

REPUBLIC OF THE PHILIPPINES }
CONGRESS OF THE PHILIPPINES }
Third Regular Session

S. No. 2129
H. No. 7883

REPUBLIC ACT NO. 9054

AN ACT TO STRENGTHEN AND EXPAND THE ORGANIC ACT FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6734, ENTITLED "AN ACT PROVIDING FOR THE AUTONOMOUS REGION IN MUSLIM MINDANAO," AS AMENDED

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

PREAMBLE

The people of the Autonomous Region in Muslim Mindanao, imploring the aid of Almighty God, in order to develop a just and humane society and establish a Regional Autonomous Government that is truly reflective of their ideals and aspirations within the framework of the Constitution and national sovereignty, as well as the territorial integrity of the Republic of the Philippines, and to secure to themselves and their posterity the blessings of autonomy, democracy, peace, justice and equality, do ordain and promulgate this Organic Act through the Congress of the Philippines.

ARTICLE I

Name and Purpose

SECTION 1. The name of the Autonomous Region shall be the Autonomous Region in Muslim Mindanao unless provided otherwise by the Regional Assembly.

The Autonomous Region in Muslim Mindanao shall be governed by the Regional Government.

ARTICLE II
THE AUTONOMOUS REGION
Area and Seat of Government

SECTION 1. *Expanded Autonomous Region.* – (1) The Autonomous Region in Muslim Mindanao which, under the provisions of Republic Act No. 6734, the Organic Act for the Autonomous Region in Muslim Mindanao, is composed of the four provinces of Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi, is hereby expanded to include the provinces and cities, enumerated hereunder, which vote favorably to be included in the expanded area of the autonomous region and for other purposes, in a plebiscite called for that purpose in accordance with Section 18, Article X of the Constitution.

The new area of autonomy shall then be determined by the provinces and cities that will vote/choose to join the said autonomy. It is understood that Congress may by law which shall be consistent with the Constitution and in accordance with the provisions of Republic Act No. 7160, the Local Government Code of 1991, provide that clusters of contiguous-Muslim-dominated municipalities voting in favor of autonomy be merged and constituted into a new province(s) which shall become part of the new Autonomous Region.

(2) *Plebiscite Coverage.* The plebiscite shall be conducted in the provinces of Basilan, Cotabato, Davao del Sur, Lanao del Norte, Lanao del Sur, Maguindanao, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Sulu, Tawi-Tawi, Zamboanga del Norte, Zamboanga del Sur and the newly created Province of Zamboanga Sibugay, and (b) in the cities of Cotabato, Dapitan, Dipolog, General Santos, Iligan, Kidapawan, Marawi, Pagadian, Puerto Princesa, Digos, Koronadal, Tacurong and Zamboanga.

(a) PLEBISCITE QUESTION FOR VOTERS OF THE FOUR ORIGINAL PROVINCES OF THE AUTONOMOUS REGION. For the voters of the provinces of Maguindanao, Lanao del Sur, Sulu and Tawi-Tawi which are already members of the autonomous region under the provisions of Republic Act No. 6734, the Organic Act for the Autonomous Region in Muslim Mindanao, the question to be asked in the plebiscite of the voters therein

shall be as follows: Do you vote in favor of the amendments to Republic Act No. 6734, the Organic Act for the Autonomous Region in Muslim Mindanao, as proposed under this Organic Act, which includes, among other things, the expansion of the area of the autonomous region?

(b) PLEBISCITE QUESTION FOR THE VOTERS OF THE PROVINCES AND CITIES PROPOSED FOR INCLUSION IN THE EXPANDED AUTONOMOUS REGION. For the voters of the provinces of Basilan, Cotabato, Davao del Sur, Lanao del Norte, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Zamboanga del Norte, Zamboanga del Sur, and the newly created Province of Zamboanga Sibugay, and the cities of Cotabato, Dapitan, Dipolog, Digos, Koronadal, Tacurong, General Santos, Iligan, Kidapawan, Marawi, Pagadian, Puerto Princesa, and Zamboanga, which compose the provinces and cities that are proposed for inclusion in the expanded area of the autonomous region, the question to be asked in the plebiscite of the voters therein shall be as follows: Do you vote in favor of the inclusion of your province or city in the Autonomous Region in Muslim Mindanao?

SEC. 2. *Results of the Plebiscite.* – (a) In the four provinces. If the majority of the voters of the four provinces of Lanao del Sur, Maguindanao, Sulu, and Tawi-Tawi vote in favor of the above-mentioned proposed amendments, the amendments are deemed ratified. Otherwise, the amendments are deemed rejected except as regards the inclusion of the provinces and cities that vote for their inclusion in the autonomous region as provided in this Organic Act, in which case, the said provinces and cities shall become members of the autonomous region.

(b) In the provinces or cities proposed for inclusion in the expanded area of the autonomous region. A majority of the votes cast in the plebiscite in every province or city in favor of the inclusion of the province or city as members of the expanded area of the autonomous region as provided in this Organic Act shall effect their membership in the autonomous region.

SEC. 3. *Seat of Autonomous Government.* – The regional legislative assembly, hereinafter referred to as the Regional

Assembly, shall by law, fix the permanent seat of government of the regional government in any province or city that is a member of the autonomous region, taking into consideration accessibility and efficiency in which its mandate may be carried out under this Organic Act.

Until the seat of the regional government is transferred as provided above, its provisional seat shall be in Cotabato City. The Regional Assembly elected after the plebiscite mentioned in this Organic Act, shall, within its term, identify the site of the permanent seat of the regional government. The central government which shall also mean the national government shall appropriate funds for the transfer of the provisional seat to its permanent site as determined by the Regional Assembly.

ARTICLE III

Guiding Principles and Policies

SECTION 1. *Integral Part of the Republic.* – The Autonomous Region in Muslim Mindanao shall remain an integral and inseparable part of the national territory of the Republic as defined by the Constitution and existing laws.

The autonomous region shall be governed and administered in accordance with the laws enacted by the Regional Assembly and by this Organic Act.

SEC. 2. *Peaceful Settlement of Conflicts.* – The Regional Autonomous Government shall adopt the policy of settlement of conflicts by peaceful means, and renounce any form of lawless violence as an instrument of redress.

SEC. 3. *Devolution of Powers.* – The regional government shall adopt a policy on local autonomy whereby regional powers shall be devolved to local government units particularly in areas of education, health, human resource, science and technology and people empowerment. Until a law implementing this provision is enacted by the Regional Assembly, Republic Act No. 7160, the Local Government Code of 1991, shall continue to apply to all the provinces, cities, municipalities, and barangay within the autonomous region.

The Regional Assembly may not pass any law to diminish, lessen, or reduce the powers, functions, and shares in the internal revenue taxes of the said local government units as provided by Republic Act No. 7160, the Local Government Code of 1991.

SEC. 4. *Charters Govern Cities.* – All chartered cities within the autonomous region shall continue to be governed by their charters. Nothing in this Organic Act shall be construed as to diminish the powers and functions already enjoyed by these cities.

SEC. 5. *Customs, Traditions, Religious Freedom Guaranteed.* – The beliefs, customs, and traditions of the people in the autonomous region and the free exercise of their religions as Muslims, Christians, Jews, Buddhists, or any other religious denomination in the said region are hereby recognized, protected and guaranteed.

The Regional Assembly shall adopt measures to ensure mutual respect for and protection of the distinct beliefs, customs, and traditions and the respective religions of the inhabitants thereof, be they Muslims, Christians, Jews, Buddhists, or any other religious denomination. The Regional Assembly, in consultation with the Supreme Court and consistent with the Constitution, may formulate a Shari'ah legal system including the criminal cases, which shall be applicable in the region, only to Muslims or those who profess the Islamic faith. The representation of the regional government in the various central government or national government bodies as provided for by Article V, Section 5 shall be effected upon approval of the measures herein provided.

The Shari'ah courts shall have jurisdiction over cases involving personal, family and property relations, and commercial transactions, in addition to their jurisdiction over criminal cases involving Muslims.

The Regional Assembly shall, in consultation with the Supreme Court, determine the number and specify the details of the jurisdiction of these courts.

No person in the autonomous region shall be subjected to any form of discrimination on account of creed, religion, ethnic origin, parentage or sex.

The regional government shall ensure the development, protection, and well-being of all indigenous tribal communities. Priority legislation in this regard shall be enacted for the benefit of those tribes that are in danger of extinction as determined by the Southern Philippines Cultural Commission.

SEC. 6. Filipino and Islamic Values In Educational Policies. – The regional government shall adopt educational policies that shall perpetuate Filipino and Islamic values and ideals and the just aspirations of the Bangsa Moro with due respect to the beliefs, customs, traditions, and religions of the other non-Muslim inhabitants of the region be they Christians, Jews, Buddhists, or of any other religious denomination.

SEC. 7. Improving Status of the Marginalized. – The regional government shall devote its resources to the improvement of the well-being of all its constituents, particularly the marginalized, deprived, disadvantaged, underprivileged, disabled, and the elderly.

SEC. 8. Regional Government Authority Over Natural Resources. – Subject to the provisions of the Constitution and this Organic Act, the Regional Government shall have the authority, power, and right to explore, develop and utilize the natural resources, including surface and sub-surface rights, inland and coastal waters, and renewable and non-renewable resources in the autonomous region. Muslims and the other indigenous cultural communities shall, however, have priority rights to explore, develop and utilize the said resources in the areas designated as parts of their respective ancestral domains.

SEC. 9. Preferential Rights of Inhabitants and Their Safeguards. – The autonomous region shall provide manpower training programs, create livelihood and job opportunities, allocate equitable preferential rights to its inhabitants, and adopt laws that will safeguard the rights of workers.

SEC. 10. *Protection of Women and Children.* – The Regional Government shall uphold and protect the fundamental rights of women and children including the right of women to engage in lawful employment. Women and children, especially orphans of tender age, shall be protected from exploitation, abuse or discrimination.

SEC. 11. *Enhancement of Quality of Life.* – The Regional Government shall provide, maintain, and ensure the delivery of, among other things, basic and responsive health programs, quality education, appropriate services, livelihood opportunities, affordable and progressive housing projects, and water resource development.

It shall maintain appropriate disaster-preparedness units for immediate and effective relief services to victims of natural and man-made calamities. It shall also ensure the rehabilitation of calamity areas and victims of calamities.

SEC. 12. *Progressive Tax System.* – The Regional Assembly shall adopt an efficient and progressive system of taxation which, among other things, shall provide incentives for the prompt payment of taxes and penalize tax evasion and delinquency.

SEC. 13. *Equitable Share In National Budget and Development Assistance.* – The central government or national government shall provide the autonomous region a proportionate and equitable share in the annual national budget and foreign assisted projects in addition to other financial assistance, support, and subsidies to accelerate its development. Whenever the Commission on Audit finds that the internal controls set up in the region are inadequate, it may require pre-audit and shall likewise conduct seminars in the communities concerned explaining the benefits and proper use of internal revenue allotments.

SEC. 14. *Rights to Initiatives, Consultations, Referenda and Plebiscites.* – Without prejudice to other rights guaranteed by the Constitution, the rights of the people of the autonomous region to initiate measures for the passage, amendment or repeal of regional or local legislation; to be consulted on matters that

affect their environment; to call for a referendum on important issues affecting their lives; and, to recall regional or local officials as provided by Republic Act No. 7160, the Local Government Code of 1991, are hereby recognized.

The Regional Assembly shall enact priority legislation to define such rights. Until such priority legislation is enacted, existing laws shall govern the exercise of the rights mentioned above.

SEC. 15. *Fundamental Rights and Duties of People.* – The fundamental rights and duties of the people in the autonomous region are those defined in the Constitution and this Organic Act, the Geneva Convention, the United Nations Charter, the United Nations Declaration on the Rights of Indigenous Communities, the International Declaration on Human Rights, as well as those prescribed in all the laws, practices, and principles binding upon members of the community of nations.

SEC. 16. *Human Rights Commission.* – There is hereby created a Regional Human Rights Commission. The chair and two commissioners of the commission shall be appointed by the President upon recommendation of the Regional Governor. The composition of the commission shall reflect the ethnic distribution of the population of the autonomous region. The chair shall be a lawyer and shall be a resident of the autonomous region. The two commissioners shall, preferably, be lawyers or, at least, holders of bachelor degrees from colleges or universities recognized by the Department of Education, Culture and Sports of the central government or national government.

The Regional Human Rights Commission shall perform within the autonomous region, the functions of the commission on human rights of the central government or national government. Decisions of the commission may be appealed to the Court of Appeals on questions of law.

Initially, the Regional Assembly shall fix the salaries, perquisites and privileges of the chair and the commissioners of the Commission at a level not lower than those fixed for the chair and members of the National Labor Commission. The Commission

may provide additional functions to enhance and protect the human rights of all the people in the autonomous region. Thereafter, subject to availability of funds, the Regional Assembly may raise the salaries, perquisites, and privileges of the chair and commissioners.

SEC. 17. *Environmental Protection and Sustainable Development.* – The protection, rehabilitation, and the sustainable development of forests, coastal, and marine resources, including the adoption of programs and projects to ensure the maintenance of ecological balance, shall be given priority.

ARTICLE IV

Powers of Government

SECTION 1. *Powers and Functions.* – Subject to the provisions of the Constitution, the Regional Government shall exercise those powers and functions expressly granted to it in this Organic Act, or necessary for or incidental to the proper governance and development of all the constituent units within the autonomous region consistent with the policy on regional and local autonomy and decentralization.

The Regional Government may enact its own regional administrative code and regional local government code consistent with the Constitution. The powers and functions already vested upon and the shares of the national taxes provided by Republic Act No. 7160, the Local Government Code of 1991, to provinces, cities, municipalities, and barangay in the autonomous region shall not be reduced.

SEC. 2. *Corporate Entity.* – The autonomous region is a corporate entity with jurisdiction over all matters devolved to it by the Constitution and this Organic Act.

SEC. 3. *Scope of Regional Assembly Legislative Power; Exceptions.* – The Regional Assembly may exercise legislative power in the autonomous region for the benefit of the people and for the development of the region except on the following matters:

- (a) Foreign affairs;
- (b) National defense and security;
- (c) Postal service;
- (d) Coinage and fiscal and monetary policies;

(e) Administration of justice. It may, however, legislate on matters covered by the Shari'ah. The Shari'ah shall apply only to Muslims. Its application shall be limited by pertinent constitutional provisions, particularly by the prohibition against cruel and unusual punishment and by pertinent national legislation that promotes human rights and the universally accepted legal principles and precepts;

- (f) Quarantine;
- (g) Customs and tariff;
- (h) Citizenship;
- (i) Naturalization, immigration and deportation;
- (j) General auditing;
- (k) National elections;

(l) Maritime, land and air transportation, and communications. The autonomous government shall, however, have the power to grant franchises, licenses and permits to land, sea and air transportation plying routes in the provinces or cities within the region, and communications facilities whose frequencies are confined to and whose main offices are located within the autonomous region;

- (m) Patents, trademarks, trade names, and copyrights; and
- (n) Foreign trade.

SEC. 4. *General Welfare Powers.* – Notwithstanding the limitations on the powers of the Regional Assembly as stated above, it may enact laws that promote the general welfare of the people of the autonomous region.

SEC. 5. *Representation in Central Government or National Government Departments, Offices.* – As far as practicable, the autonomous region shall be represented in the departments, offices, commissions, agencies, and bureaus of the central government or national government that implement and enforce policies, programs and projects of the central government or national government in the region.

SEC. 6. *Eminent Domain.* – The Regional Government may exercise the power of eminent domain.

