



Republic of the Philippines
Department of Education

DEPARTMENT OF EDUCATION



OCT 25 2011

DepEd MEMORANDUM

No. **243**, s. 2011

DISSEMINATION OF ADMINISTRATIVE ORDER NO. 21

(Revised Implementing Rules and Regulations Governing Title I of Republic Act No. 8425, Otherwise Known as the Social Reform and Poverty Alleviation Act)

To: Undersecretaries
Assistant Secretaries
Bureau Directors
Regional Directors
Schools Division/City Superintendents
Heads, Public Elementary and Secondary Schools
All Others Concerned

1. For the information and guidance of all concerned, enclosed is a copy of Administrative Order No. 21 dated October 10, 2011, entitled ***Revised Implementing Rules and Regulations Governing Title I of Republic Act No. 8425, Otherwise Known as the Social Reform and Poverty Alleviation Act*** which is self-explanatory.
2. Immediate dissemination of this Memorandum is desired.

BR. ARMIN A. LUISTRO FSC

Secretary

Encl.: As stated

Reference: None

To be indicated in the Perpetual Index
under the following subjects:

CHANGE
LEGISLATIONS
RULES & REGULATIONS

Madel: Dissemination of AO 21
October 24, 2011

(Enclosure to DepEd Memorandum No. 243, s. 2011)

MALACAÑAN PALACE
MANILA
BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 21

REVISED IMPLEMENTING RULES AND REGULATIONS GOVERNING TITLE I
OF REPUBLIC ACT NO. 8425, OTHERWISE KNOWN AS THE SOCIAL
REFORM AND POVERTY ALLEVIATION ACT

WHEREAS, pursuant to Republic Act (RA) No. 8425, or the Social Reform and Poverty Alleviation Act, the Office of the President is mandated to formulate the implementing rules and regulations (IRRs) governing the law;

WHEREAS, poverty alleviation, defined as the reduction of absolute and relative poverty, is one of the core thrusts of the government;

WHEREAS, broad participation, autonomy and transparency shall be ensured to create responsive, accountable, and meaningful representation from the basic sectors;

WHEREAS, several IRRs have been issued relating to the Social Reform and Poverty Alleviation Act, to wit: Administrative Order (AO) No. 11 (s. 1998), AO No. 36 (s. 1998), an unnumbered IRRs signed on December 23, 1998, AO No. 21 (s. 2001), and AO No. 187 (s. 2009);

WHEREAS, pursuant to the provisions of RA No. 8425 and its IRRs, the National Anti-Poverty Commission (NAPC) was established to replace the Presidential Commission to Fight Poverty, the Social Reform Council and the Presidential Council for Countryside Development;

WHEREAS, the Lead Convenor of the NAPC has recommended the repeal of AO No. 187 (s. 2009) and the issuance of Revised IRRs complying with the provisions of RA No. 8425; and,

WHEREAS, Title I of RA NO. 8425 provides for the composition of NAPC and guidelines for the formation of sectoral nomination and recall process and mechanisms for accountability of Sector Representatives.

NOW, THEREFORE, I, BENIGNO S. AQUINO III, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

RULE I

POLICY AND DEFINITION OF TERMS

SECTION 1. Title. These Rules shall be known as the Revised Rules and Regulations Implementing the Social Reform and Poverty Alleviation Act.

SECTION 2. Purpose. These Rules are promulgated to prescribe the procedures and guidelines for the implementation of Title I of RA No. 8425 in order to facilitate compliance therewith and achieve the objectives thereof.

