

# REVIEW AND ASSESSMENT OF THE 1996 GRP-OIC-MNLF PEACE AGREEMENT

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## **I. The High Contracting Parties and Signatories**

The peace 1996 peace accord entitled the PEACE AGREEMENT- THE FINAL AGREEMENT ON THE IMPLEMENTATION OF THE 1976 TRIPOLI AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES (GRP) AND THE MORO NATIONAL LIBERATION FRONT (MNLF) WITH THE PARTICIPATION OF THE ORGANIZATION OF ISLAMIC CONFERENCE MINISTERIAL COMMITTEE OF THE SIX AND THE SECRETARY GENERAL OF THE ORGANIZATION OF ISLAMIC CONFERENCE (OIC) was signed in Malacanang, Manila, on September 2, 1996 in the presence of former President Fidel V. Ramos, by Chairman Nur Misuari representing the MNLF, Ambassador Manuel Yan representing GRP, H.E. Mr. Ali Alatas, Minister of Foreign Affairs of the Republic of Indonesia, representing the Organization of Islamic Conference (OIC) Ministerial Committee of the Six, as Chairman, and H.E. Dr. Hamid Al-Gabid, the Secretary-General of the OIC.

## **II. 1976 Tripoli Agreement as Mother Agreement**

The 1996 Peace Agreement (1996 PA) is an implementation of the unresolved stipulations under the mother agreement-- the GRP-MNLF Tripoli Agreement (TA) signed in Tripoli, Libya on December 23, 1976. Under the Tripoli Agreement the MNLF and the GRP provides for the establishment of an Autonomous Government for the Muslims in Southern Philippines within the territorial integrity and sovereignty of the Republic of the Philippines specifically in the "13 provinces and all cities and villages situated therein". Such Autonomous Government shall have powers on the following:

1. Shariah
2. Education
3. Administrative System
4. Economic and Financial System
5. Special Regional Security Forces
6. Legislative Assembly and Executive Council
7. Mines and Mineral Resources

The other points agreed were:

1. The convening of a Mixed Committee to discuss later, among others, the foregoing points;

2. The establishment of a Provisional Government immediately after the signing of the agreement to handle preparations for the Regular Autonomous Government;
3. Observance of the Philippine constitutional processes in the establishment of the autonomous government (decried by Chairman Nur Misuari as unilateral insertion by the GRP).

Unfortunately the Mix Committee was not convened for the next 17 years and the Provisional Government was never established. In the meantime the peace talks collapsed in 1977 and hostilities recurred between the GRP and the MNLF until 1986. For a period stretching from 1976 to 1992 the 1976 Tripoli Agreement was not complied with by two presidents-- late President Ferdinand Marcos and former President Corazon Aquino. Marcos established his own version of autonomy in Region IX and X in Mindanao and Corazon Aquino modified the Marcos autonomy by causing the passage of Republic Act 6734 which created the Autonomous Regional Government in Muslim Mindanao (ARMM) contravening the 1976 Tripoli Agreement.

### **III. 1993 Cipanas, Indonesia Statement of Understanding**

In 1992, following the peace initiatives of former President Fidel V. Ramos with the active participation of the OIC through the OIC Ministerial Committee of the Six chaired by the Republic of Indonesia, the GRP and the MNLF, met in Cipanas, West Java, Indonesia for the Second Exploratory Talks on April 13-16, 1993 leading to the signing of the Cipanas Statement of Understanding whereby the parties agreed that the *“agenda for the talks will focus on the modalities for the full implementation of the Tripoli Agreement in letter and spirit”*. This understanding led to the historic signing of the Peace Agreement on September 2, 1996. The 1993 Cipanas, Indonesia Statement of Understanding was a breakthrough in that it aimed to rectify the mistakes of two past administrations of the GRP i. e. those under former President Ferdinand Marcos and President Corazon Aquino who both established bogus autonomous regions in Southern Philippines contrary to the 1976 Tripoli Agreement.

### **IV. The GRP-OIC-MNLF 1996 Peace Agreement In Substance**

#### **A. Phase I**

Provides for a transitory period of three years from September 2, 1996

- Establishment of Special Zone of Peace and Development SZOPAD covering covering the provinces of Basilan, Sulu, Tawi Tawi, Zamboanga del Sur, Zamboanga del Norte, North Cotabato, Maguindanao, Sultan Kudarat, South Cotabato, Sarangani, Davao del Sur, Lanao del Norte, Lanao del Sur, and

- Palawan and the cities of Cotabato, Dapitan, Dipolog, Pagadian, Zamboanga, Marawi, Iligan, General Santos, and Puerto Princesa.
- Establishment of Southern Philippines Council for Peace and Development (SPCPD) which will exercise the following powers (within SZOPAD):
    1. Will have control and supervision over appropriate agencies engaged in peace and development activities in the area;
    2. Monitor, promote, and coordinate development efforts;
    3. Attract foreign investment ;
    4. Cause the implementation of peace and development projects;
    5. To be deputized by the Commission on Elections to assist in the preparation of the holding of elections, referenda or plebiscite and people's initiative
  - Creation of the Darul Iftah (Advisory Council);
  - Establishment of the Consultative Assembly having powers, among others, to make rules and regulations to the extent necessary for the effective and efficient administration of the affairs of the area.
  - Channeling of public and private investment into the area to spur economic development
  - Integration of 5,750 members of the MNLF into the Armed Forces of the Philippines and the Joining of 1,500 MNLF elements with the Philippines National Police;
  - Legislative Enactment to Incorporate all the pertinent provisions of the 1996 Peace Agreement by amending Republic Act 6734 otherwise known as the Organic Act of the Autonomous Region in Muslim Mindanao.
  - Establishment of the Joint Monitoring Committee (JMC) composed of representatives from the GRP, OIC and the MNLF with the mandate to review and identify agreement that can be immediately implemented and monitor the implementation of the Agreement in Phase I
  - Conduct of plebiscite

## **B. Phase II**

### **Establishment of Genuine Autonomous Government:**

1. Powers: The New Autonomous Government exercises broad powers in the area except on Foreign Affairs, National Defense and Security, Postal Service, Coinage, Fiscal and Monetary Policies, Administration of Justice except Shari'a, Quarantine, Customs and Tariff, Citizenship, Naturalization, Immigration, Deportation, General Auditing, Civil Service and Elections, Foreign Trade, Patents, Trademarks, Trade-names and Copyrights.

