

MALACAÑANG
MANILA

EXECUTIVE ORDER No.128

REORGANIZING THE NATIONAL SCIENCE
AND TECHNOLOGY AUTHORITY

RECALLING that the reorganization of the government is mandated expressly in Article II, Section 1 (a), and Article III of the Freedom Constitution;

HAVING IN MIND that, pursuant to Executive Order No. 5 (1986), it is directed that necessary and proper changes in the organizational and functional structures of the government, its agencies and instrumentalities, be effected in order to promote efficiency and effectiveness in the delivery of public services;

AFFIRMING that it is necessary to reorganize the National Science and Technology Authority in order to make it more effective and responsive to the scientific and technological needs of the country;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the sovereign will of the Filipino people and the Freedom Constitution, do hereby order:

SECTION 1. *Title.* - This Executive Order shall otherwise be known as the Reorganization Act of the National Science and Technology Authority.

SEC. 2. *Reorganization.* - The National Science and Technology Authority is hereby reorganized, structurally and functionally, hereinafter referred to as Authority, in accordance with the provisions of this Executive Order.

SEC. 3. *Declaration of Policy.* - It shall be the policy of the State to:

- (a) Support and encourage local scientific and technological efforts that address national and local problems and positively contribute to national development;
- (b) Promote the development of local capability in science and technology to achieve technological self-reliance in selected areas that are vital to national development;
- (c) Support and encourage public and private sector partnership aimed at accelerating self-reliance in the selected areas;
- (d) Encourage and support private sector initiatives in science and technology and provide the necessary incentives and assistance to enable the private sector to take increasing responsibility and a greater role in the country's research and development efforts.

SEC. 4. *Mandate.* - The Authority shall provide central direction, leadership, and coordination of scientific and technological efforts and ensure that the results therefrom are geared and utilized in areas of maximum economic and social benefits for the people.

The Authority shall formulate and implement policies, plans, programs and projects for the development of science and technology and for the promotion of scientific and technological activities for both the public and private sectors, and ensure that the results of scientific and technological activities are properly applied and utilized to accelerate economic and social development.

The Authority shall continually review the state and needs of science and technology in the context of the country's developmental goals.

SEC. 5. *Powers and Functions.* - To accomplish its mandate, the Authority shall have the following powers and functions:

- (a) Formulate and adopt a comprehensive National Science and Technology Plan including specific goals, policies, plans, programs and projects based on the recommendation of the Inter-Council Review Board and, upon approval by the President, monitor and coordinate its funding and implementation by all government agencies and instrumentalities.
- (b) Promote, assist, and where appropriate, undertake scientific and technological research and development in those areas which are determined to be vital to the country's development and other optimum returns for the resources employed;
- (c) Promote the development of indigenous technology and adaptation and innovation of suitable imported technology, and in this regard, undertake technology development up to the commercial stage, preferably in joint venture with the private sector or with public agencies;
- (d) Undertake design and engineering work to complement its research and development functions;
- (e) Promote, assist and where appropriate undertake the transfer of the results of scientific and technological research and development, to their end-users;
- (f) Promote, assist and where appropriate undertake technological services needed by agriculture, industry, transport, and the general public;
- (g) Develop and maintain an information system and databank on science and technology for use by both the public and private sectors;
- (h) Develop and implement, together with other entities concerned, programs for strengthening scientific and technological capabilities in the relevant disciplines through manpower training and through infrastructure and institution building and rationalization, in both the public and private sectors;

- (i) Promote public consciousness in science and technology;
- (j) Undertake policy research, technology assessment studies, feasibility studies and technical studies.

SEC. 6. *Structural Organization.* - The Authority, comprising the Offices of the Director-General, and Deputy and Assistant Directors-General, shall consist of the Services, Inter-Council Review board, Sectoral Planning Councils, Institutes and Regional Offices.

SEC. 7. *Director-General.* - The Authority and responsibility for the exercise of the mandate of the Authority and for the discharge of its powers and functions shall be vested in a Director-General, and shall be appointed by the President and shall have supervision and control of the Authority, except the Inter-Council Review Board and the Sectoral Planning Councils, over which he shall exercise supervision only.