SECTION 3. Declaration of Policy. It is the policy of the State to:

- a) Adopt a sustainable, integrated, area-based, sectoral and focused



intervention to poverty alleviation wherein every poor Filipino family shall be empowered to meet its minimum basic needs of health, food and nutrition, water and environmental sanitation, income security, shelter and decent housing, peace and order, education and functional literacy, participation in governance and family care and psycho-social well-being;

- b) Actively pursue asset reform or redistribution of productive economic resources to the basic sectors, including the adoption of a system of public spending which is targeted towards the poor;
- c) Institutionalize and enhance the Social Reform Agenda (SRA), which embodies the results of the series of consultations and summits on poverty alleviation;
- d) Adopt and operationalize the following principles and strategies as constituting the national framework integrating various structural reforms and anti-poverty initiatives:
 - i. Social reform shall be a continuing process that addresses the basic inequities in Philippine society through a systematic package of social interventions.
 - ii. The SRA shall be enhanced by government in equal partnership with the different basic sectors through appropriate and meaningful consultations and participation in governance.
 - iii. Policies, programs and resource commitments from both government and the basic sectors shall be clearly defined to ensure accountability and transparency in the implementation of the SRA.
 - iv. A policy environment conducive to sustainable social reform shall be pursued.
 - v. The SRA shall address the fight against poverty through a multi-dimensional and cross-sectoral approach which recognizes and respects the core values, cultural integrity and spiritual diversity of target sectors and communities.
 - vi. The SRA shall pursue a rights-based and gender-responsive approach to fight poverty.
 - vii. The SRA shall promote ecological balance in the different ecosystems in a way that gives the basic sectors a major stake in the use, management, conservation and protection of productive resources.
 - viii. The SRA shall take into account the principle and interrelationship of population and development in the planning and implementation of social reform programs, thereby promoting self-help and self-reliance.
 - ix. SRA implementation shall be focused on specific target areas and basic sectors.
 - x. The SRA shall advocate and institutionalize a multi-sectoral approach towards building social consensus on poverty alleviation at the national and local levels, thereby mobilizing the different but potentially



complementary capacities, resources and perspectives of civil society, government, and business towards a concerted societal effort at alleviating poverty.

SECTION 4. Definition of Terms.

- a) Artisanal fisherfolk – refers to those directly or indirectly engaged in taking, culturing, or processing fishery or aquatic resources. These include, but are not to be limited to, those engaged in fishing using gears that do not require boats, or boats less than three (3) tons, in municipal waters, coastal and marine areas; workers in commercial fishing and aquaculture; vendors and processors of fish and coastal products; and subsistence producers such as shell-gatherers, managers, and producers of mangrove resources, and other related producers.
- b) Children – refers to citizens below 18 years old whose right to survival, development, protection and participation are to be promoted, protected and fulfilled in a manner consistent with their evolving capacities.
- c) Cooperatives – refers to duly registered associations of at least 15 persons, majority of whom are poor, having a common bond of interest, who voluntarily join together to achieve a common social and economic end; organized by members who equitably contribute the required share capital and accept a fair share of risks and benefits of their undertaking.
- d) Farmers and landless rural workers – refers to those who are engaged directly or indirectly in small farms and forest areas, and workers in commercial farms and plantations, whether paid or unpaid, regular or season-bound. These shall include, but are not limited to:
 - i. Small-scale farmers who own or are still amortizing lands that are not more than three (3) hectares, tenants, leaseholders, and stewards; and
 - ii. Rural workers who are either wage earners, self-employed, or unpaid family workers directly and personally engaged in agriculture, small-scale mining, handicrafts, and other related farm and off-farm activities.
- e) Indigenous Peoples – refers to a group of people or homogenous societies identified by self-ascription and ascription by others, who have continuously lived as an organized community on communally bounded and defined territory, and who have, under claims of ownership since time immemorial, occupied, possessed and utilized such territories, sharing common bonds of language, customs, tradition and other distinctive cultural traits, or who have, through resistance to political, social and cultural inroads of colonization, non-indigenous religions and culture, become historically differentiated from the majority of Filipinos. ICCs/IPs shall likewise include peoples who are regarded as indigenous on account of their descent from the populations which inhabited the country, at the time of conquest or colonization, or at the time of inroads of non-indigenous religions and cultures, or the establishment



of present state boundaries, who retain some or all of their own social, economic, cultural and political institutions, but who may have been displaced from their traditional domains or who may have resettled outside their ancestral domains.

