

[ **EXECUTIVE ORDER NO. 435, August 28, 1997** ]

**DEVOLVING TO THE AUTONOMOUS REGIONAL GOVERNMENT OF THE AUTONOMOUS REGION IN MUSLIM MINDANAO CERTAIN POWERS AND FUNCTIONS OF THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS, ITS SECTORAL OFFICES AND ATTACHED AGENCIES IN THE REGION, AND FOR OTHER PURPOSES**

**WHEREAS**, pursuant to Sections 1 and 15, Article X of the Constitution, Republic Act No. 6734 entitled "An Act providing for an Organic Act for the Autonomous Region in Muslim Mindanao" was enacted;

**WHEREAS**, under Section 2, Article V of RA 6734, the Autonomous Region in Muslim Mindanao (ARMM) has jurisdiction over matters devolved to it by the Constitution and the Organic Act which include, among others, "the powers, functions and responsibilities now being exercised by the departments of the National Government";

**WHEREAS**, pursuant to the aforesaid section of RA 6734, the powers, functions and responsibilities exercised in the region by the Department of Transportation and Communication (DOTC), its sectoral offices and attached agencies are now devolved to the ARMM except "maritime, land and air transportation and communication that affect areas outside the Autonomous Region";

**WHEREAS**, Section 16, Article X of the Constitution provides that "all powers, functions and responsibilities not granted by this Constitution or by law to the autonomous regions shall be vested in the National Government";

**NOW, THEREFORE, I, FIDEL V. RAMOS**, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

**Section 1. Declaration of Policy.** In line with the policy of the State under the Constitution to ensure the autonomy of local governments, it is hereby declared the policy of the National Government that powers, functions and responsibilities of departments of the National Government, its sectoral offices and attached agencies devolved by virtue of the Constitution and RA 6734 be fully and expeditiously transferred to, and assumed and exercised by, the Autonomous Regional Government (ARG) of the ARMM.

**Section 2. Transfer of Offices, Assets and Liabilities.** All offices of the DOTC, its sectoral offices and attached agencies now existing in the ARMM, including their personnel, equipment, properties, budgets, assets and liabilities are hereby transferred to and placed under the control and supervision of the ARG subject to Article XIX of RA 6734.

**Section 3. Control and Supervision of Transferred Offices of DOTC and its Attached Agencies.** Offices of the DOTC, its sectoral offices and attached agencies in the ARMM transferred to and placed under the control and supervision of the ARG shall cease to be part of the DOTC or its attached agencies and shall no longer be under the control and supervision of the DOTC Secretary or the governing boards of the attached agencies, as the case may be. These transferred offices shall become either regional executive commissions, boards, bureaus or offices as the ARG may, in its discretion and under its authority, structure them. Pursuant to Section 18, Article VIII of RA 6734, the Regional Governor of the ARMM, subject to the exceptions provided under the Organic Act, shall have control over regional executive commissions, boards, bureaus or offices, and shall ensure that the laws are faithfully executed.

**Section 4. Devolution of the Powers and Functions of DOTC.** The powers and functions of the DOTC under Executive Order No. 125 as amended and Executive Order No. 292 (Administrative Code of 1987), insofar as the exercise thereof is confined to the ARMM and does not affect areas outside the autonomous region, are hereby devolved to the ARMM subject to national transportation and communication policies and programs.

**Section 5. Devolution of Specific Powers, Functions and Responsibilities of Sectoral Offices and Attached Agencies of DOTC.** Insofar as the exercise thereof by the ARG is confined to the ARMM and does not affect areas outside the autonomous region, and subject to national transportation and communication policies and programs, the following specific powers, functions and responsibilities of the sectoral offices of the DOTC are hereby devolved to the ARG:

**A. LAND TRANSPORTATION OFFICE (LTO)**

1. To issue licenses to operate motor vehicles within the ARMM to persons who upon written and practical examinations have shown proficiency in the operation of motor vehicles, pursuant to the provisions of RA 4136 and relevant laws; provided that driver's licenses issued by the ARG may be honored outside the ARMM subject to recording and validation procedures of the Land Transportation Office;
2. To register motorcycles and motorized tricycles and to charge registration fees therefor in accordance with existing laws;
3. To enforce all transportation and traffic laws, rules and regulations within the ARMM, confiscate licenses, impound vehicles if warranted by law or regulation, and impose fines and penalties to violators, including suspension and revocation of licenses and registration, subject to observance of due process of law;
4. To issue rules and regulations consistent with existing transportation and other relevant laws to govern traffic and transportation in the ARMM.