ARTICLE V

Inter-Governmental Relations

SECTION 1. *General Supervision of the President Over the Regional Governor.* – Consistent with the Constitution and basic policy on local autonomy, the President of the Republic shall exercise general supervision over the Regional Governor to ensure that his or her acts are within the scope of his or her powers and functions.

The power of supervision of the President over the provincial governors and the mayors of the highly urbanized cities shall be exercised through the Regional Governor; over the mayors of the component cities and municipalities, through the provincial governor, and over the punong barangay, through the city or municipal mayor.

In addition to other acts which he or she may impose under the Constitution and this Organic Act, the President may suspend, reduce, or cancel the financial blocks or grants-in-aid, funds for infrastructure, and other forms of assistance intended for the autonomous region (1) if the regional government fails to account for the funds and financial assistance released to it by the central government or national government, within one month from the end of every quarter in which the funds and financial assistance

had been released or (2) when measures for the protection and enhancement of the civil, human, political or religious rights of the lumads, Christians and other minorities in the autonomous region ordained by the Constitution and this Organic Act, are not respected or are violated or are not implemented within one (1) year from its enactment.

The President may suspend the Regional Governor for a period not exceeding six (6) months for willful violation of the Constitution, this Organic Act or any existing law that applies to the autonomous region.

SEC. 2. Cabinet Membership. – As far as practicable, it shall be the policy of the national government that there shall be at least one (1) member of the cabinet with a rank of a department secretary who is an inhabitant of the autonomous region to be recommended by the Regional Governor in consultation with elected officials and concerned sectors of the autonomous region.

SEC. 3. Shari'ah and Tribal Courts; Coordination With Central Government or National Government. – The Regional Government shall maintain close coordination with the central government or national government for an effective administration of justice in the autonomous region.

SEC. 4. Representation of Autonomous Region in General in the Central Government or National Government. – Representation of the inhabitants of the autonomous region in the central government or national government may be done by appointment or election.

Appointment of inhabitants of the autonomous region to positions in the central government or national government shall be subject to central government or national government standards and guidelines. Such appointment shall be made only upon recommendation by the Regional Governor after consultation with the Regional Assembly and the concerned sectors of the autonomous region.

Right of representation shall not be construed in such a way that applicants from the autonomous region, especially Muslims and cultural communities, for lower positions in the above organs of the government cannot be appointed anymore thereto.

Election of legislators to represent the autonomous region in the Congress of the Republic shall be done pursuant to the rules of the Commission on Elections.

SEC. 5. Representatives in Executive Departments and Constitutional Bodies. – At least, one (1) qualified inhabitant of the autonomous region recommended by the Regional Governor consultation with the Regional Assembly and concerned sectors of the autonomous region shall be appointed, as far as practicable, in each of the departments, offices or bureaus and constitutional bodies of the central government or national government that deal with the autonomous region, in primarily confidential, highly technical, or policy-determining positions.

SEC. 6. Ex Officio Member of the National Security Council. – The Regional Governor shall be an *ex officio* member of the National Security Council on matters concerning the autonomous region and such other matters as may be determined by the President.

SEC. 7. Representatives in Government-Owned or -Controlled Corporations. – The Regional Government shall be represented in the board of directors or in the policy-making bodies of government-owned or -controlled corporations that operate businesses directly or through their subsidiaries in the autonomous region.

ARTICLE VI

The Legislative Department

SECTION 1. Regional Assembly. – The legislative power of the autonomous government shall be vested in the Regional Assembly except to the extent that it is reserved to the people by provisions on initiative and referendum as provided by law.

SEC. 2. *Election of Regional Assembly.* – The Regional Assembly shall be composed of Members elected by popular vote, with three (3) members elected from each of the legislative districts.

SEC. 3. *Sectoral Representatives.* – There shall be sectoral representatives in the Regional Assembly whose number shall not exceed fifteen percent (15%) of the total number of elected members of the Regional Assembly coming from the agricultural, labor, urban poor, disabled, indigenous cultural communities, youth, and women sectors. The Regional Assembly may enact legislation to provide for the representation of other sectors. The youth representative shall not be less than eighteen (18) years of age nor more than twenty-one (21) years of age at the time of his or her assumption to office.

The sectoral representatives shall be entitled to the same salary and allowances and rights and privileges enjoyed by the regularly elected members of the Regional Assembly. They shall be elected on the same date as that fixed for the election of the members of the Regional Assembly.

SEC. 4. *Term of Office.* – The members of the Regional Assembly, including the sectoral representatives, shall have a term of three (3) years which shall begin, at noon on the 30th day of September next following the day of the election and shall end at noon of the same date three (3) years thereafter.

No member of the Regional Assembly shall serve more than three (3) consecutive terms. Voluntary renunciation of or removal from office for any length of time shall not be considered as an interruption in the continuity of his service for the full term for which he was elected.

SEC. 5. *Filling of Vacancy.* – In case of vacancy in the Regional Assembly occurring at least one (1) year before the expiration of the term of office, a special election shall be called to fill the vacancy in the manner prescribed by regional law. The member elected shall serve only for the unexpired term.

SEC. 6. *Qualifications of Members of Regional Assembly.* – No person shall be a member of the Regional Assembly unless he or she is:

- (1) A natural-born citizen of the Philippines;
- (2) At least twenty-one (21) years of age on the day of the election;
- (3) Able to read and write;
- (4) A registered voter of the district in which he or she shall be elected on the day he or she files his or her certificate of candidacy; and
- (5) A resident thereof for a period of not less than five (5) years immediately preceding the day of the election.

SEC. 7. *Oath of Office.* – Every member of the Regional Assembly shall take an oath or affirmation of allegiance to the Republic, renounce the use of violence, and commit himself or herself to democratic means in the pursuit of the ideals and aspirations of the people of the autonomous region before taking his or her seat.

SEC. 8. *Salaries.* – Unless otherwise provided by the Regional Assembly, a member of the Regional Assembly shall receive an annual salary of One hundred eighty thousand pesos (P180,000) except the Speaker of the Regional Assembly who shall receive an annual salary of Two hundred thousand pesos (P200,000), subject to the Salary Standardization Law.

The annual compensation of the Speaker and Members of the Regional Assembly may be increased by the Regional Assembly in accordance with existing laws on position classification and compensation of the central government or national government. The increase shall, however, not take effect until after the expiration of the terms of office of the members of the assembly who had approved the increase. The increase shall be funded solely from revenue raised by the Regional Government. No funds or

parts thereof provided by the central government or national government for the Regional Government shall be used for salaries, *honoraria*, *per diems* or to increase the salaries, *honoraria* or *per diems* of the officials or employees of the Regional Government.

They shall not receive during their tenure other emoluments from the Regional Government or from the central government or national government.

SEC. 9. *Forfeiture of Seat.* – Any member of the Regional Assembly who accepts an appointment and qualifies for any position in the government, including government-owned or -controlled corporations or institutions and their subsidiaries, shall automatically forfeit his or her seat in the Regional Assembly.

SEC. 10. *Disclosure of Financial or Business Interests.* – All members of the Regional Assembly shall, upon their assumption of office, make a full disclosure of their financial and business interests, including those of their spouses and unmarried children under eighteen (18) years of age living in their households. They shall notify the assembly of any potential conflict of interest that may arise from the filing of measures of which they are authors upon the filing thereof.

Any member found guilty of non-disclosure as required under this Section may be expelled by a two-thirds (2/3) vote of all the members of the Regional Assembly, without prejudice to his or her other liabilities under pertinent legislation.

SEC. 11. *Prohibited Acts for Members of the Regional Assembly.* – No member of the Regional Assembly may personally appear as counsel before courts of justice or quasi-judicial and other administrative bodies. Neither shall the member, directly or indirectly, be interested financially in any contract with, or in any franchise or special privilege granted by the central government or national government or by the regional government, or any subdivision, agency or instrumentality thereof, including any government-owned or -controlled corporation or its subsidiary, during his or her term of office. The member shall not intervene in any manner before any office of the government

for his or her pecuniary benefit or where he or she may be called upon to act on account of his or her office.

SEC. 12. *Parliamentary Immunity.* – Any member of the Regional Assembly who commits offenses within the jurisdiction of the autonomous region punishable by not more than six (6) years imprisonment, shall be privileged from arrest while the Regional Assembly is in session.

No member of the Regional Assembly shall be questioned or be held liable in any other place for any speech or debate in the assembly or in any of its committees.

SEC. 13. *Rules of Procedure; Discipline of Members and Civil Service Rules.* – The Regional Assembly shall adopt its own rules of procedure by a majority vote of all its members including the selection of members of its standing committees and for the suspension or expulsion of its members.

The Regional Assembly shall elect from among its members a speaker and such other officers as the rules may provide. The Speaker shall appoint the personnel of the Regional Assembly. All qualified applicants shall have equal opportunity for employment with the regional government. Inhabitants of the autonomous region shall, however, have preference for appointment to any position in the regional government without regard to ethnic origin, culture, sex, creed and religion.

For a period not exceeding six (6) years from the date of the approval of this Organic Act, appointments to the various positions in the Regional Government shall be subject to the Civil Service law, rules, and regulations of the central government or national government. Thereafter, the Civil Service law, rules and regulations adopted by the Regional Government shall apply to all such appointments. If no Civil Service law, rules or regulations are adopted by the Regional Government, appointments to positions in the Regional Government shall continue to be governed by the Civil Service law, rules, and regulations of the central government or national government.

A majority of all the members of the Regional Assembly shall constitute a quorum to do business, but a smaller number may adjourn from day to day and may compel the attendance of absent members in such a manner and under such penalties as the assembly may provide.

The Regional Assembly or any of its committees may conduct inquiries or public consultations in aid of legislation in accordance with its rules. In connection therewith, it shall have the power to issue *subpoena* or *subpoena duces tecum* to compel the attendance of and the production of papers, documents, or things by witnesses or persons under investigation by the assembly, itself, or by any of its committees. It shall also have the right to cite witnesses or persons under investigation for contempt for refusal to testify before it or before any of its committees or to produce papers, documents or things required by the assembly or any of its committees. The rights of persons appearing in or affected by such inquiries shall be respected.

The Regional Assembly shall keep a journal of its proceedings and a record of its caucuses and meetings. The record and books of accounts of the assembly shall be preserved and open to public scrutiny.

The Commission on Audit of the Regional Government shall publish an annual report of the itemized list of expenditures incurred by the members of the Regional Assembly within sixty (60) days from the end of every regular session.

SEC. 14. Questioning Cabinet Members and Other Officials. – The Regional Assembly may, in aid of legislation and with the express consent of the Regional Governor, require the presence of the regional cabinet members or their deputies as its rules shall provide, for questioning on matters falling within the scope of their powers and functions.

The Regional Assembly may require any regional commission, office, or agency of the central government or national government with offices in the autonomous region to explain matters relating to the exercise of its powers and functions.

SEC. 15. *Regular and Special Sessions.* – Except as provided by its rules, the Regional Assembly shall meet in open session. Regular sessions shall commence on the 4th Monday of October and shall continue to be in session for such number of days as may be determined by the assembly until thirty (30) days before the opening of its next regular session exclusive of Saturdays, Sundays, and legal holidays.

The Regional Assembly may meet in special sessions at the request of one-third (1/3) of all its Members or by call of the Regional Governor. The special session shall have a specific agenda.

SEC. 16. *Passage of Bills.* – No bill shall become a law of regional application unless it has passed three (3) readings on separate days and printed copies thereof in its final form have been distributed to its members three (3) days before its passage, except when the Regional Governor certifies to the necessity of its immediate enactment to meet a public calamity or emergency.

SEC. 17. *Approval of Bills and Overriding of Veto.* – Every bill passed by the Regional Assembly, shall, before it becomes a law, be presented to the Regional Governor. If the Regional Governor approves the bill, he or she shall sign it; otherwise, he or she shall veto it on the ground that it is *ultra-vires* or it is against public policy and return it with his or her objections to the Regional Assembly. The Regional Assembly shall, thereafter, enter the objections at large in its journal and may proceed to reconsider it. If, after such reconsideration, two-thirds (2/3) of all the Members of the Regional Assembly shall agree to pass the bill, it shall become a law. In such cases, the vote shall be determined by yeas and nays, and the names of the members voting for or against shall be entered in the journal. The Regional Governor shall communicate his veto of any bill to the Regional Assembly within thirty (30) days after the date of its receipt; otherwise, it shall become a law as if he had signed it.

SEC. 18. *Submittal of Bills to the President and Congress.* – The Speaker of the Regional Assembly shall within ten (10) working days from their approval thereof, submit to the President and to both Houses of Congress a certified true copy of all laws and resolutions approved by the Regional Assembly.

SEC. 19. *Creation, Division or Abolition of Provinces, Cities, Municipalities or Barangay.* – The Regional Assembly may create, divide, merge, abolish, or substantially alter boundaries of provinces, cities, municipalities, or barangay in accordance with the criteria laid down by Republic Act No. 7160, the Local Government Code of 1991, subject to the approval by a majority of the votes cast in a plebiscite in the political units directly affected. The Regional Assembly may prescribe standards lower than those mandated by Republic Act No. 7160, the Local Government Code of 1991, in the creation, division, merger, abolition, or alteration of the boundaries of provinces, cities, municipalities, or barangay. Provinces, cities, municipalities, or barangay created, divided, merged, or whose boundaries are altered without observing the standards prescribed by Republic Act No. 7160, the Local Government Code of 1991, shall not be entitled to any share of the taxes that are allotted to the local government units under the provisions of the Code.

The financial requirements of the provinces, cities, municipalities, or barangay so created, divided, or merged shall be provided by the Regional Assembly out of the general funds of the Regional Government.

The holding of a plebiscite to determine the will of the majority of the voters of the areas affected by the creation, division, merger, or whose boundaries are being altered as required by Republic Act No. 7160, the Local Government Code of 1991, shall, however, be observed.

The Regional Assembly may also change the names of local government units, public places and institutions, and declare regional holidays.

SEC. 20. *Annual Budget and Infrastructure Funds.* – The annual budget of the Regional Government shall be enacted by Regional Assembly. Funds for infrastructure in the autonomous region allocated by the central government or national government shall be appropriated through a Regional Assembly Public Works Act.

Unless approved by the Regional Assembly, no public works funds allocated by the central government or national government for the Regional Government or allocated by the Regional Government from its own revenues may be disbursed, distributed, realigned, or used in any manner.

ARTICLE VII

The Executive Department

SECTION 1. *Executive Power.* – The executive power shall be vested in a Regional Governor. He shall be elected by the qualified voters of the autonomous region.

SEC. 2. *Regional Governor and Cabinet Members.* – The Regional Governor shall be the chief executive of the Regional Government. He shall be assisted by a cabinet not exceeding ten (10) members, at least six (6) of whom shall come from indigenous cultural communities. The representatives of the indigenous cultural communities in the cabinet shall come from various provinces and cities within the autonomous region.

The members of the cabinet must be registered voters and residents of the region for at least five (5) years immediately preceding their appointments.

The Regional Governor shall appoint the members of the cabinet subject to confirmation by the Regional Assembly.

SEC. 3. *Qualifications of Regional Governor and Regional Vice Governor.* – No person may be elected Regional Governor or Regional Vice Governor of the autonomous region unless he or she is a natural-born citizen of the Philippines, a registered voter of the autonomous region, able to read and write, at least, thirty-five (35) years of age on the day of the election, and a resident of the autonomous region for, at least, one (1) year immediately preceding the election.