SEC. 8. *Office of the Director-General.* - The Office of the Director-General shall consist of the Director-General and his immediate staff.

SEC. 9. *Deputy Directors-General.* - The Director-General shall be assisted by three (3) Deputy Directors-General appointed by the President upon the recommendation of the Director-General, one for research and development, one for regional operations and one for scientific and technical services. The Deputy Directors-General shall have supervision over the Institute under their respective functional areas of responsibility.

SEC. 10. *Assistant Directors-General.* - The Director-General shall also be assisted by three Assistant Directors-General, who shall be appointed by the President upon the recommendation of the Director-General.

SEC. 11. *Services.* - The services of the Authority shall consist of the following:

- (a) Planning and Evaluation Service, which shall be responsible for providing the Authority with efficient and effective services relating to planning, programs and project monitoring and development;
- (b) Financial and Management Service, which shall be responsible for providing the Authority with efficient and effective staff advice and assistance on budgetary, financial, and management improvement matters;
- (c) Administrative and Legal Service, which shall be responsible for providing the Authority with efficient and effective services relating to personnel, information, records, supplies, equipment collection, disbursement, security and custodial work, and all legal matters.

SEC. 12. *Inter-Council Review Board.* - There is hereby created an Inter-Council Review Board, composed of the Ministers or their designated Deputy Ministers who are members of the sectoral planning councils under the following Sections 13, 14, 15, 16, 17 and 18, and shall be chaired by the Director-General of Science and Technology.

The main function of the Board shall be to review the plans of the sectoral planning councils and the National Science and Technology Plan

and, in connection therewith, shall be assisted by the Planning and Evaluation Service.

SEC. 13. *Sectoral Planning Council.* - There shall be five (5) sectoral planning councils as follows:

- [a] Philippine Council for Industry and Energy Research and Development, for industry and energy and mineral resources;
- [b] Philippine Council for Health Research and Development, for health;
- [c] Philippine Council for Agriculture, Forestry and Natural Resources Research and Development, for Agriculture and forestry resources;
- [d] Philippine Council for Aquatic and Marine Research and Development, for aquatic and marine resources;
- [e] Philippine Council for Advanced Science and Technology Research and Development, for advanced science and technology.

Each of the councils shall be responsible, in their respective sectors, for the formulation of strategies, policies, plans, programs and projects for science and technology development; for programming and allocation of government and external funds for research and development; for monitoring of research and development projects; and for the generation of external funds.

Each council shall have a secretariat which shall be headed by an Executive Director who shall be appointed by the President upon the recommendation of the Director-General.

SEC. 14. *Philippine Council for Industry and Energy Research and Development.* - The Philippine Council for Industry and Energy Research and development, presently existing, is hereby reorganized, which shall be under the administrative supervision of the Authority, and shall consist of the Director-General as Chairman and eight (8) members, as follows: Minister of Trade and Industry, Minister of Transportation and Communications, Minister of Public Works and Highways or their designated Deputy Ministers, and Executive Director of the Council Secretariat, and four (4) representatives of the private sector in the field of industry and energy, who are chief executive officers of their respective companies in the field of industry or energy or are acknowledged leaders in their professions to be appointed by the President, in their personal capacity, upon recommendation of the Director-General, each of whom shall be for a term of two (2) years; provided, however, that the tenure of the members first appointed by the President shall be as follows: two (2) for one (1) year and two (2) for two (2) years, as fixed in their respective appointments. The members shall serve and continue to hold office until their respective successors shall have been duly appointed and qualified. Appointment to any vacancy in the Council shall be by the President and shall only be for the unexpired portion of the term of the predecessor.