2. The Autonomous Framework consists of the following:

- Executive Council, Legislative Assembly, Administrative System and Right of Representation in the National Government (paragraphs 21-72 PA);
- The Establishment of the Special Regional Security Forces for the Autonomous Region (Phase-2 of the Implementation of the Tripoli Agreement) (paragraphs 73-93 PA);
- Educational System to develop total spiritual, intellectual, social, cultural, scientific and physical aspects of Bangsamoro people to make them God-fearing, productive, patriotic citizens conscious of their Filipino and Islamic values and Islamic cultural heritage (paragraphs 94-124 PA);
- The Economic and Financial System, Control over Mines and Minerals (paragraphs 126-151, PA);
- Shari'ah (152 PA)

## V. Review of Implementation of Phase I

### 1. The Unilateral GRP Legal Processes

The legal processes used by the GRP in the implementation of the Agreement were unilateral acts done without any consultation with the other High Contracting Parties i. e. the OIC and the MNLF. This legal processes involved a combination of executive and legislative fiats. The executive fiat is Executive Order 371 signed by former President Fidel Ramos for the purpose of implementing Paragraphs 1-20 of the Peace Agreement and the other subsequent executive actions affecting the constituents in the Bangsamoro homeland. The legislative fiat is Republic Act 9054.

### 2. Executive Order No. 371

To implement paragraphs 1-20 of the Peace Agreement, former President Fidel V. Ramos signed Executive Order No. 371 in October 1996 which watered down, altered and modified vital transitory provisions of the Peace Agreement.

2.1. Paragraph 11 (c ) of the Peace Agreement provides that the Consultative Assembly (CA) has *“the power to formulate rules and regulations to the extent necessary for the administration of the affairs of the area”*. Without the consent of the OIC and the MNLF the GRP through Executive 371 altered and removed this power by inserting the following: *“The rules and regulations referred to above pertain only to internal affairs and procedure of the SPCPD Consultative Assembly..”* In so doing the GRP has committed a major violation of the Peace Agreement because this alteration reduced the CA and the SPCPD powerless to effectively prepare for the establishment of a regular autonomous government in Phase II. As mere monitoring agency SPCPD was rendered inutile to address the complex political, socio-economic and peace and order problem (within its jurisdiction) brought about by decades of the absence of the rule of

law, staggering underdevelopment, massive unemployment and decadence in the moral and spiritual aspect in Southern Philippines. It is *the power to make rules and regulations to the extent necessary for the administration of the affairs of the area* that gave reason the MNLF accepted SPCPD and CA as transitory mechanisms but Executive Order 371 voided that power unilaterally.

2.2. Executive Order 371 removed from the Chairman of the SPCPD the power to establish Darul Iftah.

### 3. The GRP Disregarded the authority SPCPD on Peace and Order

The GRP ignored the major role of the SPCPD as the implementor of Peace programs as stipulated in paragraph 18 subparagraphs (a) and (b) which provides respectively that the SPCPD shall “*take charge in promoting, monitoring and coordinating the improvement of the peace and order in the area*” and “*to focus on peace and development efforts more particularly the depressed areas and cause the implementation of peace and development projects*”. Immediately after the signing of the 1996 Peace Agreement, the GRP held peace talks with the Moro Islamic Liberation Front without any participation and knowledge of the SPCPD. When the peace talks with the MILF failed, the GRP launched an all out war within SZOPAD in 1999 again completely disregarding the mechanisms in Phase I of the 1996 Peace Agreement i.e. the mandate of the SPCPD. The war obliterated whatever meager gains the 1996 Peace Agreement brought. The deteriorating peace and order condition resulting from the all out war policy of the GRP particularly in the Estrada regime and the sidelining by the GRP of the SPCPD in the resolutions of these conflicts have all conspired to marginalized and render the SPCPD irrelevant and inutile.

### 4. The GRP did not Deputize the SPCPD to Prepare for Elections And Plebiscite

The elections and plebiscite during the transitory period were conducted by the GRP in violation of Paragraph 18 (e) of the Peace Agreement because the GRP did not recognize the authority of SPCPD to assist in the preparation for these electoral exercise. Paragraph 18 (e) was in line with the transitory provision of the Tripoli Agreement empowering the provisional government to prepare for the election of the regular autonomous government.

It was important to deputize the SPCPD in the preparations for the conduct of elections and plebiscite to ensure that the rights of suffrage of the Bangsamoro people are protected and respected and ensure that rules and regulations are formulated as to who are entitled to vote. But the GRP conducted the plebiscite unilaterally without the participation of the MNLF through the SPCPD and despite the OIC Resolutions enjoining the parties to mutually agree on a new time frame to fully implement the Peace Agreement.

Since the process of ratification of RA 9054 is illegitimate in the light of the 1996 Peace Agreement and 1976 Tripoli Agreement, therefore, RA 9054 is unacceptable to the MNLF.

#### 5. Public Investment Was Not Channeled to SZOPAD

All of the foregoing was aggravated by the “business as usual” attitude of the government in the preparations and enactment of the General Appropriation Acts from 1997 to 2001 resulting in the insufficient funding for the projects intended for rehabilitation and reconstruction, reconciliation, social, economic and infrastructure projects.

The projects implemented and the funds released intended for SZOPAD during the 3 year transitory were normal regular funds intended for previously programmed projects (to be implemented even if there was no Peace Agreement). For example, the Internal Revenue Allotment (IRA) given to local government units within SZOPAD should not be considered as implementation of the Peace Agreement because Philippine law requires all local government units within the Philippines to be granted with IRA. Moreover, in areas covering 12 provinces and 9 cities, outside the ARMM, the projects and fund utilization were absolutely under the control and supervision by the appropriate national government agencies and not the SPCPD. The IRA for local government units within ARMM are also released directly without passing through the ARMM or the SPCPD.