SEC. 4. *Election of Regional Governor and Regional Vice Governor.* – The Regional Governor and the Regional Vice Governor shall be elected as a team by the qualified voters of the

autonomous region. A vote for a candidate for Regional Governor shall be counted as a vote for his team mate for Regional Vice Governor. A vote for a Regional Vice Governor shall be counted as a vote for his teammate for Regional Governor. For purposes of their election, the candidates for Regional Governor and Regional Vice Governor shall belong to the same political party or coalition of parties. The Commission on Elections shall promulgate the necessary rule or rules to give effect to this provision of law.

SEC. 5. *Regional Vice Governor Appointment to or Removal from the Cabinet.* – The Regional Vice Governor may be appointed by the Regional Governor as a member of the regional cabinet without need of confirmation by the Regional Assembly. He may be removed from office in the same manner as the Regional Governor.

SEC. 6. *Executive Council; Deputy Regional Governors.* – The Regional Governor shall appoint three (3) deputies each representing the Christians, indigenous cultural communities, and the Muslims in the region. The Regional Governor, the Regional Vice Governor, and the three (3) deputies shall comprise the executive council of the autonomous government. The executive council shall advise the Regional Governor on matters of governance of the autonomous region. The three deputies shall be *ex officio* members of the regional cabinet with or without portfolio. The Regional Governor may assign powers and functions to the executive council to promote the general welfare of the people of the autonomous region subject to the laws enacted by the Regional Assembly.

Unless sooner removed by the Regional Governor, the term of office of a deputy Regional Governor shall be co-terminus with the term of office of the Regional Governor who appointed him or her.

SEC. 7. *Terms of Office of Elective Regional Officials.* – (1) Terms of Office. The terms of office of the Regional Governor, Regional Vice Governor and members of the Regional Assembly shall be for a period of three (3) years, which shall begin at noon on the 30th day of September next following the day of the election and shall end at noon of the same date three (3) years thereafter.

The incumbent elective officials of the autonomous region shall continue in effect until their successors are elected and qualified.

(2) Term limits. No Regional Governor, Regional Vice Governor, or member of the Regional Assembly shall serve for more than three (3) consecutive terms. Voluntary renunciation of or removal from office for any length of time shall not be considered an interruption in the continuity of the service for the full term for which he or she was elected.

The term limits in Republic Act No. 7160, the Local Government Code of 1991, shall apply to the governors of provinces and mayors of cities, municipalities, and punong barangay in the autonomous region.

SEC. 8. Oaths or Affirmations of Office of the Regional Governor and Regional Vice Governor. – Before they enter on the execution of their office, the Regional Governor and the Regional Vice Governor shall take the following oath or affirmation: "I do solemnly swear (or affirm) that I will faithfully and conscientiously fulfil my duties as the Regional Governor (or the Regional Vice Governor) of the Regional Government of the Autonomous Region in Muslim Mindanao, preserve and defend the Constitution of the Republic, this Organic Act, the national and regional laws, do justice to every man, consecrate myself to the service of the autonomous region and the nation, renounce the use of violence and commit myself to democratic means in the pursuit of the ideals and aspirations of the people of the autonomous region. So help me God." (In case of affirmation, last sentence will be omitted.)

SEC. 9. Compensation of Regional Governor and Vice Governor. – Unless otherwise provided by the Regional Assembly, the annual compensation of the Regional Governor and Regional Vice Governor shall be Two hundred fifty thousand pesos (P250,000) and Two hundred thirty thousand pesos (P230,000), respectively subject to the Salary Standardization Law. The compensations may be increased or decreased by the Regional Assembly subject to the existing laws on position classification and compensation. The increase or decrease of their salaries shall, however, not take effect until after their term of office during which the increase or decrease was enacted by the Regional

Assembly shall have ended. They shall not receive during their tenure any other emoluments from the central government or national government or Regional Government or from any central or regional government-owned or -controlled corporations or firms.

No funds or parts thereof provided by the central government or national government for the Regional Government shall be used for salaries, *honoraria*, *per diems*, or to increase the salaries, *honoraria*, or *per diems* of the Regional Governor, Regional Vice Governor, members of the Regional Assembly, or employees of the Regional Government.

SEC. 10. *Regional Governor Housing and Travel Allowances.* – The Regional Governor shall be provided with a reasonable housing allowance by the Regional Assembly. When the Regional Governor travels outside the autonomous region, he shall be provided with reasonable travel and accommodation allowances at rates not less than what is granted to the members of the cabinet of the central government or national government.

SEC. 11. *Succession to Regional Governorship in Cases of Permanent Vacancy.* – In case of death, permanent disability, removal from office, or resignation of the Regional Governor, the Regional Vice Governor shall become the Regional Governor who shall serve for the unexpired term of the former. In case of death, permanent disability, removal from office, or the resignation of both the Regional Governor and the Regional Vice Governor, the Speaker of the Regional Assembly shall act as Regional Governor until the Regional Governor and Regional Vice Governor are elected and qualified in a special election called for the purpose.

Upon his assumption as acting Regional Governor, the Speaker of the Regional Assembly shall temporarily vacate his position as such and an *interim* speaker shall be elected. Upon the election and assumption of office of a new Regional Governor, the Speaker shall reassume his office.

No special election shall be called to fill a vacancy occurring within one (1) year immediately preceding the next regular election.

SEC. 12. *Succession to Regional Governorship in Cases of Temporary Incapacity.* – In case of temporary incapacity of the Regional Governor to perform his duties on account of physical or legal causes, or when he is on official leave of absence or on travel outside the territorial jurisdiction of the Republic of the Philippines, the Regional Vice Governor, or if there be none or in case of his permanent or temporary incapacity or refusal to assume office, the Speaker of the Regional Assembly shall exercise the powers, duties and functions of the Regional Governor as prescribed by law enacted by the Regional Assembly or in the absence, thereof, by the pertinent provisions of Republic Act No. 7160, the Local Government Code of 1991.

SEC. 13. *Removal of Regional Governor or Regional Vice Governor.* – The Regional Governor or the Regional Vice Governor may be removed from office for culpable violation of the Constitution or this Organic Act, treason, bribery, graft and corruption, other high crimes, or betrayal of public trust by a three-fourths (3/4) vote of all the Members of the Regional Assembly.

The proceedings of the Regional Assembly for the removal of the Regional Governor or Regional Vice Governor shall be presided over by the Presiding Justice of the Court of Appeals. The Regional Assembly may initiate moves for the removal of the Regional Governor or the Regional Vice Governor under this Section by a majority vote of all its members. The Regional Assembly shall promulgate the necessary rules to carry out the purposes of this Section.

The Regional Governor may also be suspended or removed by the President for culpable violation of the Constitution, treason, bribery, graft and corruption, and other high crimes.

Notwithstanding the provisions of the immediately preceding paragraphs, the Regional Governor or the Regional Vice Governor may be charged criminally for any offense before the proper regional trial court. The said court may order his or her preventive suspension from office for not more than two (2) months pending the termination of the criminal case or cases. The court

may also order the removal of the Regional Governor or Regional Vice Governor from office as a part of its decision of conviction.

SEC. 14. *Recall of Regional Governor, Regional Vice Governor or Members of Regional Assembly.* – The Regional Governor, the Regional Vice Governor or members of the Regional Assembly may be recalled only once during their respective terms of office for loss of confidence.

The Regional Assembly shall provide the procedure and system whereby such recall can be made.

No recall shall take place within one (1) year from the date of the assumption of office of the official concerned or one (1) year immediately preceding a regional election. In the absence of the procedure and system of recall enacted by the Regional Assembly, the procedure and system of such recalls shall be governed by the provisions of Republic Act No. 7160, the Local Government Code of 1991.

SEC. 15. *Punishment for Disorderly Behavior.* – Upon the recommendation of the proper committee, the Regional Assembly may punish its members for disorderly behavior. With the concurrence of the majority of its members, the Regional Assembly may admonish, reprimand, or censure an erring member. With the concurrence of two-thirds (2/3) of all its members, it may suspend or expel such erring member. The penalty of suspension shall not exceed sixty (60) days.

SEC. 16. *Prohibition Against Holding of Other Offices or Conflict of Interests.* – The Regional Governor, the Regional Vice Governor, the members of the cabinet or their deputies shall not hold any other office or employment during their tenure. They shall not, during said tenure, directly or indirectly, practice any other profession, participate in any business, or be financially interested in any contract with, or in any franchise or special privilege granted by the government or any subdivision, agency, or instrumentality thereof, including government-owned or -controlled corporations or their subsidiaries. They shall strictly avoid conflicts of interest in the conduct of their office.

The spouses and relatives by consanguinity or affinity within the fourth civil degree respectively of the Regional Governor, the Regional Vice Governor, the members of the cabinet, or their deputies shall not, during their tenure, be appointed members of the regional cabinet or chairmen of regional commissions or heads of bureaus or offices, including government-owned or -controlled corporations and their subsidiaries located in the autonomous region.

SEC. 17. *Appointments by Acting Regional Governor.* – Appointments extended by the acting Regional Governor before the assumption of office by the elected Regional Governor shall remain effective, unless revoked by the elected Regional Governor within ninety (90) days from his or her assumption of office.

SEC. 18. The Regional Governor shall not issue appointments, remove personnel, or, unless authorized by the Commission on Elections, undertake public works projects, within the prohibited period before and after a regional election as provided by law.

SEC. 19. *Appointments by Regional Governor.* – The Regional Governor shall appoint, in addition to the members of the cabinet and their deputies, the chairmen and members of the commissions and the heads of bureaus of the Regional Government, and those whom he may be authorized by this Organic Act, or by regional law to appoint. The Regional Assembly may, by law, vest the appointment of other officers or officials lower in rank on the heads of departments, agencies, commissions, or boards.

The powers, functions, responsibilities, and structure of the departments, agencies, bureaus, offices, and instrumentalities of the Regional Government including the corporations owned or controlled by the Regional Government shall be prescribed and defined by the Regional Assembly.

SEC. 20. *Power of Regional Governor Over Commissions, Agencies, Boards, Bureaus and Offices.* – Subject to the exceptions provided for in this Organic Act, the Regional Governor shall have control of all the regional executive commissions, agencies,

boards, bureaus, and offices. He shall ensure that laws are faithfully executed.

SEC. 21. *Fiscal Year; Submission of Budget.* – The fiscal year of the autonomous region shall cover the period January 1 to December 31 of every year.

(a) *Regional Budget.* The Regional Governor shall submit to the Regional Assembly not later than two (2) months before the beginning of every regular session, as the basis of the regional appropriations bill, a budget of expenditures and sources of financing, including receipts from existing and proposed revenue measures.

(b) *Regional Assembly Power Over Budget.* The Regional Assembly may not increase the appropriations recommended by the Regional Governor for the operation of the autonomous government as specified in the budget. The form, content, and manner of preparation of the budget shall be prescribed by law enacted by the Regional Assembly. Pending the enactment of such law, the budgeting process shall be governed by existing laws and rules and regulations prescribed by the Department of Budget and Management.

(c) *Prohibition Against Riders.* No provision or enactment shall be embraced in the regional appropriations bill unless it relates specifically to some particular appropriation therein. Any such provision or enactment shall be limited in its operation to the appropriation to which it relates.

(d) *Procedure for Approval.* In approving appropriations for its own operations, the Regional Assembly shall strictly follow the procedure for approving the appropriations for the other departments and agencies of the Regional Government.

(e) *Specific Purpose and Availability of Funds.* A special appropriations bill shall specify the purpose for which it is intended and shall be supported by funds actually available or to be raised by a corresponding revenue proposal as certified to by the treasurer of the Regional Government.

(f) *Transfer of Funds.* No regional law shall be passed authorizing any transfer of appropriations. The Regional Governor, the Speaker of the assembly and the Presiding Justice of the highest Shari'ah court may, however, be authorized by law enacted by the Regional Assembly, to augment any item in the Regional General Appropriations Law for their respective offices from savings in other items of their respective appropriations.

(g) *Discretionary Funds.* Discretionary funds appropriated for particular officials shall be disbursed only for public purposes as evidenced by appropriate vouchers and subject to such guidelines as prescribed by law enacted by the Regional Assembly.

SEC. 22. *Budget Approval; Automatic Reenactment.* – The Regional Governor shall approve the budget of the autonomous region within one (1) month from its passage by the Regional Assembly. If, by the end of a fiscal year, the Regional Assembly shall have failed to pass the regional appropriations bill for the ensuing fiscal year, the Regional Appropriations Act for the preceding fiscal year shall be deemed automatically reenacted and shall remain in force and effect until the regional appropriations bill is passed by the Regional Assembly.

SEC. 23. *Veto Power of the Regional Governor; Votes to Override.* – The Regional Governor shall have the power to veto any particular item or items in an appropriation or revenue bill, but the veto shall not affect the item or items to which he does not object. The Regional Assembly may override the veto by a two-thirds (2/3) vote of all its members.

SEC. 24. (a) *Law to Authorize Use of Money.* – No money shall be paid out of the regional treasury except in pursuance of an appropriation made by regional law.

(b) *Prohibitions Against Sectarian Purposes; Exception.* No public money or property shall be appropriated, applied, paid, or employed, directly or indirectly, for the use, benefit, or support of any sect, church, denomination, sectarian institution, or system of religion or of any priest, imam, preacher, minister, or other religious teacher or dignitary as such, except when such priest, imam, preacher, minister, or dignitary is assigned to the regional

police force or to any penal institution, or government orphanage, or leprosarium within the region.

(c) *Special Fund.* All money collected on any regional tax levied for a special purpose shall be treated as a special fund and paid out for such special purpose only. If the purpose for which special fund was created has been fulfilled or abandoned, the balance, if any, shall accrue to the general funds of the Regional Government.

(d) *Trust Funds.* Trust funds shall only be paid out of the regional treasury for the specific purpose for which said funds were created or received.

(e) *Authorization by Regional Governor or Representative.* No funds or resources shall be disbursed unless duly approved by the Regional Governor or by his duly authorized representative.

ARTICLE VIII

Administration of Justice

SECTION 1. *Exercise of Judicial Power.* – The judicial powers shall be vested in the Supreme Court and in such lower courts as may be established by law including the Shari'ah Courts in accordance with Section 5 hereof.

SEC. 2. *Justices from Autonomous Region.* – It shall be the policy of the central government or national government that, whenever feasible, at least one (1) justice in the Supreme Court and two (2) justices in the Court of Appeals shall come from qualified jurists of the autonomous region. For this purpose, the Regional Governor may, after consultations with the Regional Assembly and concerned sectors in the autonomous region, submit the names of qualified persons to the Judicial and Bar Council for its consideration. The appointments of those recommended by the Regional Governor to the judicial positions mentioned above are without prejudice to appointments that may be extended to other qualified inhabitants of the autonomous region to other positions in the Judiciary.

SEC. 3. *Consultant to the Judicial and Bar Council.* – The President shall appoint a qualified person as a consultant to the Judicial and Bar Council recommended by the Regional Governor in consultation with the concerned sectors of the autonomous region. The person recommended by the Regional Governor shall first be confirmed by the Regional Assembly. Once appointed by the President, the consultant shall sit with the Judicial and Bar Council only to advise and be consulted by the council on matters of appointments to judicial positions in the autonomous region.

SEC. 4. *Deputy Court Administrator.* – The Office of the Deputy Court Administrator for the autonomous region is hereby created. The Deputy Court Administrator for the autonomous region shall be appointed by the Chief Justice of the Supreme Court from among three recommendees submitted by the Regional Governor upon previous confirmation by the Regional Assembly and after consultation with the concerned sectors of the autonomous region.

SEC. 5. *Shari'ah Courts.* – The Regional Assembly of the autonomous region shall provide for the establishment of Shari'ah courts. Shari'ah courts existing as of the date of the approval of this Organic Act shall continue to discharge their duties. The judges, thereof, may, however, be reshuffled upon recommendation of the Deputy Court Administrator of the autonomous region.