SEC. 15. *Philippine Council for Agriculture and Forestry Research and Development.* - The Philippine Council for Agriculture and Forestry Research and Development is hereby created, which shall be under the administrative

supervision of the Authority, and shall consist of the Director-General as Chairman and eight (8) members, as follows: Minister of Agriculture and Food, Minister of Natural Resources or their designated Deputy Ministers, Chancellor of the University of the Philippines at Los Baños, Administrator of the National Food Authority and Executive Director of the Council Secretariat and three (3) representatives of the private sector in the fields of agriculture or forestry, who are chief executive officers or their respective companies in the field of agriculture or forestry or are acknowledged leaders in their professions to be appointed by the President, in their personal capacity, upon recommendation of the Director-General, each of whom shall be for a term of two (2) years; provided, however, that the tenure of the members first appointed by the President shall be as follows: one (1) for one (1) year and two (2) for two (2) years, as fixed in their respective appointments. The members shall serve and continue to hold office until their successors shall have been duly appointed and qualified. Appointment to any vacancy in the Council shall be by the President and shall only be for the unexpired portion of the term of the predecessor.

SEC. 16. *Philippine Council for Health Research and Development.* - The Philippine Council for Health Research Development, presently existing, is hereby reorganized which shall be under the administrative supervision of the Authority, and shall consist of the Director-General as Chairman and eight (8) members, as follows: Minister of Health or his designated Deputy Minister, Chancellor of the University of the Philippines Health Services Center, Executive Director of the National Nutrition Council, Executive Director of the Council Secretariat and four (4) representatives of the private sector in the field of health, who are chief executive officers of their respective companies in the field of health or are acknowledged leaders in their professions to be appointed by the President, in their personal capacity, upon the recommendation of the Director-General, each of whom shall be for a term or two (2) years; provided, however, that the tenure of the members first appointed by the President shall be as follows: two (2) for one (1) year and two (2) for two (2) years, as fixed in their respective appointments. The members shall serve and continue to hold office until their successors shall have been duly appointed and qualified. Appointment to any vacancy in the Council shall be by the President and shall only be for the unexpired portion of the term of the predecessor.

SEC. 17. *Philippine Council for Aquatic and Marine Research and Development.* - The Philippine Council for Aquatic and Marine Research and Development is hereby created, which shall be under the administrative supervision of the Authority, and shall consist of the Director-General as Chairman, and eight (8) members as follows: Minister of Agriculture and Food, Minister of Natural Resources or their designated Deputy Ministers, Executive Director of the Council Secretariat, two (2) representatives from the academic/research institution and three (3) representatives from the private sector who are chief executive officers of their respective companies in the field of aquaculture or marine research or development or are acknowledged leaders of their professions to be appointed by the President, in their personal capacity, upon the recommendation of the Director-

General, each of whom shall be for a term of two (2) years; provided, however that the terms of the members first appointed by the President shall be as follows: two (2) for one (1) year and the other three (3) for two (2) years, as fixed in their respective appointments. The members shall serve and continue to hold office until their successors shall have been duly appointed and qualified. Appointment to any vacancy in the Council shall be by the President and shall only be for the unexpired portion of the term of the predecessor.

SEC. 18. *Philippine Council for Advanced Science and Technology Research and Development.* - The Philippine Council for Advanced Science and Technology Research and Development is hereby created, which shall be under the administrative supervision of the Authority and shall consist of the Director-General as Chairman and eight (8) members, as follows: Minister of Education, Culture and Sports or his designated Deputy Minister, President of the University of the Philippines System; two (2) representatives from the government sector; and four (4) representatives from the private sector in the field of advanced science research, all of whom shall be appointed by the President, in their personal capacity, upon the recommendation of the Director-General, each of whom shall be for a term of two (2) years.

SEC. 19. *Institutes.* - The Institutes of the Authority are the following, which shall be line in character: Industrial Technology Development Institute; Philippine Nuclear Research Institute; Food and Nutrition Research Institute; Forest Products Research and Development Institute; Philippine Textile Research Institute; Advanced Science and Technology Institute; Science Education Institute; Science and Technology Information Institute; and Technology Application and Promotion Institute.