- f) Urban Poor – refers to those residing in urban and urbanizable slum or blighted areas, with or without the benefit of security of abode, where the income of the head of the family cannot afford in a sustained manner to provide for the family's basic needs of food, health, education, housing, and other essentials in life.
- g) Migrant Workers – refers to Filipinos who are to be engaged, are engaged, or have been engaged in a remunerated activity in a State of which they are not legal residents, whether documented or undocumented.
- h) Non-Government Organizations – refers to duly registered non-stock, nonprofit organizations focused on the upliftment of the basic or disadvantaged sectors of society by providing advocacy, training, community organizing, research, access to resources and other similar activities.
- i) Party-List Organizations – any organized group of persons duly registered in the Commission on Elections (COMELEC) as a party, organization or coalition participating in the party-list system as a national, regional or sectoral party or organization or a coalition of such parties or organizations.
- j) Persons with disability – refers to those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others.
- k) Political Parties – refers to organized groups of citizens advocating an ideology or platform, principles and policies for the general conduct of government and which, as the most immediate means of securing their adoption, regularly nominate and support certain leaders and members as candidates for public office.
- l) Senior citizens – or "elderly" shall mean all resident citizens of the Philippines who are at least sixty (60) years old.
- m) Students – refers to anyone enrolled in and regularly attending school at the secondary, post-secondary, graduate and post-graduate levels.
- n) Victims of disasters and calamities – refers to persons suffering under conditions involving mass casualty and/or major damages to property, as well as disruption of means of livelihoods and normal way of life in affected areas as a result of the occurrence of natural or human-induced hazards.
- o) Workers in the formal sector – refers to workers in the formal economy, or those who are employed by any person acting directly or indirectly in the



interest of an employer in relation to an employee and shall include the government and all its branches, subdivisions, and instrumentalities, all government-owned and-controlled corporations and institutions, as well as nonprofit private institutions or organizations.

- p) Workers in the informal sector – refers to self-employed, occasionally or personally hired, subcontracted, paid and unpaid family workers in household; incorporated and unincorporated enterprises, including home workers; micro-entrepreneurs and producers, and operators of sari-sari stores and all other categories who suffer from violation of workers' rights.
- q) Youth – refers to persons whose ages range from fifteen (15) to thirty (30) years old.

RULE II

THE PHILIPPINE APPROACH TO SOCIAL REFORM AND POVERTY ALLEVIATION

SECTION 1. A Multi-Dimensional Approach to Poverty Alleviation.

Strategies or programs of government and civil society shall incorporate the elements that will address each of the four dimensions of the SRA, namely:

- a) *Economic Dimension (Asset Reform)*. Asset reform seeks to address the issue of economic inequity by widening the citizens' share of resources, whether natural or manufactured, from which they can earn a living and increase the fruits of their labor. Such reform necessarily addresses existing inequities in the ownership, distribution, management and control over resources. The government shall give priority to the enactment and strict implementation of laws that widen the share of the basic sectors in the resources of society. The government shall likewise undertake budgetary reform to implement asset reform.
- b) *Socio-Cultural Dimension (Access to Quality Basic Services and Protection of the Security of Life, Person, Livelihood, Indigenous Culture and Freedom from Violence)*. These reforms refer to the equitable control and access to socio-cultural services and facilities especially education, health, housing and other basic services necessary to enable the citizens to meet their basic human needs, live decent lives and ensure that the benefits of asset reform are equally shared by all rightful beneficiaries. The government shall, therefore, work to eliminate all forms of discrimination which cause women, youth and children, the elderly and persons with disability, to be further marginalized and excluded within their own economic sectors.
- c) *Ecological Dimension (Sustainable Uses of Productive Resources)*. These reforms ensure the effective and sustainable utilization of the natural and ecological resource base, thus assuring greater social acceptability and increased participation of the basic sectors in the conservation, management and development of environment and natural resources.



- d) *Governance Dimension (Equal Representation and Participation)*. This involves reforms that will address the issue of political equity and equal participation in all venues of society, especially on decision-making and management processes that affect their rights, interests and welfare. The government shall ensure that sectoral representation is institutionalized at all levels of government, with particular emphasis on the decision-making structures of the different local government units.