SEC. 6. *Shari'ah Public Assistance Office.* – There is hereby created a Shari'ah Public Assistance Office. The Office shall be staffed by a director and two (2) lawyers who are members of the Philippine Shari'ah bar. They may be assisted by such personnel as may be determined by the Regional Assembly. Unless otherwise provided by regional law, the compensation of the director and the Shari'ah lawyers shall be equivalent to the salary grade of a Director III and a trial lawyer of the Public Assistance Office, respectively.

The Shari'ah Public Assistance Office is hereby established in each of the Shari'ah judicial districts to provide free legal assistance to poor or indigent party litigants.

SEC. 7. *Shari'ah Appellate Court.* – There is hereby created a Shari'ah Appellate Court which shall have jurisdiction over cases enumerated in Section 9 of this Article.

SEC. 8. *Shari'ah Appellate Court Composition.* – The Shari'ah Appellate Court shall be composed of one (1) presiding justice and two (2) associate justices. Any vacancy shall be filled within ninety (90) days from the occurrence thereof.

SEC. 9. *Jurisdiction of the Shari'ah Appellate Court.* – The Shari'ah Appellate Court shall:

(a) Exercise original jurisdiction over petitions for certiorari, prohibition, *mandamus*, *habeas corpus*, and other auxiliary writs and processes only in aid of its appellate jurisdiction; and,

(b) Exercise exclusive appellate jurisdiction over all cases tried in the Shari'ah district courts as established by law.

SEC. 10. *Shari'ah Appellate Court Decisions.* – The decisions of the Shari'ah Appellate Court shall be final and executory. Nothing herein contained shall, however, affect the original and appellate jurisdiction of the Supreme Court, as provided in the Constitution.

SEC. 11. *Shari'ah Appellate Court Justices Qualifications and Appointments.* – The Justices of the Shari'ah Appellate Court shall possess the same qualifications as those of the Justices of the Court of Appeals and, in addition, shall also be learned in Islamic law and jurisprudence.

The members of the Shari'ah Appellate Court shall be appointed by the President from a list of at least three (3) nominees prepared by the Judicial and Bar Council. The nominees shall be chosen from a list of recommendees submitted by the Regional Assembly. Such appointments need no confirmation.

SEC. 12. *Shari'ah Appellate Court Justices Tenure of Office.* – The Presiding Justice and Associate Justices of the

Shari'ah Appellate Court shall serve until they reach the age of seventy (70) years, unless sooner removed for cause in the same manner as justices of the Court of Appeals or become incapacitated to discharge the duties of their office.

SEC. 13. *Shari'ah Appellate Court Justices Compensation.* – The Presiding Justice and Associate Justices of the Shari'ah Appellate Court shall receive the same compensation and enjoy the same privileges as the Presiding Justice and Associate Justices of the Court of Appeals, respectively.

SEC. 14. *Shari'ah Appellate Court Administrator and Clerk of Court.* – The Supreme Court shall, upon recommendation of the Presiding Justice of the Shari'ah Appellate Court, appoint the court administrator and clerk of court of the Appellate Court. Such other personnel as may be necessary for the Shari'ah Appellate Court shall be appointed by the Presiding Justice of said court.

The pertinent provisions of existing law regarding the qualifications, appointments, compensations, functions, duties, and other matters relative to the personnel of the Court of Appeals shall apply to those of the Shari'ah Appellate Court.

SEC. 15. *Prohibition Against Holding of Other Offices.* – The Justices of the Shari'ah Appellate Court and the judges of other Shari'ah courts shall not be appointed or designated to any office or agency performing quasi-judicial or administrative functions.

SEC. 16. *Shari'ah Appellate Court Official Seat.* – The official seat of the Shari'ah Appellate Court shall unless the Supreme Court decides otherwise, be in the province or city where the seat of the Regional Government is located.

SEC. 17. *Shari'ah Appellate Court Proceedings.* – Proceedings in the Shari'ah Appellate Court and in the Shari'ah lower courts in the autonomous region shall be governed by such special rules as the Supreme Court may promulgate.

SEC. 18. *Shari'ah Courts.* – The Shari'ah district courts and the Shari'ah circuit courts created under existing laws shall continue to function as provided therein. The judges of the Shari'ah courts shall have the same qualifications as the judges of the regional trial courts, the metropolitan trial courts or the municipal trial courts, as the case may be. In addition, they must be learned in Islamic law and jurisprudence.

SEC. 19. *Tribal Courts.* – There is hereby created a system of tribal courts, which may include a Tribal Appellate Court, for the indigenous cultural communities in the autonomous region. These courts shall determine, settle, and decide controversies and enforce decisions involving personal and family and property rights of members of the indigenous cultural community concerned in accordance with the tribal codes of these communities. These courts may also exercise exclusive jurisdiction over crimes committed by members of indigenous cultural communities where the imposable penalty as prescribed by the Revised Penal Code or other pertinent law does not exceed imprisonment of six (6) years or a fine not exceeding Fifty thousand pesos (P50,000) or both such imprisonment and fine and where the offended party or parties are also members of the indigenous cultural community concerned.

The Regional Assembly shall define the composition and jurisdiction of the said courts in accordance with the Constitution, existing laws, and this Organic Act.

SEC. 20. *Jurisconsult in Islamic Law.* – The Regional Assembly shall give priority consideration to the organization of the office of jurisconsult in Islamic law as established under existing law and provision for its facilities to enable the proper functioning of the office.

SEC. 21. *Customary Law.* – The Regional Assembly shall provide for the codification of indigenous laws and compilation of customary laws of the Muslims and the indigenous cultural communities in the autonomous region.

SEC. 22. *Application and Interpretation of Laws.* – The provisions of the Muslim code and the tribal code shall be applicable

only to Muslims and other members of indigenous cultural communities respectively and nothing herein shall be construed to operate to the prejudice of the non-Muslims and non-members of indigenous cultural communities.

In case of conflict between the Muslim code and the tribal code, the national law shall apply.

In case of conflict between the Muslim code or the tribal code on the one hand, and the national law on the other, the latter shall prevail.

Except in cases of successional rights to property, the regular courts shall acquire jurisdiction over controversies involving real property located outside the area of autonomy. Muslims who sue other Muslims or members of indigenous cultural communities who sue other members of indigenous cultural communities over matters covered respectively by Shari'ah or by tribal laws may agree to litigate their grievances before the proper Shari'ah or tribal court in the autonomous region. The procedure for this recourse to the Shari'ah or tribal court shall be prescribed by the Supreme Court.

SEC. 23. *Bases for Interpretation of Islamic Law.* – Subject to the provisions of the Constitution, the Shari'ah courts shall interpret Islamic law based on sources such as:

- (a) Al-Qur'an (The Koran);
- (b) Al-Sunnah (Prophetic traditions);
- (c) Al-Qiyas (Analogy); and
- (d) Al-Ijima (Consensus).

SEC. 24. *Shari'ah Powers and Functions.* – The powers and functions of the Shari'ah courts and the Shari'ah Public Assistance Office shall be defined by the Regional Assembly subject to the provisions of the Constitution.

ARTICLE IX

Fiscal Autonomy

SECTION 1. *Revenue Source.* – The Regional Government shall have the power to create its own sources of revenues and to levy taxes, fees, and charges, subject to the provisions of the Constitution and this Organic Act.

SEC. 2. *Fiscal Autonomy.* – The Regional Government shall enjoy fiscal autonomy in generating and budgeting its own sources of revenue, its share of the internal revenue taxes and block grants and subsidies remitted to it by the central government or national government or any donor.

The utilization of its share of the internal revenue taxes and block grants or subsidies from the central government or national government shall be subject to a semi-annual and annual audits by the Commission on Audit and to the rules and regulations of the Department of Budget and Management. All accountable officials of the Regional Government shall, upon demand, furnish the Commission on Audit all documents, papers, and effects necessary for the completion of the audit. Failure to do so shall empower the President or the Secretary of Finance to reduce, suspend, or cancel the release of funds intended for the autonomous region to the extent of the amounts that cannot be audited for reasons attributable to the officials of the autonomous region or are unaccounted for after audit.

If more than half of the funds released to the autonomous region by the central government or national government remain unaccounted for six (6) months after the audit mentioned above, the Secretary of Finance may also suspend or cancel the release of any or all funds allocated by the central government or national government for the autonomous region. Officials of the Regional Government who fail to submit the documents, papers and effects demanded by the Commission on Audit within the period specified herein may be suspended or removed from office by the President upon recommendation of the Secretary of Finance.

The utilization of the revenue generated by the Regional Government and block grants or subsidies remitted to it by foreign

or domestic donors shall be subject to the rules and regulations of the Regional Government Department of the Budget and Management, if any, and to audit by regional government auditors. In the absence of such rules and regulations, the audit of the said funds, block grants or subsidies shall be done by the Commission on Audit and the use thereof shall be in accordance with the rules and regulations of the Department of the Budget and Management of the central government or national government.

The results of the audit mentioned in this Section shall be published in national newspapers of general circulation and in newspapers of regional circulation. The results shall also be announced over government-owned radio and television stations.

SEC. 3. *Regional Tax Code.* – The Regional Assembly may enact a regional government tax code. Until the regional government tax code is enacted, the pertinent provisions of Republic Act No. 7160, the Local Government Code of 1991, shall apply to tax ordinances of the provinces, cities, municipalities, and barangay within the autonomous region.

SEC. 4. *Regional Economic and Financial Programs.* – The Regional Government may formulate its own economic and financial programs, subject to the provisions of the Constitution.

SEC. 5. *Uniform, Equitable Taxation; Prohibition Against Confiscatory Taxes, Fees.* – In enacting revenue-raising measures, the Regional Assembly shall observe the principles of uniformity and equity in taxation and shall not impose confiscatory taxes or fees of any kind. Until a regional tax code shall have been enacted by it, the Regional Assembly may not revoke or amend, directly or indirectly, any city or municipal ordinances imposing taxes or fees on purely local businesses. Prior to the revocation or amendment of such city or municipal ordinances, the Regional Assembly shall consult with the city or municipal government concerned.

SEC. 6. *Payment of Taxes.* – Corporations, partnerships, or firms directly engaged in business in the autonomous region shall pay their corresponding taxes, fees, and charges in the

province or city, where the corporation, partnership, or firm is doing business.

Corporations, partnerships, or firms whose central, main, or head offices are located outside the autonomous region but which are doing business within its territorial jurisdiction, by farming, developing, or utilizing the land, aquatic, or natural resources therein, shall pay the income taxes corresponding to the income realized from their business operations in the autonomous region to the city, or municipality where their branch offices or business operations or activities are located.

SEC. 7. Extent of Tax Powers; Exceptions. – Unless otherwise provided herein, the taxing power of the regional government and of the provinces, cities, municipalities, and barangay located therein shall not extend to the following:

(a) Income tax, except when levied on banks and other financial institutions;

(b) Documentary stamps tax;

(c) Taxes on estate, inheritance, gifts, legacies, and other acquisitions *mortis causa*, except as otherwise provided by law;

(d) Customs duties, registration fees of vessel and wharfage on wharves, tonnage dues, and all other kinds of custom fees, charges, and dues except vessels which are registered by their owners with the Regional Government and wharfage on wharves constructed and maintained by the Regional Government or the local government unit concerned;

(e) Taxes, fees, or charges and other impositions upon goods carried into or out of, or passing through the territorial jurisdictions of the provinces, cities, municipalities, or barangay of the autonomous region in the guise of charges for wharfage, tolls for bridges, or otherwise, or other taxes, fees, or charges in any form whatsoever upon such goods or merchandise except tolls on bridges or roads constructed and maintained by the provinces,

cities, municipalities, or barangay concerned or by the Regional Government.

(f) Taxes, fees, or charges on agricultural and aquatic products when sold by marginal farmers or fisherfolk;

(g) Taxes on business enterprises certified by the Board of Investments or by the Regional Assembly as pioneer or non-pioneer for a period of six (6) and four (4) years, respectively from the date of registration;

(h) Excise taxes on articles enumerated under the national internal revenue code, and taxes, fees, or charges on petroleum products;

(i) Percentage or value-added tax (VAT) on sales, barter, or exchanges or similar transactions on goods or services except as otherwise provided by law;

(j) Taxes on the gross receipts of transportation contractors and persons engaged in the transportation of passengers or freight by hire and common carriers by air, land, or water except as provided in this Organic Act;

(k) Taxes on premiums paid by way of reinsurance or retrocession;

(l) Taxes, fees, or other charges on Philippine products actually exported, except as otherwise provided by law enacted by the Congress;

(m) Taxes, fees, or charges on countryside, barangay business enterprises and cooperatives duly registered under Republic Act No. 6810, the "Magna Carta for Countryside and Barangay Business Enterprises" and Republic Act No. 6938, the "Cooperatives Code of the Philippines," respectively; and

(n) Taxes, fees, or charges of any kind on the central government or national government, its agencies and instrumentalities, and local government units except on

government-owned or -controlled corporations or entities that are primarily organized to do business.

SEC. 8. *Sources of Regional Government Revenue.* – The sources of revenues of the Regional Government shall include, but are not limited to, the following:

(a) Taxes, except income taxes, imposed by the Regional Government;

(b) Fees and charges imposed by the Regional Government;

(c) Taxes, fees, or charges for the registration of motor vehicles and for the issuances of all kinds of licenses or permits for the driving thereof, except tricycles which shall be registered with the city or municipality within whose territorial boundaries they are operated;

(d) Shares and revenue generated from the operations of public utilities within the autonomous region;

(e) Appropriations, shares in the internal revenue taxes, block grants, and other budgetary allocations coming from the central government or national government; and

(f) Block grants derived from economic agreements or conventions entered into or authorized by the Regional Assembly, donations, endowments, foreign assistance, and other forms of aid, subject to the pertinent provisions of the Constitution.

SEC. 9. *Sharing of Internal Revenue, Natural Resources Taxes, Fees and Charges.* – The collections of a province or city from national internal revenue taxes, fees and charges, and taxes imposed on natural resources, shall be distributed as follows:

(a) Thirty-five percent (35%) to the province or city;

(b) Thirty-five percent (35%) to the regional government;
and

(c) Thirty percent (30%) to the central government or national government.

The share of the province shall be apportioned as follows: forty-five percent (45%) to the province, thirty-five percent (35%) to the municipality and twenty percent (20%) to the barangay.

The share of the city shall be distributed as follows: fifty percent (50%) to the city and fifty percent (50%) to the barangay concerned.

The province or city concerned shall automatically retain its share and remit the shares of the Regional Government and the central government or national government to their respective treasurers who shall, after deducting the share of the Regional Government as mentioned in paragraphs (b) and (c) of this Section, remit the balance to the national government within the first five (5) days of every month after the collections were made.

The remittance of the shares of the provinces, cities, municipalities, and barangay in the internal revenue taxes, fees, and charges and the taxes, fees, and charges on the use, development, and operation of natural resources within the autonomous region shall be governed by law enacted by the Regional Assembly.

The remittances of the share of the central government or national government of the internal revenue taxes, fees, and charges and on the taxes, fees, and charges on the use, development, and operation of the natural resources within the autonomous region shall be governed by the rules and regulations promulgated by the Department of Finance of the central government or national government.

Officials who fail to remit the shares of the central government or national government, the Regional Government and the local government units concerned in the taxes, fees, and charges mentioned above may be suspended or removed from office by order of the Secretary of Finance in cases involving the share of the central government or national government or by the

Regional Governor in cases involving the share of the Regional Government and by the proper local government executive in cases involving the share of local government.