SEC. 20. *Industrial Technology Development Institute.* - There is hereby created the Industrial Technology Development Institute, which shall have the following functions:

- [a] Undertake applied research and development to develop technologies and technological innovations in the field of industrial manufacturing, mineral processing and energy;
- [b] Undertake the transfer of research results directly to end-users or preferably via linkage units of other government agencies;
- [c] Undertake technical services, such as but not limited to, standards, analytical and calibration services mandated by law or as needed, by industry;
- [d] Conduct training and provide technical advisory and consultancy services to industry clientele and end-users.

The Institute shall be headed by a Director, who shall be appointed by the President upon the recommendation of the Director-General and shall be assisted by one or more Deputy Directors as may be necessary. The Institute shall have the following divisions:

- [1] Chemicals and Minerals Division;

- [2] Food Processing Division;
- [3] Fuels and Energy Division;
- [4] Material Science Division;
- [5] Microbiology and Genetics Division;
- [6] Electronics and Process Control Division;
- [7] Environmental Division;
- [8] Rural Technology Division;
- [9] Economics Division;
- [10] Standards and Testing Division.

SEC. 21. *Philippine Nuclear Research Institute.* - The Philippine Nuclear Research, formerly the Philippine Atomic Energy Commission, is hereby reorganized and shall have the following functions:

- [a] Conduct research and development on the application of radiation and nuclear materials, processes and techniques in agriculture, food, health, nutrition and medicine and in industrial or commercial enterprises;
- [b] Undertake the transfer of research results to end-users, including technical extension and training services;
- [c] Operate and maintain nuclear research reactors and other radiation facilities;
- [d] License and regulate activities relative to production, transfer, and utilization of nuclear and radioactive substances.

The Institute shall be headed by a Director, who shall be appointed by the President upon the recommendation of the Director-General and shall be assisted by one or more Deputy Directors, as may be necessary. The Institute shall have the following divisions:

- [1] Atomic Research Division;
- [2] Nuclear Services and Training Division;
- [3] Nuclear Regulations, Licensing, and Safeguards Division.

SEC. 22. *Food Nutrition Research Institute.* - The Food Nutrition Research Institute, presently existing, is hereby reorganized and shall have the following functions:

- [a] Undertake research that defines the citizenry's nutritional status, with reference particularly to the malnutrition problem, its causes and effects and identify alternative solutions to them;
- [b] Develop and recommend policy options, strategies, programs and projects, which address the malnutrition problem for implementation by the appropriate agencies;
- [c] Disseminate research findings and recommendations to the relevant end-users.

The Institute shall be headed by a Director who shall be appointed by the President upon the recommendation of the Director-General and shall be assisted by one or more Deputy Directors, as may be necessary. The Institute shall have the following divisions:

- [1] Nutrition Standard and Management Division;
- [2] Bio-Medical Nutrition Division;
- [3] Nutrition Intervention Modelling and Assessment Division;
- [4] Communication and Dissemination Services Division.

SEC. 23. *Forest Products Research and Development Institute.* - The Forest Products Research and Development Institute, presently existing, is hereby reorganized and shall have the following functions:

- [a] Conduct applied research and development in secondary and tertiary processing for the forest-based industry to generate information and technology which can improve the utility value of wood and other forest products;
- [b] Undertake the transfer of completed researches directly to the end-users or via linkage units of other government agencies;
- [c] Undertake technical services and provide training programs.

The Institute shall be headed by a Director, who shall be appointed by the President upon the recommendation of the Director-General, and shall be assisted by one or more Deputy Directors as may be necessary. The Institute shall have the following divisions:

- [1] Housing Materials Division;
- [2] Furniture, Wares and Packaging Division;
- [3] Paper and Chemical Products Division.

SEC. 24. *Philippine Textile Research Institute.* - The Philippine Textile Research Institute, presently existing, is hereby reorganized and shall have the following functions:

- [a] Conduct applied research and development for the textile industry sector;
- [b] Undertake the transfer of completed researches to end-users or via linkage units of other government agencies;
- [c] Undertake technical services and provide training programs.

The Institute shall be headed by a Director, who shall be appointed by the President upon recommendation of the Director-General and shall be assisted by one or more Deputy Directors, as may be necessary, and shall have the following divisions:

- [1] Research and Development Division;
- [2] Technical Services Division.