Proof of the fact that the GRP did not channel sufficient public investment in the SZOPAD areas is the measly allocation of funds to Regions IX, XII and ARMM in the transitory period covering 1996 to 1999.

Table 1. Comparative Regional Share in Government Expenditure (P Billions)

	1996	1997	1998	1999	2000	2001	2002	2004	2005
<b>NCR</b>	23.50	23.35	30.11	33.60	40.37	47.20	42.00	35.50	36.30
<b>I</b>	11.40	19.29	15.55	15.70	17.61	22.00	21.30	19.80	22.70
<b>II</b>	6.60	8.19	10.33	11.70	14.24	16.70	15.70	14.90	15.90
<b>III</b>	12.20	15.49	18.70	22.60	24.21	29.10	30.90	28.00	30.50
<b>IV</b>	18.80	24.04	29.09	31.40	37.31	42.10	43.40	39.60	44.40
<b>V</b>	9.80	12.50	15.32	16.50	19.33	22.20	21.70	20.60	22.40
<b>VI</b>	12.70	15.50	19.84	22.20	25.96	30.80	30.40	27.50	30.90
<b>VII</b>	10.70	12.44	15.98	17.00	19.63	23.90	22.90	20.40	22.70
<b>VIII</b>	9.20	11.64	14.10	17.90	18.30	22.10	21.60	18.40	21.50
<b>IX</b>	7.20	8.68	11.77	11.80	14.39	17.50	16.70	15.00	15.20
<b>X</b>	9.80	12.06	10.32	10.70	12.88	15.50	14.30	14.70	17.40
<b>XI</b>	10.10	11.57	15.62	16.90	21.39	23.20	22.50	16.10	16.10
<b>XII</b>	5.70	7.20	8.40	8.90	12.04	14.10	14.30	14.60	15.20
<b>CARAGA</b>	---	.25	6.12	8.60	10.10	15.50	14.10	10.90	14.90
<b>CAR</b>	4.70	6.33	8.06	8.60	10.16	14.20	11.40	10.00	10.90
<b>ARMM</b>	<b>5.60</b>	<b>6.06</b>	<b>7.90</b>	<b>9.20</b>	<b>9.72</b>	<b>14.90</b>	<b>11.10</b>	<b>10.50</b>	<b>14.50</b>

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<b>NCR</b>									
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<b>IX</b>									
<b>X</b>									
<b>XI</b>									
<b>XII</b>									
<b>CARAGA</b>									
<b>CAR</b>									
<b>ARMM</b>									

## 6. Republic Act 9054 Questioned Legitimacy

The passage of Republic Act 9054 otherwise known as “An Act To Strengthen and Expand the Organic Act for the Autonomous Region in Muslim Mindanao, Amending For the Purpose Republic Act 6734, Entitled An Act Providing For the Autonomous Region in Muslim Mindanao” was vehemently objected by the MNLF as an “arbitrary and unilateral act of the GRP”. There are at least ten provisions in RA 9054 that needs amendment to comply with the letter and spirit of the 1996 PA. A series of lobbying with the OIC and demands for the GRP for the convening of a trilateral committee to act as oversight body to review the pending bills in Congress in order to harmonize them with the 1996 PA all failed. During the critical stages of the deliberations in Congress and the Senate, the Philippines was glued to the impeachment proceedings of former President Estrada. And just as when the Senators and Congressmen in the Bicameral Conference were exasperated in the impeachment trial and when they “*had no energy left*”, they deliberated the fate of Mindanao and the Bangsamoro people and approved Republic Act 9054 in that Bicameral Conference held on that fateful evening in December 2000, past 11 PM in a Conference Room at the Senate when nobody was looking.

The political convulsion arising from the impeachment trial and ouster of former President Estrada left the passage of the questionable law unnoticed. The MNLF objections drowned in the tumultuous event in “EDSA II” and the euphoric subsequent events.

## 7. The Plebiscite [\(here\)](#)

With the assumption to power by President Gloria Macapagal Arroyo, the MNLF was hopeful that RA 9054 would be rectified. But almost simultaneous with the rise to power of the present administration, the MNLF leadership was rocked with divisiveness and obscured any opposition to the new law. Notwithstanding the internal problem, all MNLF sides officially objected to the holding of the plebiscite. Despite the opposition, the plebiscite was held on August 20, 2001. where only 5 provinces and 1 city voted for inclusion in the ARMM. and ratified RA 9054 and these are the provinces of Tawi Tawi, Sulu, Basilan Maguindanao, and Lanao del Sur and the city of Marawi.

The clusters of municipalities in Lanao del Norte, North Cotabato and Sultan Kudarat that voted for inclusion in the ARMM were left out since their situation was not in the contemplation of RA 9054. It must be emphasized that paragraph 2(b) of the FPA provides that clusters of contiguous Muslim dominated municipalities voting in favor of autonomy be merged and constituted into new province(s) which shall become part of the new Autonomous Region.

Prominent members of the MNLF 15-Man Executive Council however acquiesced by participating in the first elections held under RA 9054 thereby beclouding questions about the infirmities or legitimacy of the controversial law.

## VI. The Imperatives

### 1. The United Nations Multi Donor Program (UNMDP) Second Assessment Mission Report

The Second Assessment Mission Report of the UNMDP cites six (6) risks among others, that could negatively effect the viability of the 1996 Peace Agreement. They are the following:

- a) An Organic Act that does NOT offer Meaningful Autonomy;
- b) Absolute or relative defeat in the plebiscite on the New ARMM;
- c) An ineffective new autonomous government;
- d) **Insufficient government investment;**
- e) Lack of citizen ownership;

- f) Spirals of violence by the hawks on both sides that lead to anarchical situations.