SEC. 10. *Treasury Bills, Notes and Other Debt Papers.* – The Regional Government may issue treasury bills, bonds, promissory notes, and other debt papers or documents pursuant to law enacted by the Regional Assembly.

SEC. 11. *Economic Agreements.* – Subject to the provisions of the Constitution, the Regional Government shall evolve a system of economic agreements and trade compacts to generate block grants for regional investments and improvements of regional economic structures which shall be authorized by law enacted by the Regional Assembly. Pursuant to specific recommendations of the Regional Economic and Development Planning Board, the Regional Government may assist local government units in their requirements for counterpart funds for foreign-assisted projects.

SEC. 12. *Donations or Grants; Tax Deductible.* – The Regional Government may accept donations or grants for the development and welfare of the people in the autonomous region. Such donations or grants that are used exclusively to finance projects for education, health, youth and culture, and economic development, may be deducted in full from the taxable income of the donor or grantor.

SEC. 13. *Regional Tax Exemptions.* – The Regional Assembly, by a vote of absolute majority of all its members, may grant exemptions from regional taxes.

SEC. 14. *Foreign or Domestic Loans.* – The Regional Governor may be authorized by the Regional Assembly to contract foreign or domestic loans in accordance with the provisions of the Constitution. The loans so contracted may take effect upon approval by a majority of all the members of the Regional Assembly.

SEC. 15. *Collection and Sharing of Internal Revenue Taxes.* – The share of the central government or national

government of all current year collections of internal revenue taxes, within the area of autonomy shall, for a period of five (5) years be allotted for the Regional Government in the Annual Appropriations Act.

The Bureau of Internal Revenue (BIR) or the duly authorized treasurer of the city or municipality concerned, as the case may be, shall continue to collect such taxes and remit the share to the Regional Autonomous Government and the central government or national government through duly accredited depository bank within thirty (30) days from the end of each quarter of the current year;

Fifty percent (50%) of the share of the central government or national government of the yearly incremental revenue from tax collections under Sections 106 (value-added tax on sales of goods or properties), 108 (value-added tax on sale of services and use or lease of properties) and 116 (tax on persons exempt from value-added tax) of the National Internal Revenue Code (NIRC) shall be shared by the Regional Government and the local government units within the area of autonomy as follows:

(a) twenty percent (20%) shall accrue to the city or municipality where such taxes are collected; and

(b) eighty percent (80%) shall accrue to the Regional Government.

In all cases, the Regional Government shall remit to the local government units their respective shares within sixty (60) days from the end of each quarter of the current taxable year. The provinces, cities, municipalities, and barangays within the area of autonomy shall continue to receive their respective shares in the Internal Revenue Allotment (IRA), as provided for in Section 284 of Republic Act No. 7160, the Local Government Code of 1991. The five-year (5) period herein abovementioned may be extended upon mutual agreement of the central government or national government and the Regional Government.

ARTICLE X

Ancestral Domain, Ancestral Lands and Agrarian Reform

SECTION 1. *Ancestral Domain; Lands of Indigenous Cultural Communities.* – Subject to the Constitution and existing laws, the Regional Government shall undertake measures to protect the ancestral domain and ancestral lands of indigenous cultural communities.

All lands and natural resources in the autonomous region that have been possessed or occupied by indigenous cultural communities since time immemorial, except when prevented by war, *force majeure*, or other forms of forcible usurpation, shall form part of the ancestral domain. Such ancestral domain shall include pasture lands, worship areas, burial grounds, forests and fields, mineral resources, except strategic minerals such as uranium, coal, petroleum; and other fossil fuels, mineral oils, and all sources of potential energy; lakes, rivers, and lagoons; and national reserves and marine parks, as well as forest and watershed reservations. Until laws are enacted that provide otherwise, fifty percent (50%) of the revenues derived from the utilization and development of such strategic materials shall accrue to the Regional Government and the provinces, cities, municipalities, and barangay in the autonomous region. The sharing between the Regional Government and the local government units in the revenues derived from the strategic materials mentioned above shall be apportioned according to the formula set out in Section 5, Article XIII of this Organic Act.

Lands in the actual, open, public, and uninterrupted possession and occupation by an indigenous cultural community for at least thirty (30) years are ancestral lands.

SEC. 2. The constructive or traditional possession of lands and resources by an indigenous cultural community may also be recognized subject to judicial affirmation, the petition for which shall be instituted within a period of ten (10) years from the effectivity of this Organic Act. The procedure for judicial affirmation of imperfect titles under existing laws shall, as far as practicable, apply to the judicial affirmation of titles to ancestral lands.

The foregoing provisions notwithstanding, titles secured under the Torrens System, and rights already vested under the provisions of existing laws shall be respected.

SEC. 3. As used in this Organic Act, the phrase "indigenous cultural community" refers to Filipino citizens residing in the autonomous region who are:

(a) *Tribal peoples*. These are citizens whose social, cultural, and economic conditions distinguish them from other sectors of the national community; and

(b) *Bangsa Moro people*. These are citizens who are believers in Islam and who have retained some or all of their own social, economic, cultural, and political institutions.

SEC. 4. *Cultural Communities*. – The customary laws, traditions, and practices of indigenous cultural communities on land claims and ownership and settlement of land dispute shall be implemented and enforced among the members of such communities.

SEC. 5. *Ecological Balance*. – The proclamations issued by the central government or national government declaring old growth or natural forests and all watersheds within the autonomous region as forest reserves are hereby reiterated. The forest reserves shall not be subjected to logging operations of any nature or kind.

Forest concessions, timber licenses, contracts, or agreements of any kind or nature whatsoever granted by the central government or national government or by the Regional Government as of the date of the approval of this Organic Act, are hereby cancelled, nullified and voided, and shall not be renewed until thirty (30) years after the approval of this Organic Act.

If the said forest reserves are logged over or are mined by authority or neglect of the Regional Government, the funds provided by the central government or national government including the internal revenue shares of the Regional Government

may be withheld, reduced, cancelled, or forfeited by order of the President.

Ten percent (10%) of the shares of the internal revenue taxes of the Regional Government and of the provinces, cities, municipalities, and barangay of the autonomous region and all allocations for the development of the autonomous region by the central government or national government shall be devoted to reforestation projects and other environmental activities to enhance the protection and development of the environment in the autonomous region.

The Regional Government shall require corporations, companies, and other entities within the ancestral domain of the indigenous cultural communities whose operations adversely affect the ecological balance to take the necessary preventive measures and safeguards to restore, enhance, and maintain such a balance.

SEC. 6. Unless authorized by the Regional Assembly, lands of the ancestral domain titled to or owned by an indigenous cultural community shall not be disposed of to non-members.

SEC. 7. No portion of the ancestral domain shall be open to resettlement by non-members of the indigenous cultural communities.

SEC. 8. *Regional Land Reform.* – Subject to the provisions of the Constitution, the Regional Assembly may enact an agrarian reform law suitable to the special circumstances prevailing in the autonomous region.

ARTICLE XI

Urban and Rural Planning and Development

SECTION 1. *Urban and Rural Development.* – The Regional Government shall promote and formulate comprehensive and integrated regional urban and rural development policies, plans, programs, and projects responsive to the needs, aspirations, and values of the people in the autonomous region.

SEC. 2. *Indigenous Development Plans.* – The Regional Government shall initiate, formulate, and implement special development programs and projects, responsive to the particular aspirations, needs, and values of the indigenous cultural communities.

SEC. 3. *Equitable Development.* – The Regional Government shall provide equitable opportunities for the development of every province, city, municipality, and barangay within its jurisdiction and shall strengthen their existing planning bodies to ensure wider public participation.

SEC. 4. *Urban Land, Land and Water Use.* – Consistent with the Constitution, this Organic Act, and subject to ecological considerations, the Regional Government shall within one (1) year from the approval of this Organic Act, adopt and implement a comprehensive urban land reform and land and water use program, to ensure the just utilization of lands and waters within its jurisdiction.

ARTICLE XII

Economy and Patrimony

SECTION 1. *Regional Economy and Conservation of Patrimony.* – Consistent with the Constitution and existing laws, the Regional Assembly may enact laws pertaining to the regional economy and patrimony that are responsive to the needs of the region. The Regional Government may not lower the standards required by the central government or national government for the protection, conservation, and enhancement of the natural resources.

SEC. 2. *Economic Zones, Centers and Ports.* – The Regional Government shall encourage, promote, and support the establishment of economic zones, industrial centers, ports in strategic areas, and growth centers to attract local and foreign investments and business enterprises.

SEC. 3. *Incentives for Investors.* – The Regional Assembly may by law grant incentives to investors in the autonomous region. The central government or national government may likewise

grant incentives to investors in the autonomous region in addition to those provided by the Regional Government.

SEC. 4. *Regional Economic Zone Authority; Freeports.* – The Regional Government may establish a regional economic zone authority in the autonomous region. The Regional Economic Zone Authority shall have similar powers as the Philippine Economic Zone Authority and consistent with the Special Economic Zone Act of 1995. The Regional Assembly may provide such additional powers and functions to the Regional Economic Zone Authority as may be necessary to meet the special circumstances of the autonomous region.

Once the Regional Economic Zone Authority is created by a Regional Assembly legislation, the Philippine Export Zone Authority shall no longer authorize any other economic zone within the autonomous region. Any corporation, firm, or entity established within the autonomous region, by authority of the Philippine Export Zone Authority, shall be placed under the jurisdiction of the Regional Economic Zone Authority and shall continue to enjoy the benefits granted to it by the Philippine Export Zone Authority.

SEC. 5. *Use, Development of Mines, Minerals, and Other Natural Resources; Revenue Sharing; Exceptions.* – (a) *Regional Supervision and Control.* The control and supervision over the exploration, utilization, development, and protection of the mines and minerals and other natural resources within the autonomous region are hereby vested in the Regional Government in accordance with the Constitution and the pertinent provisions of this Organic Act except for the strategic minerals such as uranium, petroleum, and other fossil fuels, mineral oils, all sources of potential energy, as well as national reserves and aquatic parks, forest and watershed reservations already delimited by authority of the central government or national government and those that may be defined by an Act of Congress within one (1) year from the effectivity of this Organic Act.

(b) *Sharing Between Central Government or National Government and Regional Government in Strategic Minerals Revenues, Taxes, or Fees.* Fifty percent (50%) of the revenues, taxes, or fees derived from the use and development of the strategic

minerals shall accrue and be remitted to the Regional Government within thirty (30) days from the end of every quarter of every year. The other fifty percent (50%) shall accrue to the central government or national government.

(c) *Sharing Between Regional Government and Local Government Units in Strategic Minerals Revenues, Taxes, or Fees.* The share of the Regional Government mentioned above is hereby apportioned as follows: thirty percent (30%) to the Regional Government; twenty percent (20%) to all the provinces; fifteen percent (15%) to all the cities; twenty percent (20%) to all the municipalities; and fifteen percent (15%) to all the barangays. If there are no cities in the autonomous region as of the date the sharing above mentioned is done, the share of the cities shall be divided equally by all the provinces, municipalities, and barangay in the autonomous region.

(d) *Regional Assembly Authority to Grant Franchises and Concessions and Empower Regional Governor to Grant Leases, Permits, and Licenses.* The Regional Assembly shall by law have the authority to grant franchises and concessions and may by law empower the Regional Governor to grant leases, permits, and licenses over agricultural, forest, or mineral lands. The said leases, permits, franchises, or concessions shall, however, cover areas not exceeding the limits allowed by the Constitution and shall subsist for a period not exceeding twenty-five (25) years. Except as provided in this Organic Act, existing leases, permits, licenses, franchises, and concessions shall be respected until their expiration unless legally terminated earlier as provided by law enacted either by Congress or by the Regional Assembly.

(e) *Consultations with Cultural Communities, Needed.* The permits, licenses, franchises, or concessions over the natural resources located within the boundaries of an ancestral domain shall be issued by the Regional Assembly only after consultations are conducted with the cultural community concerned.

SEC. 6. *Use and Development of Natural Resources Open to Citizens.* – The exploration, development, and utilization of natural resources, except those referred to in the first paragraph of Section 5 of this Article, shall be allowed to all citizens and to

private enterprises, including corporations, associations, cooperatives, and such other similar collective organizations with at least sixty percent (60%) of their capital investment or capital stocks directly controlled or owned by citizens.

SEC. 7. Preferential Rights of Citizen-Inhabitants of Autonomous Region. – Subject to the exceptions provided in this Organic Act, citizens who are inhabitants of the autonomous region shall have preferential rights over the exploration, utilization, and development of natural resources of the autonomous region. Existing rights over the exploration, utilization, and development of natural resources shall be respected subject to the exceptions specified in this Organic Act.

SEC. 8. Rules, Regulations and Fees. – The Regional Assembly shall by law regulate the exploration, utilization, development, and protection of the natural resources, including the mines and minerals, except the strategic minerals as provided in this Organic Act. The Regional Government shall, pursuant to the said law, shall prescribe the rules and regulations and impose regulatory fees in connection therewith. Upon the enactment of the said law and the effectivity of such rules and regulations, the fees imposed by the Regional Government shall replace those that had been imposed by the central government or national government.

SEC. 9. Regulation of Small-Scale Mining. – Small-scale mining shall be regulated by the Regional Government to the end that the ecological balance, safety and health, and the interests of the indigenous cultural communities, the miners, and the people of the place where such operations are conducted are duly protected and safeguarded.

SEC. 10. Regional Economic and Development Planning Board; Composition and Functions. – There is hereby created a Regional Economic and Development Planning Board. The Board shall be chaired by the Regional Governor. The members of the Board shall be composed of all the provincial governors and the city mayors of the provinces and cities within the autonomous region; the Speaker, and two (2) members of the Regional Assembly appointed by the Speaker, one (1) of whom shall be nominated by

the opposition; and, five (5) representatives elected by the private sector as prescribed by the Regional Assembly.

The Board shall serve as the planning, monitoring, and coordinating agency for all development plans, projects, and programs intended for the autonomous region. It shall evaluate and recommend for approval by the Regional Assembly, the annual work programs and comprehensive development plans of the autonomous region. Once approved, it shall be the duty of the Regional Governor to ensure the proper implementation of the said annual work programs and comprehensive development plans.

The Board shall formulate a master plan for a systematic, progressive, and total development of the region. The master plan shall take into account the development plans of the province, city, municipality, and barangay concerned as mandated by Republic Act No. 7160, the Local Government Code of 1991.

After due notice in writing, the attendance at meetings of the Board by one-third (1/3) of its members with the Regional Governor or the Regional Vice Governor and three (3) of the representatives of the private sector being present, shall be a sufficient quorum for the board to transact business.

The Board shall adopt its own rules of procedure for the conduct of its meetings.

SEC. 11. *Pioneering Public Utilities and Cooperatives.* – The Regional Assembly may, in the interest of regional welfare and security, establish and operate pioneering public utilities. Upon payment of just compensation, it may cause the transfer of the ownership of such utilities to cooperatives or other collective organizations.

SEC. 12. *Proclamation of State of Calamity: Operation of Public Utilities.* – (a) *Temporary take-over of operations.* The Regional Government may, in times of regional calamity declared by the Regional Governor, when the public interest so requires and under such reasonable terms and safeguards as may be

prescribed by the Regional Assembly, temporarily take over or direct operation of any privately-owned public utility or business affected with public interest. The public utility or business concerned may contest the take over of its operations by the Regional Government by filing a proper case or petition with the Court of Appeals.