SECTION 2. Asset Reform. Asset reform requires laws and policies that widen the citizens' share of resources, natural and manufactured, from which they can earn a living or increase the fruits of their labor. Such reforms necessarily address existing inequities in the ownership, distribution, management and control of resources. Specifically, asset reform shall be obtained through the following sector-specific flagship programs:

- a) *Farmers and Landless Rural Workers*. Ownership, access to and control of tillable lands by the tillers, higher productivity, channels for productivity, and fair prices for products;
- b) *Fisherfolk*. Broader access to and control of aquatic resources, rational and sustainable management of fishery resources, and wider availability of fishing and post-harvest facilities;
- c) *Urban Poor*. Broader access to and security in basic needs, particularly housing and land, and broader opportunities for increased income;
- d) *Indigenous Cultural Communities*. Recognition and protection of their ancestral domain rights, basic services and cultural integrity;
- e) *Workers in the Formal Sector and Migrant Workers*. Recognition and full protection of their rights to a living wage, humane working conditions, security of tenure, self-organization and collective bargaining;
- f) *Workers in the Informal Sector*. Protection by labor and social laws, security in their workplace, protection against discrimination, harassment and abuse, access to programs and services catering to their special needs and organization into unions, cooperatives and other forms of associations; and
- g) *Disadvantaged Groups that Cut Across all Sectors, particularly Women, Youth and Students, Children, the Elderly, Persons with Disabilities and Victims of Natural and Man-made Calamities*. Comprehensive Integrated Delivery of Social Services (CIDSS) reforms to correct and transform the structures that discriminate against and cause further marginalization of these groups in all spheres of life.

Additionally, to support the sectoral flagship programs, the following cross-sectoral flagships shall likewise be instituted:



- a) Institution-building and effective participation in governance;
- b) Sustainable livelihood programs;
- c) Expansion of micro-credit/microfinance services and capacity-building; and
- d) Infrastructure build-up and development.

RULE III

THE NATIONAL ANTI-POVERTY COMMISSION

SECTION 1. Principles Governing the National Anti-Poverty Commission (NAPC). The NAPC shall be governed by the following principles:

- a) Incorporation of the SRA into the formulation of development plans at the national, regional, sub-regional and local levels;
- b) Efficiency in the implementation of the anti-poverty programs by strengthening or streamlining present poverty alleviation processes and mechanisms and reducing the duplication of functions and activities among various government agencies;
- c) Coordination and synchronization of social reform and poverty alleviation programs of national government agencies (NGAs);
- d) Exercise of policy oversight responsibilities to ensure the attainment of social reform and poverty alleviation goals;
- e) Strengthening of local government units (LGUs) to more effectively operationalize the SRA in local development efforts;
- f) Institutionalization of basic sectoral and non-government organizations' (NGOs) participation in effective planning, decision-making, implementation, monitoring and evaluation of SRA at all levels;
- g) Ensuring adequate, efficient and prompt delivery of basic services to the poor;
- h) Enjoining government financial institutions (GFIs) to open credit and savings windows for the poor and advocating the creation of such windows among private banking institutions; and
- i) Pursuit of poverty alleviation in accordance with existing policies of the government on sustainable development.

SECTION 2. Composition of the NAPC. The President shall serve as the Chairperson of the NAPC. The President shall appoint the Lead Convenor of NAPC, either from the government, civil society or private sector, who shall likewise serve



as the head of the NAPC Secretariat and shall have the rank of Secretary.

There shall be a Vice-Chairperson for the government sector and a Vice-Chairperson for the basic sectors, the former to be designated by the President and the latter to be elected among the Sectoral Representatives of the NAPC.