## **2. The Executive Doables**

### **2.1. Right of Representation**

This calls for the immediate implementation of Paragraphs 63 to 71 of the Peace Agreement which requires the appointment of qualified Bangsamoro representatives to the following positions in the government:

- At least one member of the Cabinet
- Board of Directors in government owned and controlled corporations operating mainly or through a subsidiary in the area of autonomy
- At least one (1) official in each of all the departments and constitutional bodies---executive, primarily confidential and highly technical or policy determining positions;
- At least one (1) Justice in the Supreme Court and at least 2 Justices in the Court of Appeals
- A member of the Judicial and Bar Council

### **2.2 Grievance Machinery**

A grievance machinery like the Joint Monitoring Committee (First Phase) must be put in place to act as an oversight body to address the unresolved issues in the MNLF-GRP peace process. It must be composed of representatives from the MNLF, GRP, and OIC. Representatives from the Donor Countries and Civil Society must be provided some participation in the grievance machinery to infuse dynamism and active participation of all the stakeholders in the full implementation of the covenants. This mechanism will provide the necessary conflict preventive measures on conflict prone issues between the parties.

Bearing in mind that the 1996 Agreement is only one step, peace building efforts must be pursued in order for peace to continue and be respected.

### **2.3 Infuse Sufficient Private and Public Investment for the NEW ARMM**

The territories comprising ARMM constitutes Mindanao's most troubled land traumatized by the recurrence of war and government's neglect and apathy. Up to the present the annual budget of ARMM have remained dismal and the lowest in the country ---4.9 billion in 2001; 5.4 billion in 2002 and 5.5 billion in 2003. For fiscal year 2004, Gov. Farouk Hussien proposed a 14 billion annual budget. The ARMM needs a shot in

the arm so to speak. The President must therefore direct the DBM and other government agencies to re-channel some funds to the ARMM for fiscal year 2005 onwards.

Interventions of Donor Countries add internationality to the peace process and contributes greatly to peace building and confidence building owing to the Bangsamoro educative experience of belongingness to the community of nations transcending race and religion.

## **2.4 Strengthening Governance**

The expanded ARMM owing to its infancy, inherent disabilities, systemic defects and questionable legitimacy needs all the help from major actors and stakeholders. Multiple but coherent strategic approaches may be made accessible to the ARMM such as, but not limited to:

- Building confidence between all parties;
- Recognize and address high expectations raised by the 1996 PA—“better late than never”
- Dialogues with all parties---local government units including civil society on contentious issues;
- Overcome national institutional and political resistance to autonomy;
- Ensuring better coordination with appropriate private and national governmental agencies
- Ensure better coordination of coherent regional and national policies for sustainable fiscal sustainability of the autonomous region through fiscal reforms aimed at increasing regional revenues. Example: Providing for block grant in accordance with Section 11, Article XVIII of RA 9054.
- Development of technical and administrative capability of ARMM.
- Immediate establishment of the Human Rights Commission
- Enhance legislation on Shari’a.
- Coherent intervention of national line agencies.
- And others.

## **2.5 Implement the Special Regional Security Force**

- Re-assign MNLF AFP integrees in the NEW ARMM territory or at least in the former SZOPAD areas-- they shall compose the Regional defense and Security provided under Section 11, Article XIII, RA 9054;
- Full implementation of the Regional Security provisions under sections 1-10, Article XIII, RA 9054 and re-assign all MNLF-PNP elements within the ARMM territories or adjacent SZOPAD areas.

### **3. Legislative and Constitutional Reforms Inclusion of Pertinent Provisions of 1996 PA**

#### **On RA 9054**

Assuming that a multilateral consensus is reached between and among the parties in the grievance mechanism resolving issues on RA 9054, then legislative process must be initiated to comply with the High Contracting Parties' covenant that the autonomy law shall incorporate all the pertinent provisions of the 1996 PA consistent with the Bangsamoro peoples' aspiration for self determination. Among others, the amendments will be the following:

- Inclusion in the Expanded ARMM cluster of contiguous Muslim dominated municipalities opting to join the autonomous region;
- Regional power over all natural resources in the area of autonomy except strategic minerals to be mutually identified by the MNLF and the GRP ;
- Compulsory appointment of Qualified Bangsamoro representatives in accordance with the right of representation provided in the PA;
- Amendment of RA 9054 provisions that contravene the PA;

#### **On Charter Change**

Constitutional Reform must incorporate the highest form of Bangsamoro aspiration for self determination. The constitutional/legal arrangement in Hongkong(China), Quebec(Canada), Basque(Spain), and Federal States in India, Malaysia, Germany, United States of America and others may serve as models to effectively address the right of the Bangsamoro nations to self rule.

### **VII. Strengthening the 1996 Peace Agreement**

- The strength of the 1996 PA lies in its being a Binding International Commitment and Obligation (BICO) to implement the 1976 Tripoli Agreement. Historically, the FPA is just one step in the Bangsamoro people's search for self determination. The peoples' peace process must continue. The following are suggested, from among a wide range of opportunities, as essential elements to keep the banner of peace fly high in Southern Philippines:
  - RELEASE OF CHAIRMAN NUR MISUARI
  - Recognize the infirmities in the implementation of the PA;
  - Amendment of the questionable provisions of RA 9054;
  - Active participation of civil society groups of all types;
  - The ARMM, GRP and Donors must provide space/opportunities for the engagement of these civil society groups;
  - Grievance machinery to address conflict resolutions;

- Build capacity of people and organizations promoting/defending human rights;
- Empowerment of communities to strengthen capacity to initiate peace building activities even in the height of conflict;
- Provide opportunities for international dialogues;
- Democracy building-- among others, support to local and regional political parties.
- Create climate for reconciliation and a sustainable reconciliation process based on justice, recognition of rights of internally displaced individuals, traditional and customary mechanisms and removal of roots of conflict.
- And others.