(b) *Proclamation of state of calamity.* The Regional Governor may proclaim a state of calamity over the region or parts thereof whenever typhoons, flash floods, earthquakes, tsunamis, or other natural calamities cause widespread damage or destruction to life or property in the region. The state of calamity proclaimed by the Regional Governor shall only be for the purpose of maximizing the efforts to rescue imperiled persons and property and the expeditious rehabilitation of the damaged area. The state of calamity proclaimed shall in no way suspend any provision of the Constitution or this Organic Act, as well as, the pertinent laws promulgated by the central government or national government or the Regional Government.

SEC. 13. *Legislating Benefits, Compensation for Victims of Mining and Mining Operations; Rehabilitation of Affected Areas.* – The Regional Assembly shall enact laws for the benefit and welfare of the inhabitants injured, harmed or adversely affected by the harnessing of natural and mineral resources in the autonomous region. Such laws may include payment of just compensation to and relocation of the people and rehabilitation of the areas adversely affected by the harnessing of natural and mineral resources mentioned above.

The Regional Assembly may by law require the persons, natural or juridical, responsible for causing the harm or injury mentioned above to bear the costs of compensation, relocation and rehabilitation mentioned above wholly or partially.

SEC. 14. *Reforestation; Support for Lumads or Tribal Peoples.* – The Regional Government shall actively and immediately pursue reforestation measures to ensure that at least fifty percent (50%) of the land surface of the autonomous region shall be covered with trees, giving priority to watershed areas,

strips of land along the edges of rivers and streams and shorelines of lakes and the seas within or abutting the autonomous region.

The Regional Government shall adopt measures for the development of lands eighteen percent (18%) in slope or over by providing infrastructure, financial and technical support to upland communities specially the lumads or tribal peoples.

The Regional Government shall also adopt measures to employ the people who may be displaced by the cancellation or revocation of timber concessions, licenses, contracts, or agreements mentioned in paragraph above.

SEC. 15. *Prohibition Against Toxic or Hazardous Substances.* – The Regional Government shall prohibit the use, importation, deposit, disposal, and dumping of toxic or hazardous substances within the autonomous region.

SEC. 16. *Business Ownership.* – The Regional Government shall adopt policies to promote profit sharing and broaden the base of ownership of business enterprises.

SEC. 17. *Incentives, Tax Rebates and Holidays.* – The Regional Assembly may by law, and with the approval of the absolute majority of all its members, grant incentives, including tax rebates and holidays, for investors in businesses that contribute to the development of the autonomous region. It may provide similar incentives to companies doing business in the autonomous region which reinvest at least fifty percent (50%) of their net profits therein, and to cooperatives which reinvest at least ten percent (10%) of their surplus into socially-oriented projects in the autonomous region.

SEC. 18. *Transport and Communication Facilities, Priority Projects.* – The Regional Government shall give priority to the establishment of transportation and communication facilities to expedite the economic development of the autonomous region.

SEC. 19. *Power Services Priority.* – In the delivery of power services, priority shall be given to provinces and cities in the autonomous region which need but do not have direct access to such services.

SEC. 20. *Pioneering Firms.* – The Regional Assembly may create pioneering firms and other business entities to boost economic development in the autonomous region.

Agriculture, Fisheries and Aquatic Resources

SEC. 21. *Farming and Fishing Cooperatives.* – The Regional Government shall recognize, promote, and protect the rights and welfare of farmers, farm-workers, fisherfolk, and fish-workers, as well as cooperatives and associations of farmers and fish-workers.

SEC. 22. *Agricultural Productivity; Organic Farming.* – The Regional Government shall encourage agricultural productivity and promote diversified and organic farming.

SEC. 23. *Soil and Water Conservation.* – The Regional Government shall give top priority to the conservation, protection, utilization, and development of soil and water resources for agricultural purposes.

SEC. 24. *Aquatic and Fisheries Code.* – The Regional Assembly may enact an aquatic and fisheries code which shall enhance, develop, conserve, and protect marine and aquatic resources, and shall protect the rights of subsistence fisherfolk to the preferential use of communal marine and fishing resources, including seaweeds. This protection shall extend to offshore fishing grounds, up to and including all waters fifteen (15) kilometers from the coastline of the autonomous region but within the territorial waters of the Republic, regardless of depth and the seabed and the subsoil that are included between two (2) lines drawn perpendicular to the general coastline from points where the boundary lines of the autonomous region touch the sea at low tide and a third line parallel to the general coastline.

The provinces and cities within the autonomous region shall have priority rights to the utilization, development, conservation, and protection of the aforementioned offshore fishing grounds.

The provinces and cities concerned shall provide support to subsistence fisherfolk through appropriate technology and research, adequate financial, production, marketing assistance, and other services.

The Regional Assembly shall enact priority legislation to ensure that fish-workers shall receive a just share from their labor in the utilization, production, and development of marine and fishing resources.

The Regional Assembly shall enact priority legislation to develop science, technology, and other disciplines for the protection and maintenance of aquatic and marine ecology.

SEC. 25. *Agriculture and Fisheries Bureau.* – The Regional Assembly shall by law, create a Bureau on Agriculture and Fisheries and define its composition, powers and functions.

Trade and Industry

SEC. 26. *Private Sector.* – The Regional Government recognizes the private sector as the prime mover of trade, commerce, and industry. It shall encourage and support the building up of entrepreneurial capability in the autonomous region and shall recognize, promote, and protect cooperatives.

SEC. 27. *Cottage Industries.* – The Regional Government shall promote and protect cottage industries by providing assistance such as marketing opportunities, financial support, tax incentives, appropriate and alternative technology and technical training to produce semi-finished and finished products. Deserving small and medium-scale cottage industries may be provided priority assistance.

SEC. 28. *Banks and Financial Institutions.* – The Regional Government shall, subject to the supervision of the Bangko Sentral

ng Pilipinas, encourage the establishment in the autonomous region of:

(a) Banks and financial institutions and their branches;
and

(b) Off-shore banking units of foreign banks.

SEC. 29. *Islamic Banks.* – The Bangko Sentral ng Pilipinas shall establish an Islamic Bank and authorize the establishment of its branches in the autonomous region.

The members of the board of directors or trustees of the Islamic Bank shall be appointed by the President upon recommendation of the Regional Governor. The persons recommended by the Regional Governor shall possess educational qualifications and sufficient experience in the management and operation of Islamic banking and shall be subject to confirmation by the Regional Assembly before they are recommended to the President. The board of directors or trustees of the bank shall elect from among their members the chair, the vice chair and the president of the bank. Other bank officials and employees shall be appointed by the president of the bank.

SEC. 30. *Bangko Sentral Regional Bank.* – The Bangko Sentral ng Pilipinas shall establish a Bangko Sentral Regional Bank with full banking services in the capital city or any suitable municipality in the autonomous region within one (1) year from the approval of this Organic Act. The Regional Governor shall submit a list of qualified persons to the appropriate Bangko Sentral authority from which the staff of the regional office may be chosen. The rights of the Bangko Sentral personnel who are occupying positions in the Bangko Sentral Regional Office as of the date of the approval of this Organic Act to continue as such shall be respected.

SEC. 31. *Barter and Counter-Trade.* – Subject to existing laws, the Regional Government shall regulate traditional barter trade and counter-trade with Indonesia, Malaysia, or Brunei. The goods or items that are bartered or counter-traded with the said

countries shall not be sold elsewhere in the country without payment of appropriate customs or import duties. The Department of Finance shall, in consultation with the Regional Government, promulgate the rules to govern barter and counter-trade within six (6) months from the approval of this Organic Act.

SEC. 32. *Consumer Education and Welfare.* – The Regional Government shall promote consumer education and protect the rights, interests, and general welfare of the consumers.

SEC. 33. *Local Labor and Goods.* – The Regional Government shall promote the preferential use of local labor and locally produced goods and materials by adopting measures to increase their competitiveness.

SEC. 34. *Foreign Investments.* – Subject to the provisions of the Constitution, the Regional Government shall regulate and exercise authority over foreign investments within its jurisdiction. The central government or national government may intervene in such matters only if national security is involved.

Tourism Development

SEC. 35. *Regional Tourism.* – The Regional Government shall have primary jurisdiction in the promotion of tourism within the autonomous region. In promoting tourism, the diverse cultural heritage, and the moral and spiritual values of the people in the autonomous region shall be upheld, respected, and maintained.

SEC. 36. *Tourism Office.* – The Regional Assembly may, by law, create a regional tourism office, and define its composition, powers and functions.

The Department of Tourism of the central government or national government shall, whenever feasible, extend financial and technical support to the tourism program of the Regional Government.

ARTICLE XIII

Public Order and Security

SECTION 1. *Law and Order.* – The Regional Government shall give priority to the maintenance and preservation of law and order for the establishment of peace and the protection of life, liberty, and property of the people in the autonomous region, in consonance with the provisions of the Constitution and this Organic Act.

SEC. 2. *Regional Security Force.* – There is hereby created a Philippine National Police Regional Command for the autonomous region, hereafter called the Special Regional Security Force (SRSF) or Regional Police Force, in short.

SEC. 3. *Law Governing Regional Police Force.* – The Regional Assembly shall enact laws to govern the Regional Police Force consistent with the pertinent provisions of the Constitution and this Organic Act.

The members of the Moro National Liberation Front who are integrated into the Regional Police Force may be deployed in the autonomous region or elsewhere in the Republic as may be determined by the proper police authorities.

SEC. 4. *Regional Police Force Composition.* – The PNP Regional Command for the autonomous region/SRSF shall be composed of the existing PNP units therein, the MNLF elements, and other residents of the area who may later on be recruited into the SRSF.

SEC. 5. *Powers and Functions of Regional Police Force.* – The Regional Police Force shall exercise within the autonomous region the following powers and functions:

(a) Enforce laws enacted by the Congress and by the Regional Assembly relative to the protection of lives and properties of the people;

(b) Maintain law and order and ensure public safety;

(c) Investigate and prevent crimes, arrest criminal offenders, bring criminal suspects to justice, and assist in their prosecution;

(d) Effect other arrests, searches, and seizures in accordance with the Constitution and pertinent laws;

(e) Detain persons for a period not exceeding what is prescribed by law, inform the person so detained of all his or her rights under the Constitution, and observe the human rights of all people in the autonomous region;

(f) Process applications for the licensing of firearms for approval by the proper official of the Philippine National Police;

(g) Initiate drives for the licensing or surrender of unlicensed firearms; confiscate unlicensed firearms after such drives are over; prosecute or recommend to the President the grant of amnesty or pardon to possessors of unlicensed firearms who surrender them; and

(h) Perform such other duties and exercise all other functions as may be provided by law enacted by Congress or by the Regional Assembly.

SEC. 6. *Observance of Constitution and Laws.* – The Regional Police Force shall be charged with the preservation of peace, the maintenance of law and order, and the protection of life, liberty, and property in the autonomous region in consonance with the Constitution and pertinent legislation.

The Regional Police Force shall be run professionally and free from partisan political control. The discharge of its functions shall be done impartially and with professional integrity. It shall be constrained by and accountable to the law.

SEC. 7. *Regional Police Framework and Organization.* – The philosophical framework and structural organization of the Regional Police Force shall be as follows:

(a) It shall be civilian in nature and character;

(b) The scope of its operations shall be regional. The Regional Police Force, its units or personnel may be deployed elsewhere in the Republic as directed by the National Police Commission or when needed to suppress lawless violence, pursue, and arrest criminal offenders or maintain law and order. In such circumstances, the order to deploy must be signed by the chairman of the National Police Commission and approved by the President. The President may also order the said deployment on his own authority;

(c) It shall be headed by a regional director who shall be assisted by two deputies, one for administration and one for operations. The regional director and the two deputies shall come from the ranks of the professional police force, preferably from any province, city, or municipality of the autonomous region;

(d) It shall have regional, provincial, and city or municipal offices;

(e) At the provincial level, there shall be a provincial office headed by a provincial director, who shall be a professional police officer with the rank of police superintendent, at least; and

(f) At the city or municipal level, there shall be an office or station which shall be headed by a Chief of Police, who shall be a professional police officer with the rank of police superintendent for the city and police inspector for the municipality.

SEC. 8. *Power of Regional Governor Over Regional Police Force.* – The Regional Governor shall have the following powers over the Regional Police Force:

(a) To act as the deputy of the National Police Commission in the region and as the *ex officio* chair of the Regional Police Commission;

(b) To exercise operational control and general supervision and disciplinary powers over the Regional Police Force;

(c) To employ or deploy the elements of and assign or reassign the Regional Police Force through the regional director. The Regional Director may not countermand the order of the Regional Governor unless it is in violation of the Constitution and the law;

(d) To recommend to the President the appointment of the regional director and his two deputies;

(e) To oversee the preparation and implementation of the Integrated Regional Public Safety Plan;

(f) To impose, after due notice and summary hearings of the citizen's complaints, administrative penalties on personnel of the Regional Police Force except those who are appointed by the President; and

(g) Do everything necessary to promote widespread support by the various communities making up the autonomous region for the Regional Police Force.

SEC. 9. *Regional Police Directors.* – The selection, assignment, and appointment of the Provincial and City Directors of the Regional Police Force and the assignment of Moro National Liberation Front integreees shall be done pursuant to Republic Act No. 6975, the Philippine National Police Law and Republic Act No. 8551, the Philippine National Police Reform and Reorganization Act of 1998.

SEC. 10. *Regional Police Commission.* – There is hereby created a regional police commission which shall perform the functions of the National Police Commission in the autonomous region. The Regional Police Commission shall be under the administration and control of the National Police Commission. The chairman and the members, thereof, shall be appointed by the Regional Governor subject to confirmation by the Regional Assembly. The chairman shall be an *ex officio* commissioner of the National Police Commission on matters dealing with the Regional Police Force.

The Regional Police Commission shall have the power to investigate complaints against the Regional Police Force. Appeals from its decisions may be lodged with the National Police Commission. Pending resolution of the appeal, its decisions may be executed. The rules and regulations governing the investigation of members of the Philippine National Police shall be followed by the Regional Police Commission in the absence of rules and regulations enacted by the Regional Assembly.

SEC. 11. *Regional Defense and Security.* – The defense and security of the autonomous region shall be the responsibility of the central government or national government. Towards this end, there is hereby created a Regional Command of the Armed Forces of the Philippines for the autonomous region, which shall be organized, maintained, and utilized in accordance with national laws. The central government or national government shall have the authority to station and deploy in the autonomous region such elements of the Armed Forces as may be necessary to carry out that responsibility. Qualified inhabitants of the autonomous region shall be given preference for assignments in the said regional command.

SEC. 12. *Calling Upon the Armed Forces.* – The provisions of the preceding sections notwithstanding, the Regional Governor may request the President to call upon the Armed Forces of the Philippines:

(1) To prevent or suppress lawless violence, invasion, or rebellion, when the public safety so requires, in the autonomous region in accordance with the provisions of the Constitution;

(2) To suppress the danger to or breach of peace in the autonomous region, when the Regional Police Force is not able to do so; or,

(3) To avert any imminent danger to public order and security in the area of autonomy.

The President may on his own accord send the Armed Forces of the Philippines into the autonomous region to attain the above

objectives if the Regional Governor does not act within fifteen (15) days after the occurrence of the events mentioned above that need to be suppressed, prevented, or suppressed.

SEC. 13. *Indigenous Structures.* – The Regional Government shall recognize indigenous structures or systems which promote peace, law, and order.

ARTICLE XIV

Education, Science and Technology, Arts, and Sports

SECTION 1. *Quality Education, A Top Priority.* – The Regional Government shall establish, maintain, and support as a top priority a complete and integrated system of quality education and adopt an educational framework that is meaningful, relevant, and responsive to the needs, ideals, and aspirations of the people in the region.