The members of the NAPC are as follows:

a) Heads of the following government bodies:

Department of Agrarian Reform (DAR)
Department of Agriculture (DA)
Department of Labor and Employment (DOLE)
Department of Budget and Management (DBM)
Department of Social Welfare and Development (DSWD)
Department of Health (DOH)
Department of Education (DepEd)
Department of the Interior and Local Government (DILG)
Department of Environment and Natural Resources (DENR)
Department of Finance (DOF)
National Economic and Development Authority (NEDA)
People's Credit and Finance Corporation (PCFC), subject to Section
17 of the Social Reform and Poverty Alleviation Act
Presidential Commission for the Urban Poor (PCUP)

b) Presidents of the following Local Government Leagues:

League of Provinces
League of Cities
League of Municipalities
Liga ng mga Barangay

c) Representatives from each of the following basic sectors:

Farmers and Landless Rural Workers
Artisanal Fisherfolk
Urban Poor
Indigenous Cultural Communities/Indigenous Peoples
Workers in the formal sector and migrant workers
Workers in the informal sector
Women
Youth and Students
Persons with Disabilities
Victims of Disasters and Calamities
Senior Citizens
NGOs
Children
Cooperatives



SECTION 3. Powers and Functions of the NAPC. The NAPC shall exercise the following powers and functions:

- a) Coordinate with different NGAs, LGUs, civil society and the private sector to ensure full implementation of all social reform and poverty alleviation programs;
- b) Coordinate with LGUs in the formulation of social reform and poverty alleviation programs for their respective areas in conformity with the flagship programs;
- c) Recommend policy and other measures to ensure implementation of commitments under SRA;
- d) Ensure meaningful representation and active participation of the basic sectors;
- e) Oversee, monitor and recommend measures to ensure the effective formulation, implementation and evaluation of policies, programs and resource allocation, and management of social reform and poverty alleviation programs;
- f) Advocate for the mobilization of funds by the NGAs and LGUs to finance social reform and poverty alleviation programs and capacity-building activities of the basic sectors;
- g) Provide financial and non-financial incentives to LGUs with counterpart resources for the implementation of social reform and poverty alleviation programs; and
- h) Submit an annual report to Congress, including, but not limited to, all aspects of its operations, programs, project implementation, financial status and other relevant data as reflected by the basic reform indicator.

SECTION 4. Executive Committee. An Executive Committee shall be created to oversee the execution of the powers and functions of the NAPC.

The Executive Committee shall be chaired by the Lead Convenor and shall be composed of the Vice-Chairpersons and two (2) other members, i.e., one (1) from the government sector and one (1) from the basic sectors.

The Executive Committee shall have the following functions:

- a) Set the agenda for the meetings of the NAPC;
- b) Oversee the implementation of the NAPC Resolutions concerning poverty alleviation programs;



- c) Ensure that grievances are addressed in the appropriate forum; and
- d) Perform such other functions as may be delegated by NAPC.

RULE IV

FLAGSHIP PROGRAMS

SECTION 1. Flagship Programs and Lead Agencies. The NAPC shall determine the framework and direction of flagship programs and designate Flagship Lead Agencies for sectoral and multi-sectoral programs which address the specific and cross-sectoral needs of the basic sectors as provided in RA No. 8425.

SECTION 2. Roles and Functions of the Flagship Lead Agencies. The Flagship Lead Agencies shall have the following functions:

- a) Ensure the effective implementation of flagship programs in coordination with other concerned agencies as they address the needs of the basic sectors, rural and urban poor communities;
- b) Identify and facilitate resolution of issues and concerns related to the implementation of flagship programs; and
- c) Undertake regular consultations with their counterpart Sectoral Councils as provided in these Rules.

SECTION 3. Formation of Flagship Teams. The Flagship Lead Agencies shall form teams within their respective agencies to handle the day-to-day implementation of its programs in coordination with other agencies, basic sectors and civil society. They shall designate Senior Technical Action Officers (TAO), or its equivalent term, and alternates as focal persons at the national, regional and local levels.

RULE V

SECTORAL ASSEMBLIES

SECTION 1. Technical Working Committees. The Lead Convenor shall organize and convene Technical Working Committees for the sectors which will in turn organize their respective Sectoral Assemblies.

SECTION 2. Composition of the Technical Working Committees. For purposes of convening the Sectoral Assemblies, upon the effectivity of these Rules, the Technical Working Committee of each sector shall be composed of not less than fifteen (15) and not more than twenty-five (25) representatives, of which not less than thirty percent (30%) shall be women. As much as possible, the members of the Technical Working Committees shall represent sectoral organizations of different perspectives and ideological persuasions.