## **VIII. PROVISIONS OF REPUBLIC 9054 WHICH VIOLATE THE 1996 PEACE AGREEMENT, NEGATE THE TRILATERAL NATURE OF THE ACCORD AND DOWNGRADE AUTONOMY**

### **1. Article III, Section 5 which states that:**

*“xxxx. 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..xx”*

violates the Peace Agreement particularly Paragraph 152 which provides that:

*“The Regional Legislative Assembly of the area of autonomy shall establish Shari’ah Courts in accordance with existing laws.”*

### **Comment:**

Article III, Section 5 violates paragraph 152 of the Peace Agreement for the following reasons:

- a) By using the word may, the law makes the formulation of Shari’ah legal system as optional. On the other hand, under the Peace Agreement, the establishment of Shari’ah is compulsory;
- b) By inserting the phrase “in consultation with Supreme Court” the GRP has violated the Peace Agreement which does not require that the Regional Legislative Assembly consult the Supreme Court in establishing Shari’ah Courts

### **2. Article V, Section 2 which states that:**

*“ As far as practicable, it shall be the policy of the national government that there shall be at least one 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.”*

violates the Peace Agreement particularly Paragraph 65 which provides that::

*“It shall be the policy of the National Government that there shall be at least one(1) member of the Cabinet (with the rank of Department Secretary) who is an inhabitant of the Autonomous Region to be recommended by the Head of the Autonomous Government”*

**Comment:**

Section 2, Article V violates the Peace Agreements for the following reasons:

a) The use of the phrase “as far as practicable” makes the representation in the Cabinet (of at least one Cabinet Secretary) as optional. On the other hand, under the Peace Agreement, representation of the autonomous region in the cabinet is a matter of compulsory policy.

b) Under the Peace Agreement there is no requirement for consultation with elected officials and concerned sectors. Such consultation infringe upon the executive prerogative and power to choose his/her recommendee.

c) It makes the process of recommendation a highly partisan political exercise.

**3. Sections 4 and 5 of Article V state that:**

*“Section 4. 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 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. Xxxxx”*

*Section 5. At least, one (1) qualified inhabitant of the autonomous region recommended by the Regional Governor in 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.*

On the other hand, Paragraphs 63 and 66 of the Peace Agreement provide that:

*Paragraph 63. “Representation in the National Government by the inhabitants of the Autonomous Region may be effected through appointment or elections and must be subject to standards and guidelines prescribed for the position. When representation is done by appointment, the inhabitants of the Autonomous Region will be appointed by the President of the Philippines to herein specified positions which are policy determining, highly technical, primarily confidential and supervisory upon recommendation by the Head of the Autonomous Government.”*

*Paragraph 66. “It shall likewise be a policy that there shall be at least one (1) official in each of the departments and the constitutional bodies of the national government who shall be appointed in executive, primarily confidential, highly technical or policy-determining positions, from among the inhabitants of the Autonomous Region upon recommendations by the Head of the Autonomous Government. Xxx”*

**Comment:**

- a) The inclusion of the phrase of “in consultation with the Regional Legislative Assembly and concerned sectors is a digression from the clear import and intent of Paragraph 63 and 66 of the Peace Agreement granting the Head of the Autonomous Government the prerogative and power to recommend the appointment of such officials to the national government.
- b) To require consultation with the Regional Legislative Assembly which is composed of members belonging to different political parties would not only dilute this executive power and prerogative but will likewise subject the same to highly partisan and gross political interests and red tape.

**4. Section 3, Article VI states that:**

*There shall be sectoral representatives in the Regional Assembly whose number shall not exceed fifteen (15%) percent of the total number of elected members of the Regional Assembly coming 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.*

On the other hand paragraph 25 of the Peace Agreement provides that:

*“There shall be sectoral representatives in the Legislative Assembly whose number shall not exceed fifteen (15%) percent of the total number of elected Members of the Legislative Assembly coming from the labour, disabled, industrial, indigenous cultural communities, youth, women, non-governmental organizations, agricultural, and such other sectors as may be provided by Regional Law to be appointed by the Head of the Autonomous Government from among the nominees of the different sectoral groups provided, however, that the youth representative shall not be less than 18 years of age nor more than 21 years of age at the time of his appointment.*

**Comment:**

While section 3, Article VI provides for the election of sectoral representatives of the Legislative Assembly, in contrast, Paragraph 25 of the Peace Agreement provides that the sectoral representatives will be appointed by the Head of the Regional Autonomous Government from among the nominees of the different sectoral groups.

**5. Section 2 Article VII which provides that the Regional Governor shall be “assisted by a cabinet not exceeding ten (10) members, at least six (6) of whom shall come from the indigenous cultural communities“** is unrealistic. It downgrades the capability of the Executive Department. At present the Regional Governor is already assisted by twenty (20) nationally funded departments secretaries and heads of offices and five (5) locally funded heads of offices. Furthermore this provision of the law will infringe upon the power of the Autonomous Government to formulate its own administrative code (as provided in this organic act and the Peace Agreement.) in accordance with the needs of the region.

*b*

**6. Section 2, Article VIII states that:**

*“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 the 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. Xxx*”

On the other hand paragraph 69 of the Peace Agreement provides that:

*“ It shall be the policy of the national government that at least one (1) justice in the Supreme Court and at least (2) in the Court of Appeals shall come from the Autonomous Region. For this purpose, the Head of the Autonomous Government may submit the names of the recommendees to the Judicial and Bar Council for consideration”.*

**Comment/ Objection:**

The insertion of the phrase whenever feasible makes it discretionary on the part of the central government to appoint representatives of the Autonomous Government to the Supreme Court and the Court of Appeals in contravention to the clear import and intent of the Peace Agreement which is to make mandatory for the central government to respect and provide such representation in the Judiciary.

**7. Section 2, Article IX- states that:**

*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 subjected 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.*

Xxxxxx 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.

On the other hand Paragraph 144 of the Peace Agreement provides that:

*“The Regional Autonomous Government in the area of autonomy shall enjoy fiscal autonomy in budgeting its own revenue resources and block subsidies granted to it by the National Government and foreign donors. Budgeting includes planning, programming and disbursing of funds.”*

**Comment:**

- a) The insertion of the phrase “in generating and budgeting its own sources of revenue” has the implication of discontinuing annual support of the National Government to the Autonomous Region.
- b) Similarly the insertion of the phrase “subject to xxxx annual audits by the Commission on Audit (COA) and to the rules and regulations of the Department of Budget and Management (DBM)” clearly negates the “Fiscal Autonomy” as provided in paragraph 144 of the Peace Agreement. Under the Peace Agreement there is no mention of whether COA and DBM rules and regulations are to be made sine qua non requirements. The implication being the Autonomous Government is given the power to provide for its own auditing and budgeting rules and regulations.
- c) The sanctions against the autonomous region is discriminatory for this is not applied to any local government unit, department or agency in the country;
- d) The law is arbitrary and unjust for it penalizes the entire constituents of the autonomous region for acts done by their government officials. This law is unprecedented in the history of Philippine law and jurisprudence.