SEC. 25. *Advanced Science and Technology Institute.* - There is hereby created the Advanced Science and Technology Institute, which shall have the following functions:

- [a] Undertake long-term researches to strengthen and modernize science and technology infrastructure;
- [b] Conduct research and development work in the advanced fields of studies including biotechnology and microelectronics;
- [c] Complement the overall endeavour in the scientific field with intensive activities in the computer and information technologies.

The Institute shall be headed by a Director, who shall be appointed by the President upon the recommendation of the Director-General and shall be assisted by one or more Deputy Directors, as may be necessary.

SEC. 26. *Science Education Institute.* - There is hereby created the Science Education Institute, which shall have the following functions:

- [a] Undertake science education and training;
- [b] Administer scholarships, awards and grants;
- [c] Undertake science and technology manpower development;
- [d] Formulate plans and establish programs and projects for the promotion and development of science and technology education and training in coordination with the Ministry of Education, Culture and Sports, and other institutions of learning in the field of science and technology.

The Institute shall be headed by a Director, who shall be appointed by the President upon the recommendation of the Director-General and shall be assisted by one or more Deputy Directors, as may be necessary. The Institute shall have the following divisions:

- [1] Scholarship and Training Division;
- [2] Science and Technology Manpower Assessment Division; and
- [3] Science and Technology Education Division.

SEC. 27. *Science and Technology Information Institute.* - There is hereby created the Science and Technology Information Institute which shall have the following functions:

- [a] Establish a science and technology databank and library;
- [b] Disseminate science and technology information; and
- [c] Undertake training on science and technology information.

The Institute shall be headed by a Director, who shall be appointed by the President upon the recommendation of the Director-General and shall be assisted by one or more Deputy Directors, as may be necessary.

SEC. 28. *Technology Application and Promotion Institute.* - There is hereby created the Technology Application and Promotion Institute (TAPI) whose primary responsibility is to serve as the implementing arm of the Authority

in promoting the commercialization of technologies and in marketing the services of the other operating units in the Authority; for such purpose it shall have the following functions:

- [a] Undertake contract research, particularly at the pilot plant and semi-commercial stage;
- [b] Provide technical consultancy including engineering design services, patenting and licensing services;
- [c] Provide grants and/or venture financing for new and/or emerging projects.

The Institute shall be headed by a Director who shall be appointed by the President upon the recommendation of the Director-General and shall be assisted by one or more Deputy Directors as may be necessary.

SEC. 29. Philippine Atmospheric, Geophysical and Astronomical Services Administration. - The Philippine Atmospheric, Geophysical and Astronomical Services Administration, presently existing, is hereby reorganized and shall have the following functions:

- (a) Maintain a nationwide network pertaining to observation and forecasting of weather and other climatological conditions affecting national safety, welfare and economy;
- (b) Undertake activities relative to observation, collection, assessment processing of atmospheric and allied data for the benefit of agriculture, commerce and industry;
- (c) Engage in studies of geophysical and astronomical phenomena essential to the safety and welfare of the people;
- (d) Undertake researches on the structure, development and motion of typhoons and formulate measures for their moderation; and
- (e) Maintain effective linkages with scientific organizations here and abroad, and promote exchange of scientific information and cooperation among personnel engaged in atmospheric, geophysical and astronomical studies.

The Institute shall be headed by a Director who shall be appointed by the president upon recommendation of the Director-General and shall be assisted by one or more Deputy Directors as may be necessary.

SEC. 30. Philippine Institute of Volcanology and Seismology. - The Philippine Institute of Volcanology and Seismology, presently existing, is hereby reorganized and shall have the following functions:

- (a) Predict the occurrences of volcanic eruptions and earthquakes and their geotectonic phenomena;
- (b) Determine how eruptions and earthquakes shall occur and also likely areas to be affected;
- (c) Exploit the positive aspects of volcanic terrain in furtherance of the socio-economic development effort of the government;

- (d) Generate sufficient data for forecasting volcanic eruptions and earthquakes;
- (e) Formulate appropriate disaster preparedness plans; and
- (f) Mitigate hazards of volcanic activities through appropriate detection, forecast, and warning systems.