SECTION 3. Chairperson of the Technical Working Committee. Each Technical Working Committee will elect a Chairperson who shall be disqualified from being nominated for the position of Sectoral Representative of the NAPC. However, the elected Chairperson of the Technical Working Committee is qualified to be elected as Chairperson of the Sectoral Assembly.

SECTION 4. Requirements and Criteria for Participation in Sectoral Assemblies. The Technical Working Committees shall identify the organizations that will participate in the Sectoral Assemblies and the criteria for participation, without prejudice to the review by the Lead Convenor. The Technical Working Committees shall ensure that the Sectoral Assemblies represent a wide range of constituencies and interests. *Provided*, that the Technical Working Committees shall set, and where necessary, provide minimum requirements for participation such as, but not limited to the following:

- a) Proof of legal existence such as Securities and Exchange Commission (SEC) registration or LGU or NGA accreditation (e.g. DOLE, DA, DAR, DSWD, PCUP, NCIP), license to operate, accreditation certificate and/or other certificates as proof of legal existence (e.g. tribal council of elders);
- b) An organizational audit system instituting an autonomous accreditation process among the organizations;
- c) A minimum 30% gender quota for women on all sectoral assemblies, including having at least one woman-nominee as Sectoral Representative; and
- d) Board resolution or certification that the participant is the duly authorized representative of the organization.

Provided, further, that the Technical Working Committees must consider the track record of the organizations and, as much as possible, ensure that the delegates come from different perspectives and ideological persuasions. *Provided moreover*, that the Technical Working Committees must also consider geographic distribution and balance, sub-sectoral representation and gender considerations in the process of selection.

SECTION 5. Adoption of Ground Rules for the Sectoral Assemblies and the Election of the Chairperson. Each Technical Working Committee shall have the authority to draft the proposed ground rules for their respective Sectoral Assemblies, without prejudice to review by the Lead Convenor, which, among others, shall provide the procedure for discussion of the Sectoral Assembly ground rules, recognition of Sectoral Assembly organizations, and voting for the Chairperson and other matters related to the Sectoral Assembly proceedings.

At the commencement of the Sectoral Assembly, the Chairperson of the Technical Working Committee shall:

- a) Open the Sectoral Assembly;



- b) Present the draft proposed ground rules to be observed by the Sectoral Assembly; and
- c) Facilitate the election of the Chairperson of the Sectoral Assembly.

Should the Chairperson of the Technical Working Committee be among the nominees for Chairperson of the Sectoral Assembly, another member of the Technical Working Committee shall be chosen to facilitate the election.

SECTION 6. Conduct of the Sectoral Assembly, Its Powers and Functions. Upon the election of the Chairperson in every Sectoral Assembly, the elected Chairperson shall take over the role of facilitating the conduct of the Sectoral Assembly. The Chairperson shall immediately proceed with the adoption of the ground rules for the Sectoral Assembly.

To ensure the fairness and objectivity of the selection process of the Sectoral Council, the Chairperson of the Sectoral Assembly shall be disqualified from being nominated for the position of Sectoral Representative.

Among others, it shall be the duty of the Sectoral Assemblies to:

- a) Determine the composition, powers and functions of the Sectoral Councils, such as the responsibility for coming up with a consensus on anti-poverty programs, including flagship programs and other issues affecting the sector, and to assist the Sectoral Representative in the monitoring of the implementation of the flagship program at the local level;
- b) Set the qualifications required for each member of the Sectoral Councils;
- c) Establish the process of electing the members of the Sectoral Councils, including replacements in cases of vacancies;
- d) Elect the members of their respective Sectoral Councils which shall not be less than fifteen (15) but not more than twenty-five (25) members;
- e) Set the qualifications required for each nominee to the position of Sectoral Representative;
- f) Establish the process of selecting the nominees to the position of Sectoral Representative; and
- g) Formulate and approve the Code of Ethics and Conduct and transparency and accountability mechanisms among the Sectoral Councils.