**8. Section 1 Article X and Section 5 Article XII which state in a portion that:**

*“ All lands and natural resources in the autonomous region that have been possessed or occupied by indigenous cultural communities since time in 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.***

-and-

*“ 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 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.”*

**violate paragraphs 146 of the Peace Agreement which provides that:**

*“ 146. Except strategic minerals **which will be defined later**, the control and supervision over the exploration, exploitation, development, utilization and protection of mines and minerals in the area of autonomy shall be vested in the Regional Autonomous Government”*

**Furthermore section 1 Article X will deprive the Muslim and non Muslim indigenous cultural communities and indigenous peoples who are inhabitants in the autonomous region of their vested rights over their ancestral domains as provided under Section 3 (a) & (b), Chapter II and Section 57, Chapter VIII of Republic Act No. 8371 otherwise known as the “Indigenous Peoples Rights Act (IPRA)” which provides that:**

*a)” Ancestral Domains - Subject to Section 56 hereof, refer to all areas generally belonging to Indigenous Cultural Communities (ICCs), Indigenous Peoples (IP s) comprising lands, inland waters, coastal areas, and natural resources therein, held under claim of ownership, occupied or possessed by ICCs/Ips, by themselves or through their ancestors, communally or individually since time immemorial, continuously to the present except when interrupted by war, force majeure or displacement by force, deceit, stealth or as a consequence of government and private individuals/corporations, and which are necessary to ensure their economic, social and cultural welfare. It shall include ancestral lands, forests, pasture, residential, agricultural, and other lands individually owned whether alienable and disposable or otherwise, hunting grounds, burial grounds, worship areas, bodies of water, mineral and other natural resources, and lands which may no longer be exclusively occupied by ICCs/Ips but from which they traditionally had access to for their subsistence and traditional activities, particularly the home ranges of ICCs/Ips who are still nomadic and/or shifting cultivators;*

*b) Ancestral Lands – Subject to Section 56 hereof, refers to land occupied, possessed and utilized by individuals, families and clans who are members of the ICCs/IPs since time immemorial, by themselves or through their predecessors-in-interest, under claims of individual or traditional group ownership, continuously, to the present except when interrupted by war, force majeure or displacement by force, deceit, stealth, or as a consequence of government projects and other voluntary dealings entered into by government and private individuals/corporations, including, but not limited to, residential lots, rice terraces or paddies, private forests, swidden farms and tree lots;”*

*Section 57. Natural Resources within Ancestral Domains. – The ICCs/IPs shall have priority rights in the harvesting, extraction, development or exploitation of any natural resources within the ancestral domains.*

**Comment:**

Section 1 Article X and Section 5 Article XII is vehemently objected to on the following grounds:

a) The GRP acting through congress have unilaterally, arbitrarily and unconscionably arrogated unto itself the power to define strategic minerals violating the agreement under paragraph 146 and 147 of the Peace Ageeement. This negates the agreement which mandates that the MNLF and the GRP with the positive contribution of the technical experts of the OIC will mutually agree on the definition of strategic minerals on a latter date.

b) This is a gross violation of the Peace Agreement because it strikes into the heart of the jurisdiction of the Autonomous Government over Mines and Minerals within its territory.

c) It is well to mention that in the course of the negotiations during the peace talks, the definition of strategic minerals by enumeration as proposed by the GRP such as what is now provided under Section 1 Article X was rejected by the MNLF panel. A definition by gestation of strategic minerals was the counterproposal of the MNLF panel hence the disagreement. As a consequence the GRP and the MNLF agreed to define strategic minerals later as provided in paragraph 146 of the Peace Agreement. Any attempt therefore to define strategic minerals unilaterally is unacceptable as it violates the agreement. The intent was to come up with a tri-partite experts definition of strategic minerals and the same must be done before the crafting of the amendatory bills.

d) Section 1 Article X definition of ancestral domain will rob native inhabitants in the autonomous region of their birthright over their God given natural resources which by law is presently protected and strengthened by Republic Act 8371. It must be borne in mind that the central issue that drove mainland Mindanao to violently and with the use of force defended themselves and asserted their right to self determination in the past was mainly among others, due to land grabbing. The GRP have once again committed a

disservice to the cause of peace by removing strategic minerals such as uranium, coal, petroleum; and other fossil fuels, mineral oil and all sources of potential energy; lakes, rivers, and lagoons; and national reserves and marine parks, as well as forest and watershed reservations from the scope of ancestral domain and the jurisdiction of the proposed autonomous region. This is contrary to the provisions under Republic 8371 known as the Indigenous Peoples Rights Act (IPRA) which provides under sections 3 thereof that ancestral domains refer to all areas generally belonging to ICCs/IPs comprising lands, inland waters, coastal waters, and natural resources therein which are necessary to ensure their economic, social and cultural welfare which includes ancestral lands, forests, pasture, residential, agricultural and other lands individually owned whether alienable and disposable or otherwise, hunting grounds burial grounds, worship areas, bodies of water, mineral and other natural resources.

e) The questioned provisions negate the letter and spirit of paragraph 27 of the Peace Agreement which grants plenary legislative powers to the Legislative Assembly to pass laws on all matters, concerns and issues within the area of autonomy except those specified under the Tripoli Agreement.