The Institute shall be headed by a Director who shall be appointed upon the recommendation of the Director-General and shall be assisted by one or more Deputy Directors as may be necessary.

SEC. 31. *Regional Offices.* - The Authority is hereby authorized to establish, operate and maintain a Regional Office, whenever appropriate, in each of the administrative regions of the country, to be headed by a Regional Director who shall report to, and subject to the supervision of, the Deputy Director-General for Regional Operations. A Regional Office shall have, within its administrative region, the following functions:

- (a) Implement laws, rules, regulations, policies, plans, programs and projects of the Authority;
- (b) Provide efficient and effective service to the people;
- (c) Coordinate with regional offices of other ministries, offices and agencies in the administrative region;
- (d) Coordinate with local government units; and
- (e) Perform such other functions as may be provided by law.

SEC. 32. *Authority Offices in Other Countries.* - The Authority may also have such offices and representatives in other countries in places where its presence is considered necessary subject to the approval of the President for each of them.

SEC. 33. *Attached Agencies.* - The following agencies shall be attached to the Authority:

- (a) Philippine National Science Society (formerly National Research Council of the Philippines), in connection with Section 35 (b) hereof;
- (b) National Academy of Science and Technology; and
- (c) Philippine Science High School.

SEC. 34. *Transfer of Agencies to the Authority.* - The following agencies are hereby transferred as follows:

- (a) The Metals Industry Research and Development Center from the Ministry of Trade and Industry, to the Authority, as a separate unit and attached thereto; provided, however, it is subject to a memorandum of agreement which defines: the relationship between the Ministry of Trade and Industry and the Metals Research and Development Center and the manner by which equipment and resources are accessed. The investment and trade promotions aspects are recognized to be functions of the Ministry of Trade and Industry in cooperation with the National Science and Technology Authority.

- (b) The Philippine Textile Research Institute from the Ministry of Trade and Industry, to the Authority as a separate unit and attached thereto; provided, however, it is subject to a memorandum of agreement which defines: the relationship between the Ministry of Trade and Industry and the Philippine Textile Research Institute and the manner by which equipment and resources are accessed. The investment and trade promotion aspect are recognized to be functions of the Ministry of Trade and Industry in cooperation with the National Science and Technology Authority.

Subsections (a) and (b) shall be in accordance with Section 36 (a).

SEC. 35. *Abolition of Agencies.* - The following agencies are hereby abolished:

- (a) Philippine Council for Agriculture and Resources Research and Development; provided that its appropriation, funds, records, equipment, facilities, choses in action, rights, other assets and personnel as may be necessary shall be transferred to the Philippine Council for Agriculture and Forestry Research and Development; its liabilities, if any, shall be treated in accordance with the Government Auditing Code and other pertinent laws, rules and regulations; its personnel shall, in a hold-over capacity, continue to perform their duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from the service pursuant to Executive Order No. 17 (1986) or Article III of the Freedom Constitution; its personnel whose positions are not included in the Authority's new position structure and staffing pattern approved and prescribed by the Director-General under Section 37 hereof or who are not reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Section 37;
- (b) National Research Council of the Philippines; provided that what is being abolished herein is the Council as created under Executive Order No. 784;
- (c) Philippine Invention Development Institute; provided that its appropriations, funds, records, equipment, facilities, choses in action, rights, other assets, personnel as may be necessary and liabilities, if any, shall be transferred to the Technology Application and Promotion Institute (TAPI) in accordance with the provisions of the foregoing Subsection (a);
- (d) Science Promotions Institute; provided, that its appropriations, funds, records, equipment, facilities, choses in action, rights, other assets, personnel as may be necessary and liabilities, if any, shall be transferred to the Science and Technology Information Institute (STII) and the Science Education Institute (SEI) in accordance with the provision of the foregoing Subsection (a);
- (e) National Institute of Science and Technology; provided, that its appropriations, funds, records, equipment, facilities, choses in action,

rights, other assets, personnel as may be necessary and liabilities, if any, shall be transferred to the Industrial Technology Development Institute in accordance with the provisions of the foregoing Subsection (a);