Provided, that nominees to the Sectoral Councils and Sectoral Representatives shall be taken from among the legitimate members of each Sectoral Assembly. *Provided further*, that they shall observe the minimum 30 percent (30%) gender quota for women, including having at least one (1) woman-nominee as



Sectoral Representative. *Provided finally*, that no individual elected or appointed to a government position, whether at the national or local level, shall be allowed to be a member of any Sectoral Council or be a Sectoral Representative and neither shall government employees, whether at the national or local level, be considered eligible in either capacity.

In the performance of their functions, the Sectoral Assemblies shall exercise transparency and follow democratic procedures.

Whenever necessary and upon due notice, the Sectoral Assembly may be convened by the Sectoral Council.

SECTION 7. Constituting the Sectoral Councils. Upon the adoption of these Rules, the Sectoral Council of each basic sector shall be immediately organized in accordance herewith. Thereafter, each Sectoral Council shall elect three (3) nominees to the position of Sectoral Representative, provided that at least one (1) nominee is female. The list of nominees shall be submitted to the President who will appoint the Sectoral Representatives from among these three (3) nominees within thirty (30) days from receipt of the lists.

The incumbent Sectoral Councils shall perform the functions of the succeeding Technical Working Committees. *Provided* that the outgoing Sectoral Representative will act as the Chairperson of the Technical Working Committees and the Sectoral Assembly.

RULE VI

SECTORAL COUNCILS

SECTION 1. Sectoral Councils. The Sectoral Councils shall be the venue for the basic sectors to establish a consensus among themselves on all matters concerning the sector, including the nomination and recall of Sectoral Representatives in the NAPC.

SECTION 2. Membership and Composition of the Sectoral Councils. The Sectoral Council shall be composed of not less than fifteen (15) but not more than twenty-five (25) sectoral organizations duly represented and elected in the Sectoral Assembly, as mandated by these Rules.

The membership of the Sectoral Councils shall observe the minimum 30 percent (30%) gender quota for women. No individual elected or appointed to a government position, whether at the national or local level, shall be allowed to be a member of any Sectoral Council. Neither shall any government employee, whether at the national or local level, be included as a member in any Sectoral Council.

SECTION 3. Term Limits and Other Causes of Removal from the Council. Members of the Sectoral Councils shall be elected to a term of three (3) years and shall serve for a maximum of two (2) terms, whether consecutively or separately. This rule refers only to individuals and not the organizations they represent. Hence, organizations are always qualified for re-election as long as they are able to designate new representatives to the Sectoral Assembly apart from their



representative who has served the maximum two (2) terms as Sectoral Council member.

This rule notwithstanding, a Sectoral Council member is deemed automatically resigned from the Council when the member has resigned or separated from the organization from which the membership in the Sectoral Assembly is derived.

Expulsion or removal of Sectoral Council members for cause shall be determined by the Code of Conduct and Ethics and the transparency and accountability mechanisms of the sectors.

The process for filling up the vacancy as determined by each sector shall be observed.

SECTION 4. Procedures for Sectoral Representative Elections and Accountability. The Sectoral Councils shall respectively elect from among themselves three (3) nominees from each sector, at least one (1) of which shall be female, to the position of Sectoral Representative every three (3) years and in case of vacancy caused by death, resignation, recall, physical incapacity or other causes. The election of nominees *in absentia* shall not be allowed.

The Sectoral Councils shall also establish systems and procedures for ensuring the accountability of their Sectoral Representatives to the sector, including but not limited to the presentation and submission of an annual performance and financial accomplishment report during a sectoral general assembly or other appropriate venue.

SECTION 5. Functions and Responsibilities of the Sectoral Councils. Immediately upon the election of the Sectoral Councils, they shall consult and confer with the appropriate government departments, including the flagship agencies, in order to define and incorporate the poverty reduction framework into the agencies' programs and the sectors' needs. This will include identifying the components of the flagship program on anti-poverty and geographic areas for implementation and integrating capability-building programs and activities for their sector in the implementation of these components.

The Sectoral Councils shall convene at least once every quarter to discuss issues and concerns of the sectors with their respective Sectoral Representative.