**9. Section 3 and 4 of Article XIV state respectively that:**

*Sec. 3- “ The Regional Legislative 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 - “ 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.”*

**Comment:**

a) The insertion of the phrase “maybe deployed in the autonomous region or elsewhere in the Republic” betrays the purpose of establishing the SRSF. The SRSF is the police force that shall be charged with the preservation of peace, maintenance of law and order and the protection of life, liberty and property in the autonomous region. The insertion made by the GRP, this will give rise to a situation when the MNLF elements in the SRSF will be deployed in Manila or in the northernmost part of the Philippines or elsewhere outside of the area of autonomy which is absurd and repugnant to the letter and spirit of the 1996 Peace Agreement and more particularly Paragraph 8, Article III of the Tripoli Agreement.

**10. Section 1 Article XVIII states that:** “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 Region IX and XII located in the provinces and cities which do not vote favorably for the inclusion of the 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 the Article within three (3) months from the holding of the plebiscite. Xxxxx.

The national government or central government shall within three (3) months from its acquisition of said land and permanent buildings and 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 and structures, or portion thereof, at the price agreed upon by the central government or national government with the local government concern.”

**Comment:**

1. This is confiscation by legislation. The autonomous regional government is denied the right to decide whether or not to sell its properties to the National Government. Under Civil Law in the Philippines, the right to possess, enjoy and dispose a property is the exclusive prerogative of the owner of the property. The present ARMM cannot therefore be compelled to sell its properties.
- 2.. This is a class legislation which is prohibited under a Republican state and a diminution of the authority and power of the Autonomous Government as a corporate and political entity and a gross violation of the proprietary rights of the constituency of the Autonomous Government.

**IX. 1996 PEACE AGREEMENT STIPULATIONS  
WHICH WERE NOT COMPLIED WITH BY THE  
GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES  
(AS OF JULY 2001) THAT ARE STILL RELEVANT TODAY**

**1. ON THE TIME FRAME:**

Paragraph 2 (a) of the Peace Agreement provides that:

*“ While peace and development programs are being implemented in the SZOPAD, a bill to amend or repeal the RA 6734 shall be initiated within Phase 1 (1996-1997). **The bill shall include the pertinent provisions of the Final Peace Agreement and the***

*expansion of the present ARMM area of autonomy. After a law shall have been passed by Congress and approved by the President, it shall be submitted to the people for approval in a plebiscite in the affected areas, **within two (2) years from the establishment of the SPCPD.***”

The SPCPD was established on October 2, 1996. The amendatory law was passed at the height of the impeachment proceedings against former President Estrada in December 2001, four (4) years behind schedule. The MNLF demanded for a trilateral consensus of the high contracting parties ---OIC, GRP and the MNLF to discuss a new time frame for the full implementation of the Peace Agreement. This was so because at that time the GRP breached the agreed time frame therefore the GRP was in default.

A renegotiation on a new transitional mechanism and time frame therefore must have been mutually agreed by the GRP and the MNLF with the participation of the OIC. This is in accordance with the resolution passed during the OIC Heads of States Summit held in Qatar last November 12-13, 2000.

## **2. ON THE RIGHT OF REPRESENTATION:**

Paragraph 14 of the Peace Agreement provides:

*“ The provisions of the 1994 and 1995 Interim Agreements and subsequent agreements entered into by the GRP and the MNLF that would not require legislative action shall be implemented during Phase 1.”*

Paragraphs 63, 64, 65, 66, 67, 69, 70, and 71 of the Peace Agreement provides for the right of representation of the Bangsamoro people to the National Government and in all organs of the state by appointment to the following positions:

- a.) At least one (1) member of the Cabinet (with the rank of Cabinet Secretary);
- b.) At least one (1) official in each of the departments and the constitutional bodies of the national government who shall be appointed in executive, primarily confidential, highly technical or policy determining positions;
- c) Representation in the Board of Directors in government owned and controlled corporations operating mainly or thru a subsidiary in the area of autonomy;
- d) At least one (1) justice in the Supreme Court and at least two (2) in the Court of Appeals;
- e) A member of the Judicial Bar Council;

The appointments of representatives from the Bangsamoro people to these positions should have been done merely by appointment as agreed. It did not require any legislative action. Therefore it is implementable during phase I of the Peace Agreement. However, until now not one from the Bangsamoro people have been appointed to any of the agreed positions in government except for a minor position in the Southern Philippines Development Authority (SPDA). While Muslims were appointed to some positions in the central governments their appointments were not part of the right of representation clause or in accordance with the Peace Agreement but were made on the basis of their individual merits, qualifications and equal rights with other Filipinos as citizens.

### **3. ON SEPARATE UNITS AS THE TRANSITIONAL MECHANISM OF MNLF FORCES INTEGRATION TO THE ARMED FORCES OF THE PHILIPPINES:**

Subparagraphs b and c of Paragraph 7 of the Peace Agreement provides that initially MNLF forces will be “organized into separate units within a transition period” under a Deputy Commander of the Southern Command, Armed Forces of the Philippines (AFP) for separate units.

In violation of the Peace Agreement, the GRP did not organize the MNLF integrees in the AFP as separate units. They were never placed under the command of the Deputy Commander for separate units. Worst, the GRP deployed the MNLF integrees in combat duties to fight their brother Muslims in the MILF.

### **4. ON THE POWER OF THE SPCPD:**

Under paragraph 18 of the Peace Agreement it is provided that the Southern Philippines Council for Peace and Development (SPCPD) shall take charge in promoting, monitoring, and coordinating the improvement of peace and order in the area and cause the implementation of peace and development projects.

In gross violation of this stipulation, former President Estrada created the Mindanao Coordinating Council (MCC) to take charge in the implementation of development projects in Mindanao including the Special Zone of Peace and Development (SZOPAD). To make matter worse, the Southern Philippines Council for Peace and Development (SPCPD) and the Autonomous Region in Muslim Mindanao were excluded as members of this council.

To protest the marginalization of the SPCPD and the ARMM because of the creation of the MCC, three prominent officials of the SPCPD and Consultative Assembly resigned namely: Catholic Priest Fr. Eliseo Mercado as Majority Floor leader of the SPCPD-Consultative Assembly, Mayor Hagedorn of Puerto Princesa as SPCPD Vice Chairman and Bai Yasmin Macalandong as member of the Consultative Assembly.

To further emasculate the power of the SPCPD, the GRP disregarded SPCPD in the peace and order program within SZOPAD.