- (f) Materials Science Research Institute; provided, that its appropriations, funds, records, equipment, facilities, choses in action, rights, other assets, personnel as may be necessary and liabilities, if any, shall be transferred to the Industrial Technology Development Institute in accordance with the provisions of the foregoing Subsection (a);
- (g) Special Project Service; provided, that its appropriations, funds, records, equipment, facilities, choses in action, rights, other assets, personnel as may be necessary and liabilities, if any, shall be transferred to the Planning and Evaluation Service in accordance with the provision of the foregoing Subsection (a).

The abolitions under Subsections (b), (c), (d) and (g) shall be in accordance with Section 36 (d) hereof.

SEC. 36. *Transitory Provisions.* - In accomplishing the acts of reorganization herein prescribed, the following transitory provisions shall be complied with, unless otherwise provided elsewhere in this Executive Order;

- (a) The transfer of a government unit shall include the functions, appropriations, funds, records, equipment, facilities, choses in action, rights, other assets and liabilities, if any, of the transferred unit as well as the personnel thereof, as may be necessary, who shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from government service pursuant to Executive Order No. 17 (1986) or Article III of the Freedom Constitution. Those personnel of the transferred unit whose positions are not included in the new position structure and staffing pattern approved and prescribed by the Director-General or who are not reappointed shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of Section 37 hereof;
- (b) The transfer of functions which results in the abolition of the government unit that has exercised them shall include the appropriations, funds, records, equipment, facilities, choses in action, rights, other assets and personnel as may be necessary to the proper discharge of the transferred functions. The abolished unit's remaining appropriations and funds, if any, shall revert to the General Fund and its remaining assets, if any, shall be allocated to such appropriate units as the Director-General shall determine or shall otherwise be disposed of in accordance with the Auditing Code and other pertinent laws, rules and regulations. Its liabilities, if any, shall likewise be treated in accordance with the Auditing Code and other pertinent laws, rules and regulations. Its personnel shall, in a hold-over capacity, continue to perform their duties and responsibilities and

receive the corresponding salaries and benefits unless in the meantime they are separated from the service pursuant to Executive Order No. 17 (1986) or Article III of the Freedom Constitution. Its personnel, whose positions are not included in the Authority's new position structure and staffing pattern approved and prescribed by the Director-General under Section 37 hereof or who are not reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Section 37.

- (c) The transfer of functions which does not result in the abolition of the government unit that has exercised them shall include the appropriations, funds, records, equipment, facilities, choses in action, rights, other assets and personnel as may be necessary to the proper discharge of the transferred functions. The liabilities, if any, that may have been incurred in connection with the discharge of the transferred functions, shall be treated in accordance with the Auditing Code and other pertinent laws, rules and regulations. Such personnel shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from the service pursuant to Executive Order No. 17 (1986) or Article III of the Freedom Constitution. Any personnel, whose position is not included in the position structure and staffing pattern approved and prescribed by the Director-General under Section 37 hereof or who has not been reappointed, shall be deemed separated from the service and shall be entitled to the to the benefits provided in the second paragraph of the same Section 37.
- (d) In case of the abolition of a government unit which does not result in the transfer of its functions to another unit, the appropriations and funds of the abolished unit shall revert to the General Fund, while the records, equipment, facilities, choses in action, rights, and other assets, thereof shall be allocated to such appropriate units as the Director-General shall determine. The liabilities of the abolished unit shall be treated in accordance with the Auditing Code and other pertinent laws, rules and regulations, while the personnel thereof, whose position is not included in the Authority's new position structure and staffing pattern approved and prescribed by the Director-general under Section 37 hereof or who has not been reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Section 37.
- (e) In case of merger or consolidation of government units, the new or surviving unit shall exercise the functions (subject to the reorganization herein prescribed and the laws, rules and regulations pertinent to the exercise of such functions) and shall acquire the appropriations, funds, records, equipment facilities, choses in action, rights, other assets, liabilities if any, and personnel, as may be necessary, of (1) the units that compose the merged unit or (2) the absorbed unit, as the case may be. Such personnel shall, in a hold-

over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from the service pursuant to Executive Order No. 17 (1986) or Article III of the Freedom Constitution. Any such personnel, whose position is not included in the Authority's new position structure and staffing pattern approved and prescribed by the Director-General under Section 37 hereof or who is not reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Section 37.