SECTION 6. Convening Sectoral Assemblies. Not later than one hundred twenty (120) days prior to the end of the term of the incumbent Sectoral Representatives, each Sectoral Council shall act as a Technical Working Committee and organize its Sectoral Assembly. The Sectoral Councils, acting as Technical Working Committees, shall establish the rules of organization of the succeeding Sectoral Assemblies.

Thereafter, each Sectoral Assembly must complete the task of forming the succeeding Sectoral Council prior to the end of the term of the incumbent Sectoral



Representatives.

SECTION 7. Recall. To provide an effective mechanism by which the basic sectors can hold the Sectoral Representatives accountable for their undertakings, a procedure for recall shall be instituted by the respective Sectoral Councils. The Sectoral Council to which the erring Sectoral Representative belongs shall be the sole authority to initiate and decide on recall proceedings.

Upon their election to office, the Sectoral Councils shall determine, among others, the processes necessary for the recall proceedings. *Provided*, that the grounds for recall shall include, among others, any acts inimical to the interest and autonomy of the basic sectors. *Provided*, further, that the recall processes and procedures shall accord due process to all parties concerned. These processes may be enclosed in the Code of Ethics and Conduct.

Any incumbent Sectoral Representative shall be removed by a two-thirds (2/3) vote of all the members of the Sectoral Council. The decision of the Sectoral Council shall be final and shall be transmitted to the Office of the President through the Lead Convenor.

RULE VII

SECTORAL REPRESENTATIVES

SECTION 1. Composition, Appointment and Term of Office. There shall be fourteen (14) Sectoral Representatives, each respectively representing the basic sectors enumerated in the Social Reform and Poverty Alleviation Act.

The President shall, within thirty (30) days after the receipt of the list of nominees, appoint the Sectoral Representatives from the list submitted by the Sectoral Councils. Sectoral Representatives shall serve for a term of three (3) years without reappointment.

SECTION 2. Filling Vacancies. In case of vacancy in the position of Sectoral Representative due to death, resignation, recall, physical incapacity, or other causes, the Sectoral Council shall recommend three (3) nominees. The list of nominees shall be submitted to the President, who will appoint the new Sectoral Representative within thirty (30) days from receipt of the list. Appointment to fill any vacancy in the position of Sectoral Representatives shall only be for the unexpired term of the predecessor without prejudice to reappointment in cases where the unexpired portion of the term is less than 2 years.

SECTION 3. Organizational Mechanisms and Guidelines. The Sectoral Representatives shall constitute themselves into a Sectoral Representatives Council (SRC), and thereupon will elect from among themselves the Vice-Chairperson for the basic sectors. In consultation with their respective Sectoral Councils, the SRC shall formulate and adopt organizational mechanisms and guidelines which shall define the parameters for the participation of the basic sectors in the anti-poverty agenda of the government. The organizational mechanisms and guidelines as formulated by the basic sectors shall be adopted by the government as the official



document governing the relations between and among sectors, as well as with the government. *Provided*, that the parameters shall ensure principled partnership between the basic sectors and the government. *Provided* further, that the mechanisms and guidelines may include processes necessary for effective basic sector coordination among themselves.

In case of violations of the Code of Ethics and Conduct and the transparency and accountability mechanisms, the SRC shall create an independent Ethics and Grievance Committee from among the members of the Sectoral Assemblies with the function of receiving and acting on complaints involving Sectoral Representatives and Sectoral Council members.

In cases where the complaint involves recommendations for recall of Sectoral Representatives, the provisions of Section 7 Rule VI of this IRR shall apply.

RULE VIII



MISCELLANEOUS AND FINAL PROVISIONS

SECTION 1. Separability Clause. If any provision of this Administrative Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

SECTION 2. Repealing Clause. All orders, rules, regulations, and issuances, or parts thereof, which are inconsistent with this Administrative Order, are hereby repealed, amended, or modified accordingly.

SECTION 3. Effectivity. This Administrative Order shall take effect immediately.

DONE, in the City of Manila, this 10th day of October, in the year of Our Lord, Two Thousand and Eleven.

By the President:


PAQUITO N. OCHOA, JR.
Executive Secretary