The schools, colleges, and universities existing in the autonomous region as of the date of the approval of this Organic Act and such other schools and institutions that may be established in the region shall be deemed integral components of the educational system of the Regional Government.

The educational system of the Regional Government shall be deemed a subsystem of the national educational system. The regional educational subsystem shall enjoy fiscal autonomy and academic freedom.

Educational Policies

SEC. 2. *Policies and Principles.* – Consistent with the basic state policy on education, the Regional Government shall adopt the following educational policies and principles:

(a) *Perpetuation of Filipino and Islamic values.* The regional educational subsystem shall perpetuate Filipino and Islamic values and ideals, aspirations, and orientations. It shall develop the total spiritual, intellectual, social, cultural, scientific, and physical aspects of the people of the autonomous region to make them god-fearing, productive, patriotic citizens, and

conscious of their Filipino and Islamic values and cultural heritage;

(b) *Inculcation of values of peaceful settlement of disputes.* The regional educational subsystem shall prioritize the inculcation among the citizenry and students of their commitment to the peaceful settlement of disputes and grievances and the avoidance of the use of lawless violence.

To this end, emphasis shall be placed on the desirability and practicality of relying upon democratic and legal processes rather than on the use of guns or resort to violence to settle personal, familial, or tribal problems. The Regional Assembly may, by law, establish a program for the surrender of firearms with payment of compensation provided by the Regional Government. The program may also be supported from the funds of the Philippine National Police.

(c) *Optional religious instruction.* Religious instruction in public schools shall be optional, with the written consent of the parent or guardian, and taught by the authorities of the religion to which the student belongs. The teaching of religion shall not involve additional costs to the government in accordance with national policies;

(d) *Inculcation of patriotism and nationalism.* To develop, promote, and enhance unity in diversity, all schools in the autonomous region shall inculcate into the minds of their students the values of patriotism and nationalism, appreciation of the role of national and regional heroes in the historical development of the country and region, foster love of humanity, respect for human rights, and teach the rights and duties of citizenship, and the cultures of the Muslims, Christians, and tribal peoples in the region;

(e) *Vocational and special education.* The thrusts, programs, and administration of vocational, non-formal, and special education shall be supported and made relevant to the manpower needs of the region;

(f) *Scholarships, student loans and scholarships.* A system of scholarship programs, grants, student loans, subsidies, and other incentives shall be made available to all poor but deserving students;

(g) *Funding for local education programs.* Funding for local educational programs shall be the responsibility of the Regional Government;

(h) *Community participation in education.* The active participation of the home, community, religious organizations, and other sectors in the total educative process of the child shall be encouraged and supported;

(i) *Development of regional language.* A regional language may be evolved and developed from the different dialects in the region;

(j) *Media of instruction in schools.* Filipino and English shall be the media of instruction in all schools in the autonomous region. Arabic shall be an auxiliary medium of instruction;

(k) *Teaching of Arabic as subject.* Arabic shall be taught as a subject in all grade levels as required for Muslims under existing laws and optional, for non-Muslims;

(l) *Auxiliary official languages.* Regional languages may be used as auxiliary official languages in the region as well as auxiliary media of instruction and communication;

(m) *Develop ethnic identity.* Education in the autonomous region shall develop consciousness and appreciation of one's ethnic identity and shall provide a better understanding of another person's cultural heritage for the attainment of national unity and harmony;

(n) The Regional Government shall recognize the participation of private institutions of learning, including the Madaris (Arabic schools), in providing quality education to the people of the region; and

(o) (1) *Basic education structure.* The elementary level shall follow the basic national structure and shall provide basic education, the secondary level will correspond to four (4) years of high school, and the tertiary level shall be one year to three (3) years for non-degree courses and four (4) to eight (8) years for degree courses, as the case may be, in accordance with existing laws.

(2) *Social studies subjects contents.* Filipino and Islamic values shall be incorporated in the social studies subjects or their equivalent in appropriate grade levels and subject to agreed norms, academic freedom, and legal limitations. These values shall be taught also as a part of appropriate subjects in the secondary and tertiary levels of education.

(3) *Textbook preparation, writing, revision and printing.* The preparation, writing, revision, and printing of textbooks for the use of the schools in the autonomous region shall be the joint responsibility of the Regional Government and the central government or national government. Subject to agreed norms, academic freedom, and relevant legal limits, the preparation, writing, revision, and printing of the textbooks shall emphasize Filipino and Islamic values. The said values shall include those of Muslims, Christians, and indigenous peoples, human rights, modern sciences and technology, as well as, the latest advances in education that are relevant to the ideals of the autonomous region and to the Republic.

(4) *Accreditation for transfer to other schools.* After they shall have passed the core curriculum prescribed by the central government or national government, the students and graduates of the education system of the autonomous region shall be fully accredited for transfer to the corresponding grade levels in the schools outside the autonomous region.

(5) *Period for integration of Islamic values.* The integration of Islamic values in the curriculum of the regional educational subsystem shall be done over a period of six (6) years from the approval of this Organic Act after appropriate researches and studies shall have been conducted, evaluated, and approved by the regional education authorities.

(6) *Primary responsibility for learning aids and instructional materials.* The Regional Government shall have the primary responsibility to provide learning aids and instructional materials to the schools in the autonomous region in addition to those already prescribed by the central government or national government.

(7) *Responsibility for selection, recruitment, appointment, promotion, and civil service protection of teachers and non-teaching personnel.* (a) The selection, recruitment, appointment, and promotion of teaching and non-teaching personnel of the regional educational subsystem shall be the responsibility of the Regional Government. The teaching and non-teaching personnel of the regional educational subsystem who have appropriate civil service eligibility may not be replaced, removed, or dismissed without just cause.

(b) The Regional Government may impose its regionally-defined standards for the employment of teaching and non-teaching personnel in its school system which, however, shall not be lower than the standards of the Department of Education, Culture and Sports.

(c) In the selection, recruitment, appointment, and promotion of elementary, secondary, and tertiary education teaching and non-teaching personnel, the minimum requirements and standards prescribed by the Department of Education, Culture and Sports, the Commission on Higher Education, and the Technical Education and Skills Development Authority shall be observed by the regional educational subsystem.

(8) *Preservation of culture, mores, customs, and traditions.* The culture, mores, customs, and traditions of the Muslim people and those of the Christians and indigenous people, shall be preserved, respected, enhanced, and developed.

(9) *Schools to preserve, enhance, and develop cultures, mores, customs, and traditions.* The regular public and Madaris schools in the autonomous region shall be the primary vehicles for the preservation, enhancement, and development of the said cultures, mores, customs, and traditions.

SEC. 3. *Regional Educational Curricula.* – The Regional Department of Education, Culture and Sports shall develop curricula that are relevant to the economic, social, political, cultural, moral, and spiritual needs of the people in the autonomous region.

SEC. 4. *Education, Management, and Control of Education.* – The management, control, and supervision of the regional educational subsystem shall be the primary concern of the Regional Government.

The Department of Education, Culture and Sports, the Commission on Higher Education, and the Technical Education and Skills Development Authority, and other appropriate educational bodies of the central government or national government shall monitor compliance by the regional educational subsystem with national educational policies, standards, and regulations. The Department of Education, Culture and Sports, the Commission on Higher Education, and the Technical Education and Skills Development Authority of the Regional Government shall participate in policy and decision-making activities of their counterparts of the central government or national government in matters that affect the regional educational subsystem.

Educational Structure

SEC. 5. The Regional Assembly may, by law, create, support, and maintain a regional Department of Education, Culture and Sports, and shall define its powers, functions and composition.

SEC. 6. *Private Schools Supervision.* – (a) The Regional Department of Education, Culture and Sports shall be responsible for the supervision and regulation of private schools.

(b) Private schools, including sectarian and non-sectarian institutions of learning of whatever level, may organize themselves and shall have the right to participate and be represented by three (3) representatives in the deliberations of the Regional Department of Education, Culture and Sports on matters dealing with private schools.

(c) The representatives of the private schools to the Regional Department of Education, Culture and Sports shall act for the sectarian Christian schools, non-sectarian schools, and the schools of the lumads, if any.

(d) The right of sectarian educational institutions to propagate their religious beliefs shall be not be curtailed. The regional educational subsystem shall not discriminate against the sectarian educational institutions in any manner or form.

SEC. 7. Educational Subsystem Structure. – The organizational structure of the regional educational subsystem shall follow the basic structure of the educational system of the central government or national government. The Regional Assembly may, however, create its own structures. It shall prescribe the same curricular years as those prescribed nationally.

SEC. 8. Academic Freedom and Fiscal Autonomy. – State colleges and universities shall be part of the regional educational subsystem within the autonomous region and shall enjoy academic freedom and fiscal autonomy and shall continue to be governed by their respective charters. The provisions of existing laws to the contrary notwithstanding, the Regional Government shall be represented in the board of state universities and colleges in the region by the Chair of the Committee on Education, Culture and Sports of the Regional Assembly either as co-chair or co-vice chair.

SEC. 9. Education Centers. – All state colleges and universities in the autonomous region shall serve as regional centers for tertiary and post graduate education in their respective areas of competence.

SEC. 10. Tribal University System. – The Regional Assembly may create a tribal university system within the autonomous region to address the higher educational needs of the indigenous cultural communities in the region.

Madrasah Education

SEC. 11. Supervision of Madaris Schools. – Accredited madaris in the autonomous region shall be supervised by the

Department of Education, Culture and Sports in accordance with the principles of the Constitution and this Organic Act. The educational policies should also take into consideration the teaching of the Koran that an educational system should inculcate respect by individuals for duly constituted authority. A periodic review and supervision of the 'Madaris' educational system shall be conducted by the Department of Education, Culture and Sports and a monthly report shall be submitted by the Department to Congress through the Senate President, the Speaker and the Chairs of respective education committees of both Houses of Congress or the corresponding committees of the Regional Assembly of the autonomous region in Muslim Mindanao, if there are such committees in the said Assembly.

SEC. 12. *Madrasah Educational System; Arabic as Medium of Instruction.* – The Regional Assembly shall enact legislation for the strengthening and development of the Madrasah Educational System in the autonomous region.

Arabic is hereby recognized as a medium of instruction in madaris (schools) and other Islamic institutions.

SEC. 13. *Madaris.* – Existing madaris and *madaris ulya* are deemed parts of the regional educational subsystem.

SEC. 14. *Madaris Teachers Qualifying Examinations; Compensation.* – The Regional Department of Education, Culture and Sports shall, in coordination with the Regional Commission on Higher Education, conduct periodic competitive qualifying examinations of madaris teachers for permanent appointments to the regional educational subsystem.

The compensation of *madaris* teachers employed in the public schools of the autonomous region shall be taken from the funds of the Regional Government.

Science and Technology

SEC. 15. *Science and Technology.* – Science and Technology are recognized as essential to national and regional progress and development.

SEC. 16. *Priority Legislation.* – The Regional Assembly shall enact laws that shall:

(a) Give priority to science, research, inventions, technology, education, and their development and utilization;

(b) Provide incentives, including tax deduction and funding assistance, and encourage the participation of the private sector in basic and applied scientific researches;

(c) Regulate the transfer and promote the adoption of technology from all sources for regional benefit;

(d) Secure and protect the exclusive rights of scientists, inventors, scholars, writers, artists, and other gifted citizens to their intellectual properties; and

(e) Ensure the full and effective participation of all sectors in the planning, programming, coordination, and implementation of scientific and technological researches and the acquisition, adoption, innovation, and application of science and technology for development.

SEC. 17. *Environmental Changes.* – The regional educational subsystem shall endeavor to respond positively and effectively to the climatic changes affecting the environment. It shall monitor and evaluate ecological developments affecting the region and develop appropriate plans to meet ecological situations. To this end, it may establish linkages with appropriate domestic and international institutions.

SEC. 18. *Non-Formal Education.* – The Regional Department of Education, Culture and Sports shall institutionalize non-formal education in scope and methodology, to include literacy, numeracy, and intensive skills training of the youth and adults.

Scholarship Grants and Assistance

SEC. 19. *Donations to Universities, Colleges and Schools.*
– Public or private universities, colleges, and schools in the

autonomous region may seek and receive local or foreign donations for educational purposes. Donors to public or private universities, colleges, and schools may deduct the amount of the donation from their taxable income due to the Regional Government.

SEC. 20. *Scholarship Programs.* – The Regional Government shall provide scholarships to qualified poor but deserving students in all levels of education. To this end, the Regional Government shall devote, at least, fifteen percent (15%) of its regular budget for education to support scholarships and shall endeavor to augment the funds for scholarships from other sources of revenue, public or private.

The Regional Government shall administer the scholarship programs of the Commission on Higher Education and the Technical Education and Skills Development Authority scholarship programs, both local and foreign within the region. The administrative and other details of this transfer of authority to administer the scholarship programs shall be done within six (6) months from the approval of this Organic Act.

SEC. 21. *Financial Assistance for Disadvantaged, Deserving Students.* – The Regional Government shall provide financial assistance to disadvantaged but deserving students from any funds including those provided by the central government or national government for that purpose.

Funds for Education

SEC. 22. *Release of Education Funds.* – Educational funds for the Regional Government allocated by the central government or national government in the General Appropriations Act shall be released directly to the treasurer of the Regional Government.

Physical Education and Sports Development

SEC. 23. *Physical Education and Sports Development.* – The regional educational subsystem shall develop and maintain an integrated and comprehensive physical education program. It shall develop healthy, disciplined, creative, innovative, and productive individuals, and promote the spirit of sportsmanship, cooperation, teamwork, goodwill, and understanding.

SEC. 24. *Sports Programs.* – The regional educational subsystem shall encourage and support sports programs, league competitions, indigenous games, martial arts, and amateur sports, including training for regional, national and international competitions.

Cultural Heritage

SEC. 25. *Cultural Heritage.* – The cultural heritage of the people of the autonomous region shall be an integral component of regional development.

SEC. 26. *Protection and Promotion of Culture.* – The Regional Government shall recognize, respect, protect, preserve, revive, develop, promote, and enhance the culture, customs, traditions, beliefs, and practices of the people of the autonomous region. It shall encourage and undertake the recovery, collection, collation, and restoration of historical and cultural properties for posterity.

SEC. 27. *Bureau of Cultural Heritage.* – The Regional Assembly may, by law, create a bureau on cultural heritage. The Bureau shall plan, initiate, implement, and monitor cultural programs, projects, and activities that preserve and enhance the positive elements of the indigenous culture of the inhabitants of the autonomous region. It shall coordinate with other concerned agencies engaged in similar and related activities.

ARTICLE XV

Social Justice, Services, Institutions, and Other Concerns

SECTION 1. *Promotion of Social Justice.* – The promotion of social justice shall include the commitment to create social, political, and economic opportunities based on freedom of initiative, resourcefulness, and self-reliance.

SEC. 2. (a) *Social Services.* The Regional Assembly shall, consistent with the provisions of the Constitution and existing national laws, enact measures to provide and promote social services.

(b) *Food and Drug Regulation.* The Regional Assembly shall, by law, establish and maintain an effective food and drug regulatory system. The rational use of drugs through an essential drugs list and the use of generic medicines or drugs, as well as the use of herbal medicines and indigenous health resources, whenever appropriate, shall be encouraged and promoted.

(c) *Other Legislation.* The Regional Assembly shall also enact legislation on the following:

(1) Child health and development, including the support of the physically challenged and other disadvantaged persons in need of welfare services;

(2) Protection and development of the rights of women and of indigenous population;

(3) Registration of births, marriages and deaths; and

(4) Fixing of regional public holidays.

