MFN 2251

MALACAÑANG MANILA

BY THE PRESIDENT OF THE PHILIPPINES

MEMORANDUM ORDER NO. 367

DIRECTING THE DEPARTMENT OF AGRICULTURE (DA) AND DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS (DPWH) TO COORDINATE IN THE IMPLEMENTATION OF FARM-TO-MARKET ROADS AND, WHERE POSSIBLE, INVOLVE CAPABLE LGUS IN CONSTRUCTION OF THE SAME AND FOR THE DEPARTMENT OF BUDGET AND MANAGEMENT TO FACILITATE THE RELEASE OF THE FUNDS ALLOCATED BY THE DA FOR THE PURPOSE

WHEREAS, with the Senate ratification of the General Agreement on Tariffs and Trade (GATT), an Action Plan of GATT Adjustment Measures for the Agriculture Sector was formulated and provides for the development of infrastructure support services which include, among others, the rehabilitation of existing, and construction of new, rural and farm-to-market roads for the period 1995-1998;

WHEREAS, the DA is mandated to promote agricultural development by providing the policy framework, public investments and support services needed for the domestic and export-oriented business enterprises;

WHEREAS, the DPWH is designated as the State's engineering and construction arm responsible for planning, design, construction and maintenance of infrastructure facilities, especially national highways, flood control and water resources development systems and other public works in accordance with national development objectives.

WHEREAS, the GATT-Related Adjustment Measures Fund under the 1996 General Appropriations Act (GAA) for the DA provides for appropriations for farm-to-market roads, among others, subject to the special provision which states that:

"Implementation of Farm-to-Market Roads. The appropriation herein provided for capital outlays for the Department of Agriculture for the construction of farm-to-market roads shall be released to, and administered by, the Department of Public Works and Highways: *PROVIDED*, that the Department of

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Agriculture shall identify the location and site where such projects may be constructed."

WHEREAS, both DA and DPWH recognize that there are capable LGUs who have the technical and management capability to undertake local infrastructure development;

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

- The Department of Agriculture (DA) and the Department 1. of Public Works and Highways (DPWH) to coordinate in the implementation of Farm-to-Market Roads and, where possible, involve capable LGUs in the actual construction of the same; and
- The Department of Budget and Management (DBM) to 2. release the initial amount of P450 million under the programmed allocation and facilitate the sourcing and additional P1.5 release of billion unprogrammed allocation under the DA's 1996 GAA appropriated for the purpose.

DONE in the City of Manila, this 8th day of May

year of Our Lord, Nineteen Hundred and Ninety-Six.

in the

By the President:

Executive Secretary

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Received