

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 130

**DIRECTING THE DEPARTMENT OF BUDGET AND MANAGEMENT TO
ALLOCATE AND PRIORITIZE THE RELEASE OF FUNDS FOR PRE-
CONSTRUCTION ACTIVITIES OF OFFICIAL DEVELOPMENT
ASSISTANCE PROJECTS**

WHEREAS, the National Government has approved the Medium-Term Philippine Development Plan (1998-2004), which includes priority development projects which will be proposed for international assistance;

WHEREAS, international donor agencies, on numerous occasions and consultations, have expressed continuing and serious concerns over the lack of preparedness and slow start of pipeline and committed projects because of the insufficiency of funds for feasibility studies, environmental studies, engineering designs, right-of-way acquisition, pre-construction activities, and current operating expense of project offices;

WHEREAS, these conditions hamper the absorptive capacity of the national government, hinder the completion of foreign-assisted projects within their respective disbursement schedules in loan agreements, and constrain the national government's accelerated availment and optimal utilization of Official Development Assistance;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Allocation and Early Release of Funds for Pre-Construction Activities of Official Development Assistance Projects. The Department of Budget and Management is hereby directed to undertake the following:

- a. Include and set aside in the annual budgets of national line agencies a special fund for feasibility studies, environmental studies, and engineering designs, which shall be requested by line agencies in preparing pipeline projects proposed for Official Development Assistance;



- b. Release to the concerned agencies and offices the peso counterpart budget of foreign-assisted projects which have been approved for financing and implementation by the National Economic and Development Authority-Investment Coordination Committee for purposes of right-of way acquisition, pre-construction and current operating expenses of foreign-assisted project offices;
- c. Require government agencies to provide necessary budget components for feasibility studies, environmental studies, engineering designs, right-of-way acquisition, pre-construction activities and current operating expenses of project offices in their budget proposal for new projects, unless the affected government agency explains in writing that the studies or expenses are not needed or have separate sources of funding; and
- d. Monitor and coordinate other subsequent activities with the national line agencies and the Development Budget Coordinating Committee towards the effective implementation of the Executive Order.

SECTION 2. Effectivity. This Executive Order shall take effect immediately.

Done in the City of Manila this 20th day of July in the Year of Our Lord, Nineteen Hundred and Ninety Nine.


JOSEPH EJERCITO ESTRADA

By the President



RONALDO B. ZAMORA
Executive Secretary

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Received

AUG 18 1999
Date