**B. LAND TRANSPORTATION FRANCHISING AND REGULATORY BOARD (LTFRB)**

1. To prescribe and regulate routes, economically viable capacities, and zones or areas of operation of public land transportation services provided by motorized vehicles within the ARMM, consistent with the national public land transportation development policies and plans; provided that the ARG and the LTFRB/DOTC shall coordinate with regard to the establishment and regulation of inter-regional routes,

zones or areas of operation that pass through, include or involve the territory of the ARMM;

2. To issue, amend, or revise Certificates of Public Convenience (CPC) or permits authorizing the operation of public land transportation services provided by motorized vehicles exclusively within the ARMM, prescribe the appropriate terms and conditions therefor, and for cause, suspend, cancel or revoke the same; provided that jurisdiction over public utility vehicles with inter-regional CPC's or permits, that ply routes within the ARMM shall remain exclusively with the LTFRB;

3. To determine, prescribe, approve and periodically review and adjust reasonable fares, rates and other related charges, relative to the operation of public land transportation services provided by motorized vehicles exclusively within the ARMM;

4. To issue preliminary or permanent injunction, whether prohibitory or mandatory, in all cases within its jurisdiction in which cases the pertinent provisions of the Rules of Court shall apply;

5. To punish for contempt; both direct and indirect in accordance with the pertinent provisions of, and the penalties prescribed by, the Rules of Court;

6. To issue subpoenas and subpoena duces tecum and summon witnesses to appear in any proceedings of the appropriate office in the ARG, to administer oaths and affirmations, and in appropriate cases, to order the search and seizure of all vehicles and documents, upon probable cause and as may be necessary for the proper disposition of the cause before it;

7. To conduct investigations and hearings of complaints for violation of the public service laws on land transportation and of the rules and regulations, orders, decisions or rulings and to impose fines or penalties for such violations; provided that if the violations possess inter-regional CPC's or permits, the appropriate office of the ARG in charge of enforcement of public service laws on land transportation shall file and prosecute the appropriate cases with the LTFRB;

8. To review motu proprio the decisions/actions of the Provincial Franchising and Regulatory Offices within the ARMM;

9. To promulgate rules and regulations governing proceedings before the appropriate office in the ARG and the Provincial Franchising and Regulatory Office. However, except with respect to paragraphs 4, 5, 6 and 7 hereof, the rules of procedure and evidence prevailing in the courts of law should not be controlling but rather the spirit and intention of said rules. The appropriate office in the ARG and the Provincial Franchising and Regulatory Offices shall use every and all reasonable means to ascertain facts in each case speedily and objectively and without regard to technicalities of law and procedures, all in the interest of due process;

10. To fix, impose and collect, and periodically review and adjust, reasonable fees and other related charges for services rendered within the ARMM;

11. To formulate, promulgate, administer, implement and enforce rules and regulations on land transportation public utilities, standards of measurements or design, and rules and regulations requiring operators of any public land transportation service to equip, install and provide in their utilities and in their stations such devices, equipment, facilities and operating procedures and techniques as may promote safety, protection, comfort and convenience to persons and

property in their charges as well as the safety of persons and property within their areas of operation; provided, that the same shall apply only within the ARMM and on public transport vehicles under its jurisdiction; and provided further, that the rules and regulations are consistent with existing laws and national policies, and the designs and standards are not below nationally prescribed levels;

12. To coordinate and cooperate with other government agencies and entities concerned with any aspect involving public land transportation services with the end view of effecting continuing improvement of such services; and

13. To perform such other functions and duties as may be provided by law, or as may be necessary, or proper or incidental to the purposes and objectives of the ARG.

### **C. AIR TRANSPORTATION OFFICE (ATO)**

1. To manage, supervise and control government airports within the ARMM, except the airside at such airports, where aircraft are controlled and navigational aids and facilities are located, which shall remain under the control and supervision of the National Government, through the DOTC/ATO;

2. Upon close consultation with the ATO, promulgate rules and regulations to promote safety and security in civil aviation in the ARMM, which shall be consistent with law and international regulations and standards;

3. To fix and impose reasonable charges and fees on the use of its airports and related facilities under its control and supervision;

4. To recommend to the ATO the designation and establishment of airways within its jurisdiction and to participate in studies pertaining to the development of civil aviation;

5. To extend technical assistance to private airport operations entities within its territorial jurisdiction;

6. To maintain and operate aircraft necessary to carry out the objectives and activities of the ARG;

7. To design, install, manage, operate, maintain and repair the airports in the ARMM in accordance with national standards set by the ATO;

8. To enforce the rules and regulations issued pursuant to R.A. 776 and other air transportation laws within its jurisdiction and in coordination with the ATO, conduct investigation, and upon observance of due process, impose penalties for the violations thereof; provided that, on appeal, the President shall cause the ATO to review the findings and conclusions of the ARG and to make recommendations relative thereto; and

9. To perform such other functions related to civil aviation as may be provided by law.

### **D. MARITIME INDUSTRY AUTHORITY (MARINA)**

1. To issue Certificate of Public Convenience (CPC), Provisional Authority (PA) and Special Permit (SP) for both contested and uncontested applications, provided that the vessels are homeported and are operating exclusively within the ARMM