Lastly, in complete disregard of the authority and mandate of the SPCPD to orchestrate peace and development programs within the SZOPAD, the GRP through former President Estrada carried out an all out war against the MILF within SZOPAD. That war could have been averted if the power of the SPCPD and the MNLF to continue to pursue the implementation of the Peace Agreement was respected by the GRP. Since then the GRP engaged in intermittent war against the Bangsamoro people. This war spawned unabated human rights violations against hapless civilians who are being victimized by summary/extrajudicial killings, illegal arrests and detention, illegal searches in their houses, indiscriminate bombings, and looting committed by scalawags in the Armed Forces of the Philippines (AFP). The GRP is answerable for all this human rights violations because up to now none of their erring military men is prosecuted for the crimes committed against innocent Bangsamoro civilians. Worse, the area covered by the existing ARMM is the only region in the Philippines that has no office of the Commission on Human Rights.

Instead of a Peace Zone, the SZOPAD have become the staging ground of war in the Philippines.

## **5. ON THE ECONOMIC PACKAGE:**

### **5. 1. 1996 Supplemental Budget:**

Under Paragraph 15 of the Peace Agreement the GRP was obligated to recommend to Congress a supplemental budget for 1996 to fund for the development programs and projects in the SZOPAD. This was not complied.

The Philippine Congress did not pass a supplemental budget.

### **5. 2. Islamic Banking Unit in the Central Bank:**

Under Paragraph 148 of the Peace Agreement the GRP was obligated to establish an Islamic Banking Unit in the Central Bank of the Philippines but this was not complied. Until now there is no Islamic Banking Unit in the Central Bank. The existing Amanah Bank which was organized during the Marcos regime is not the Islamic banking unit referred to in the Peace Agreement.

### **5. 3. World Bank Fund:**

The pledging sessions organized by the World Bank (sometime in December 1996 in Japan and in December 1997 in Paris ) generated 1.025 Billion US dollars intended to support the development package under the Peace Agreement. The MNLF was never informed by the GRP as to the status of this fund.

#### 5.4. The DEVELOPMENT TASK FORCES:

The Task Force Basilan, Central Mindanao Development Task Force, Sulu Development Task Force and the Special Development Planning Group which the GRP was obliged to activate were neglected thereby rendering them inoperative and inutile bodies unable to address and solve the economic woes and underdevelopment in the areas of Basilan, Central Mindanao and Sulu where these development Task Forces were expected to operate.

#### 5.5 MINI-MARSHALL PLAN

The GRP committed to implement a Mini Marshall Plan type of development and rehabilitation in the SZOPAD. However the General Appropriations Acts (Budget Law) from 1996 to 2001 of the GRP did not bear any appropriations for an intensive development program. This is clear proof that there was no intention by the GRP to carry out this Mini Marshall Plan in the SZOPAD areas. The budgetary allocations under the General Appropriations Act provided only for regular program conceived, planned and proposed by other governmental bodies even before the signing of the Peace Agreement.

This developmental approach was carried out to a limited extent in General Santos City, South Cotabato and Sarangani Provinces before the 1996 Peace Agreement was signed. Ironically, after the signing of this Peace Agreement, the project was not expanded to the other areas within the SZOPAD particularly in Central Mindanao, Western Mindanao, Sulu, Tawi Tawi and Basilan.

#### 5.5 ON THE IMPLEMETATION OF DEVELOPMENT PROJECTS IN PHASE I FROM 1996 TO 1998:

Paragraph 3 of the Peace Agreement provides that “ *Within the next three (3) years (1996 to 1999) these areas shall be the focus of intensive peace and development efforts. Public and private investment shall be channeled to these areas to spur economic activities and uplift the conditions of the people therein*”.

The budgetary allocations for the areas within the Autonomous Region in Muslim Mindanao, (ARMM) where the poorest of the poor provinces in Philippines is situated, is the lowest in the entire country.

From October 1996 up to June 30, 2000 the GRP released to the ARMM the following funds:

Salaries.....	P11,142,539,586.61
Operating Expenses.....	P 2,182,872,210.42
<b>Capital Outlay &amp; Projects....</b>	<b>P 1,799,149,791.06</b>
<b>Total.....</b>	<b>P15,494,803,730.84</b>

The amount of P 11,142,539.62 (\$232,136,241) is a mandatory and obligatory appropriation for the payment of the salaries, wages and other personnel benefits of 18,000 employees transferred by the national government to the ARMM by devolution since 1990.

Chairman Nur Misuari as Regional Governor of ARMM proposed to the GRP a budget of Ten Billion Pesos for the implementation of priority projects intended to rehabilitate the war ravaged areas within ARMM but the GRP appropriated only the said P1,799,149,791 which is 17.99 percent of the amount proposed.

The 10 Billion Peso budget was supposed to represent the Mini Marshall Plan budget promised by the GRP.

On public investment, the 1997, 1998 and 1999 General Appropriation Act present a glaring inequity of public investments in the region. For instance in 1998, the average public investment per administrative region is P17.2 billion while ARMM got a measly budget allocation of P4.94 billion. For the year 1999, the average public investment to the other regions was P15.0 billion and ARMM got only P4.37 billion pesos.

In 1999, the ARMM was not included in the National infrastructure budget/program implemented by the Department of Public Works and Highways. Here is a comparative presentation of the funding allocations:

<u>REGION</u>	<u>ALLOCATION</u> <u>(P Billion)</u>
<b>Metro Manila</b> .....	2,825
<b>LUZON</b> .....	11,162
CAR.....	1,135
Region I.....	1,066
Region II.....	2,553
Region III.....	2,010
Region IV A.....	1,659
Region IV B.....	1,144

Region V.....	1,595	
<b>VISAYAS.....</b>		<b>6,518</b>
Region VI.....	1,688	
Region VII.....	2,867	
Region VIII.....	1,963	
<b>MINDANAO.....</b>		<b>5,437</b>
Region IX.....	978	
Region X.....	857	
Region XI.....	1,691	
Region XII.....	696	
Region XIII.....	1,215	
ARMM.....	0	