SEC. 3. *Housing Program.* – The Regional Government, in cooperation with the private sector, shall evolve its own housing program that will provide adequate, low-cost, and decent housing facilities, and other basic services to the residents of the region, especially the underprivileged.

SEC. 4. The Regional Assembly shall, within one year from its organization, enact measures embodying re-integration programs responsive to the needs of former rebels who return to the fold of the law. A rehabilitation program shall be provided for displaced persons or communities that are victims of man-made or natural calamities.

SEC. 5. *Family as Nation's Foundation.* – The Regional Government recognizes the Filipino family as the foundation of the nation. It shall strengthen its solidarity and actively promote its total development.

SEC. 6. *Women's Rights.* – The Regional Government recognizes the role of women in nation building and regional development. It shall promote their well-being and ensure their fundamental rights and equality with men.

The Regional Government shall take appropriate measures against all forms of exploitation of and discrimination against women.

It shall ensure the representation of women in appropriate decision and policy-making bodies.

SEC. 7. *Youth.* – The Regional Government recognizes the vital role of the youth in nation building.

The Regional Assembly may, by law, create the Office of Youth Affairs and define its powers, functions, and composition.

SEC. 8. *People's Organization.* – The Regional Government shall protect and promote the rights of people's organizations.

SEC. 9. *Protection of Labor.* – The Regional Government recognizes labor as a primary social economic force for development. It shall afford full protection to labor, promote full employment, ensure equal work opportunities regardless of sex, race, or creed, and regulate the relations between workers and employers.

The Regional Government shall ensure the right of labor to its just share in the fruits of production, and the right of enterprise to reasonable returns on investments and to expansion and growth.

ARTICLE XVI

General Provisions

SECTION 1. The Regional Assembly is hereby empowered to pass a law adopting an official regional emblem, seal, and hymn. The regional emblem and seal shall be displayed along with the national emblem and seal. The regional hymn shall be sung in

after the national anthem in official proceedings at the discretion of the government officials in the autonomous region.

SEC. 2. *Disciplinary Authority Over Officials and Employees.* – The Regional Government shall have primary disciplinary authority over officials and employees of the Regional Government. In the exercise of that authority, the Regional Government shall apply the Civil Service Law, rules and regulations of the central government or national government until the Regional Assembly shall have enacted a Regional Civil Service Law.

The Regional Civil Service Law shall govern the conduct of the civil servants, the qualifications for non-elective positions, and the protection of civil service eligibles in various government positions in the autonomous region. The Regional Civil Service Law shall be consistent with the provisions of Article IX (B) of the Constitution.

SEC. 3. *Oath of Office.* – All public officers and employees, as well as members of the Regional Police Force and the military establishment, shall be required to take an oath of allegiance to the Republic of the Philippines, to support and defend the Constitution and this Organic Act, renounce the use of violence, and commit themselves to democratic means in the pursuit of their ideals and aspirations.

SEC. 4. *Civil Service Eligibility.* – Until the Regional Assembly shall have enacted a civil service law, the civil service eligibilities required by the central government or national government for appointments to public positions shall likewise be required for appointments to government positions in the Regional Government. As may be necessary, the Civil Service Commission shall hold special civil service examinations in the autonomous region. For a period not longer more than six (6) years from the approval of this Organic Act, the central government or national government shall endeavor to provide appropriate civil service eligibility to applicants coming from the autonomous region for government positions therein. The minimum qualifications prescribed by law shall, however, be met.

SEC. 5. *Prohibition Against Employment of Military Personnel in Civil Service.* – No member of the Armed Forces of the Philippines in the active service shall, at any time, be appointed or designated in any capacity to a civilian position in the Regional Government, including government-owned or -controlled corporations, or in any of their subsidiaries or instrumentalities within the autonomous region.

SEC. 6. *Promulgation and Translation of Organic Act.* – This Organic Act shall be officially promulgated in Filipino, English, and Arabic and translated into the dialects widely spoken in the autonomous region. In case of conflict, the English text shall prevail.

ARTICLE XVII

Amendments or Provisions

SECTION 1. Consistent with the provisions of the Constitution, this Organic Act may be reamended or revised by the Congress of the Philippines upon a vote of two-thirds (2/3) of the Members of the House of Representatives and of the Senate voting separately.

SEC. 2. The Regional Assembly shall have the power to initiate proposals for amendment to or revisions of this Organic Act by a vote of three-fourths (3/4) of all its Members or it may call for a Regional Consultative Commission to propose the amendment or revision. In any case, the amendment or revision shall require the approval of the Congress of the Philippines by a vote of two-thirds (2/3) of the Members of the House of Representatives and of the Senate voting separately.

SEC. 3. Any amendment to or revision of this Organic Act shall become effective only when approved by a majority of the vote cast in a plebiscite called for the purpose, which shall be held not earlier than sixty (60) days or later than ninety (90) days after the approval of such amendment or revision.

ARTICLE XVIII

Transitory Provisions

SECTION 1. *Disposition of Certain Real Properties of the Autonomous Region.* The land and permanent buildings or structures owned, controlled, administered, or in the possession of the Regional Government of the Autonomous Region in Muslim Mindanao, including those formerly owned, held, administered, or controlled by the defunct autonomous governments in Regions IX and XII located in provinces and cities which do not vote favorably for the inclusion of their respective areas in the Autonomous Region in Muslim Mindanao as provided by this Organic Act shall be purchased by the central government or national government at a price to be determined by the Oversight Committee as provided for in Section 3 of this Article, within three (3) months from the holding of the said plebiscite. Any dispute on the price as determined by the Oversight Committee may be appealed to the President of the Philippines, who shall decide on said price with finality within three (3) months from the receipt of the appeal. The proceeds of the purchase shall be remitted to the Regional Government of the Autonomous Region in Muslim Mindanao.

The national government or central government shall within three (3) months from its acquisition of said land and permanent buildings or structures sell, transfer, and convey the said properties in favor of the local government unit having territorial jurisdiction thereover and willing to purchase the said land and buildings or structures, or portions thereof, at the price agreed upon by the central government or national government with the local government concerned.

SEC. 2. *Personnel Absorbed by Regional Government.* – All personnel of the central government or national government and of government-owned or -controlled corporations who are absorbed by the Regional Government shall retain their seniority rights, compensation levels, and other benefits.

SEC. 3. *Oversight Committee.* – Within one (1) month from the approval of this Organic Act, an oversight committee composed of: (a) the Executive Secretary as Chairman, (b) the Secretary of

Budget and Management, (c) the Regional Governor of the autonomous region, (d) the Speaker of the Regional Assembly, (e) the Chair of the Senate Committee on Local Government, (f) one (1) other Senator designated by the Senate President, (g) the Chair of the House Committee on Local Government, and (h) one (1) other representative representing a congressional district in the Autonomous Region in Muslim Mindanao designated by the Speaker of the House of Representatives, as members, shall be organized for the purpose of supervising the transfer to the autonomous region of such powers and functions vested in it by this Organic Act, and the appropriations of the offices or agencies, including the transfer of properties, assets, and liabilities, and such personnel as may be necessary; and, of identifying the other line agencies and government-owned or -controlled corporations that may be absorbed by the Regional Government and, with respect to the latter, also the terms and conditions of their turnover.

Within six (6) months after its organization as ordained by this Organic Act, the oversight committee shall submit its report and recommendations to the President of the Philippines who shall act on the report and recommendations within ninety (90) days after receiving it. If the President fails to act within said period, the recommendations of the oversight committee shall be deemed approved.

SEC. 4. Agencies and Offices Transferred to the Autonomous Region. – Upon the election of the officials of the Regional Government, as mandated by this Organic Act, the line agencies and offices of the central government or national government dealing with local government, social services, science and technology, labor, natural resources, and tourism, including their personnel, equipment, properties, and budgets, shall be immediately placed under the control and supervision of the Regional Government.

Other central government or national government offices and agencies in the autonomous region which are not excluded under Section 3, Article IV of this Organic Act, together with their personnel, equipment, properties, and budgets, shall be placed under the control and supervision of the Regional

Government pursuant to a schedule prescribed by the oversight committee mentioned in Section 3 of this Article. The transfer of these offices and agencies and their personnel, equipment, properties, and budgets shall be accomplished within six (6) years from the re-organization of the Regional Government.

The central government or national government shall continue to provide such levels of expenditures as may be necessary to enable the Regional Government to carry out the functions devolved under this Organic Act. The annual budgetary support shall, as soon as practicable, terminate for the line agencies or offices devolved to the Regional Government.

SEC. 5. Notwithstanding the provisions of the preceding section, the Government Service Insurance System (GSIS), the Social Security System (SSS), the Pagtutulungan-Ikaw, Bangko, Industriya't Gobyerno (PAG-IBIG), and other funds of similar trust or fiduciary nature shall be exempt from the coverage of this Organic Act.

SEC. 6. *Budgetary Law, Rules, and Regulations.* – Pending the enactment of a regional budgetary law, the budgeting process of the Regional Government shall be governed by pertinent rules and regulations prescribed by the Department of Budget and Management.

SEC. 7. *First Regular Elections.* – The first regular elections of the Regional Governor, Regional Vice Governor and members of the regional legislative assembly under this Organic Act shall be held on the second Monday of September 2001. The Commission on Elections shall promulgate rules and regulations as may be necessary for the conduct of said election.

The election of the Regional Governor, Regional Vice Governor, and members of the Regional Legislative Assembly of the Autonomous Region In Muslim Mindanao (ARMM) set forth in Republic Act No. 8953 is hereby reset accordingly.

The funds for the holding of the ARMM elections shall be taken from the savings of the national government or shall be provided in the General Appropriations Act (GAA).

SEC. 8. The incumbent Regional Governor, Regional Vice Governor, and members of the Regional Legislative Assembly of the Autonomous Region in Muslim Mindanao shall continue in office pursuant to existing laws and until their successors shall have been duly elected and qualified.

SEC. 9. Within one (1) year from its organization, the Regional Assembly shall, by law, create a code commission on Muslim and a code commission on tribal laws. Each code commission shall have three (3) members. The code commissions shall codify tribal laws and Islamic laws and jurisprudence within three (3) years from their creation and submit the same to the Regional Assembly for enactment into law.

The Chairs and Commissioners of the code commissions shall be entitled to reasonable *per diems* for the work.

SEC. 10. *Initial Funds for the Regional Government.* – The sum of Fifteen million pesos (P15,000,000), which shall be charged against the Contingent Fund of the President, is hereby appropriated for the initial organizational requirements of the Regional Government. Any deficiency shall be taken from savings of the central government or national government. An amount not exceeding Ten million pesos (P10,000,000) thereof shall be allotted to the Commission on Elections to undertake an information campaign on this Organic Act. The Commission on Elections shall determine the manner of campaigning and the deputization of government agencies for the purpose. The Commission on Elections shall adopt measures to ensure the dissemination of the said impartial information campaign.

SEC. 11. *Annual Assistance.* – In addition to the regular annual allotment to fund the regular operations of the Regional Government, such amounts as may be needed to fund the infrastructure projects duly identified, endorsed, and approved by the Regional Economic and Development Planning Board as created herein shall be provided by the central government or

national government as annual assistance for six (6) years after the approval of this Organic Act, and shall be included in the annual General Appropriations Act (GAA). The annual assistance herein mentioned shall be appropriated and disbursed through a Public Works Act duly enacted by the Regional Assembly. The national programs and projects in the autonomous region shall continue to be financed by central government or national government funds.

SEC. 12. *Sectoral Representatives.* – The sectoral representatives mentioned in Section 3, Article VI of this Organic Act, shall be chosen by the sectoral groups concerned at sectoral conventions called for the purpose by the Commission on Elections. The sectoral conventions shall be held within three (3) months after the date of the holding of the simultaneous plebiscites mandated by this Organic Act.

The Commission on Elections (COMELEC) shall formulate the rules and regulations to ensure equitable sectoral representations in the Regional Assembly. It shall identify and accredit the sectoral organizations, which shall be entitled to sectoral representation in the Regional Assembly.

The Regional Assembly shall enact a law for the election of marginalized and under-represented sectors, following the principle of proportional representation, within its first term following the approval of this Organic Act.

SEC. 13. *Plebiscite and Effectivity of this Organic Act.* – This Organic Act shall take effect when approved by a majority of the votes cast in the four (4) provinces constituting the present Autonomous Region in Muslim Mindanao pursuant to Republic Act No. 6734, the Organic Act for the Autonomous Region in Muslim Mindanao.

A separate plebiscite shall be held simultaneously with the plebiscite mentioned in the preceding paragraph in the Provinces of Basilan, Cotabato, Davao del Sur, Lanao del Norte, Palawan, Sarangani, South Cotabato, Sultan Kudarat, Zamboanga del Norte, Zamboanga del Sur and the newly created Province of Zamboanga Sibugay, and the cities of Cotabato, Dapitan, Dipolog,

General Santos, Iligan, Marawi, Pagadian, Puerto Princesa, Zamboanga, Digos, Koronadal, Tacurong, and Kidapawan to determine by majority vote cast in every province and city whether or not the voters approve the inclusion of their respective provinces or cities in the autonomous region. Only provinces and cities voting favorably in such plebiscite shall be included in the Autonomous Region in Muslim Mindanao.

If the majority of the votes cast in the said plebiscite in the four (4) provinces favor the amendments to Republic Act 6734, the amendments will be deemed ratified.

SEC. 14. *Plebiscite Information Campaign.* – The Commission on Elections shall conduct an information campaign on the plebiscite in every municipality, city, and province where the plebiscite is held. Public conferences, assemblies, or meetings on dates before the plebiscite day, itself, shall be held to inform the residents thereof regarding the significance and meaning of the plebiscite and to help them to cast their votes intelligently. Free, full, and constructive discussion and exchange of views on the issues shall be encouraged. For this purpose, the assistance of persons of known probity and knowledge may be enlisted by the Commission on Elections, the Regional Government, the local government units or interested parties to act as speakers or resource persons.

SEC. 15. *Promulgation of Rules; Appropriations for Simultaneous Plebiscites.* – The Commission on Elections shall within fifteen (15) days from the approval of this Organic Act, promulgate such rules and regulations as may be necessary to govern the conduct of the plebiscites.

The amount necessary for the conduct of the plebiscites shall be charged against any savings of the appropriations of the Commission on Elections and any deficiency thereof, shall be augmented from the contingent fund.

SEC. 16. *Zone of Peace and Development.* – The Special Zone of Peace and Development in the Southern Philippines, the Southern Philippines Council for Peace and Development, and the Consultative Assembly created under Executive Order No.

371 dated October 2, 1996, are deemed abolished and shall cease to exist as of the date of the approval of this Organic Act in the said plebiscites. If this Organic Act is rejected in the said plebiscites, the aforementioned bodies shall continue to exist only in the four (4) provinces constituting the present ARMM and in the provinces and cities that opt to join the expanded autonomous region until abolished by law.

SEC. 17. *Separability Clause.* – The provisions of this Organic Act are hereby declared to be separate and in the event one or more of such provisions are held unconstitutional, the validity of other provisions shall not be affected thereby.

SEC. 18. *Repealing Clause.* – All laws, decrees, orders, rules and regulations, and other issuances or parts thereof, which are inconsistent with this Organic Act, are hereby repealed or modified accordingly.

SEC. 19. *Effectivity Clause.* – This Organic Act shall take effect after fifteen (15) days following its complete publication in at least two (2) national newspapers of general circulation and one (1) local newspaper of general circulation in the autonomous region.

Lapsed into law on March 31, 2001 without the President's signature, pursuant to Sec. 27(1), Article VI of the Constitution.