- (f) In case of termination of a function which does not result in the abolition of the government unit which has performed such function, the appropriations and funds intended to finance the discharge of such function shall revert to the General Fund, while the records, equipment, facilities, choses in action, rights and other assets used in connection with the discharge of such function shall be allocated to the appropriate units as the Director-General shall determine or shall otherwise be disposed in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. The liabilities, if any, that may have been incurred in connection with the discharge of such function shall likewise be treated in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. The personnel who have performed such function, whose positions are not included in the new position structure and staffing pattern approved and prescribed by the Director-General under Section 37 hereof or who have not been reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Section 37.

SEC. 37. New Structure and Pattern. - Upon approval of this Executive Order, the officers and employees of the National Science and Technology Authority shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from government service pursuant to Executive Order No. 17 (1986) or Article III of the Freedom Constitution.

The new position structure and staffing pattern of the Authority shall be approved and prescribed by the Director-General within one hundred twenty (120) days from the approval of this Executive Order and the authorized positions created thereunder shall be filled with regular appointments by him or by the President, as the case may be. Those incumbents whose positions are not included therein or who are not reappointed shall be deemed separated from the service. Those separated from the service shall receive the retirement benefits to which they may be entitled under existing laws, rules and regulations. Otherwise, they shall be paid the equivalent of one-month basic salary for every year of service, or fraction thereof, computed on the basis of the highest salary received, but in no case shall such payment exceed the equivalent of 12 months salary.

No court or administrative body shall issue any writ or preliminary injunction or restraining order to enjoin the separation/replacement of any officer or employee affected under this Executive Order.

SEC. 38. *Periodic Performance Evaluation.* - The Director-General is hereby required to formulate and enforce a system of measuring and evaluating periodically and objectively the performance of the Authority and submit the same annually to the President.

SEC. 39. *Notice or Consent Requirement.* - If any reorganizational change herein authorized is of such substance or materially as to prejudice third persons with rights recognized by law or contract such that notice to or consent of creditors is required to be made or obtained pursuant to any agreement entered into with any of such creditors, such notice or consent requirement shall be complied with prior to the implementation of such reorganizational change.

SEC. 40. *Change of Nomenclature.* - In the event of the adoption of a new Constitution which provides for a presidential form of government, the Authority shall be called Department of Science and Technology and the titles of Director-General, Deputy Director-General, and Assistant Director-General shall be changed to Secretary, Undersecretary and Assistant Secretary, respectively.

SEC. 41. *Prohibition Against Change.* - No change in the reorganization herein prescribed shall be valid except upon prior approval of the President for the purpose of promoting efficiency and effectiveness in the delivery of public services.

SEC. 42. *Funding.* - Funds needed to carry out the provisions of this Executive Order shall be taken from funds available in the Authority.

SEC. 43. *Implementing Authority of Director-General.* - The Director-General shall issue such rules, regulations and other issuances as may be necessary to ensure the effective implementation of the provisions of this Executive Order.

SEC. 44. *Separability.* - Any portion or provision of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying other portions or provisions hereof as long as such remaining portions or provisions can still subsist and be given effect in their entirety.

SEC. 45. *Repealing Clause.* - All laws, ordinances, rules and regulations, other issuances or parts thereof, which are inconsistent with this Executive Order, are hereby repealed or modified accordingly.

SEC. 46. *Effectivity.* - This Executive Order shall take effect immediately upon its approval.

APPROVED in the City of Manila, Philippines, this 30th day of January,
in the year of Our Lord, Nineteen hundred and Eighty-seven.

(Sgd.) CORAZON C. AQUINO
President of the Philippines

By the President:

(Sgd.) JOKER P. ARROYO
Executive Secretary