official development assistance (hereafter referred to as "ODA") has improved, yet there is still a need to improve the rate of ODA fund availment and there are still numerous problems in the implementation of ODA-funded projects and programs (hereafter referred to as "ODA implementation problems");

WHEREAS, the causes of ODA implementation problems include budgetary constraints in providing counterpart funding; changes in project design and cost; problems in procurement, right-of-way acquisition, disbursement and liquidation, project management, social acceptability, environmental clearances, and peace and order; as well as bureaucratic inertia;

WHEREAS, while implementing agencies are primarily responsible for ODA absorption and implementation of ODA-funded projects and programs, there is a need to identify and solve ODA implementation problems (either systemic or project-specific);

WHEREAS, under Section 31, Book III of the Administrative Code of 1987, the President has the continuing authority to reorganize the administrative structure of the Office of the President;

NOW THEREFORE I, GLORIA MACAPAGAL ARROYO, President of the Philippines, by virtue of the powers vested in me by law do hereby order:

SECTION 1. *Creation and Mandate.* – The Office for Official Development Assistance Absorption (hereafter referred to as the "ODA Absorption Office"), to be headed by the Presidential Adviser on ODA Absorption, is hereby created under the Office of the President. The ODA Absorption Office is mandated to identify and develop solutions to systemic or project-specific problems in ODA implementation. In fulfillment of this mandate, the functions of the ODA Absorption Office shall be facilitative and problem-solving in nature.

SECTION 2. *Duties and Functions.* – The ODA Absorption Office shall have the following duties and functions:

- a. To monitor the portfolio of ODA-funded projects and programs, specifically, those with ODA implementation problems;
- b. To develop solutions to ODA implementation problems in coordination with implementing agencies, donor institutions, local government units, non-government organizations, people's organizations, and affected communities, and to facilitate cooperation and execution by concerned agencies and entities;