

# [ LETTER OF INSTRUCTIONS NO. 728, June 09, 1978 ]

## **DIRECTING THE REVIEW OF GOVERNMENT ACTIVITIES AND ORGANIZATION FOR PURPOSES OF FOSTERING GREATER EFFICIENCY AND ECONOMY**

TO: The Chairman, Presidential Commission  
on Reorganization  
The Minister of the Budget  
The Dean, College of Public Administration,  
University of the Philippines

WHEREAS, Presidential Decree No. 1 established an Integrated Reorganization Plan for the Philippine National Government;

WHEREAS, the exigencies of government operation and changing conditions has necessitated the creation of additional offices, the transfer of functions among agencies, and the abolition of organizational units, since the approval of P.D. No. 1;

WHEREAS, it is necessary to review on a comprehensive basis the implementation of the integrated reorganization plan, in the light of subsequent organizational changes, for the purpose of enhancing economy and effectiveness in government operations;

WHEREAS, P.D. No. 1416 grants the President continuing authority to reorganize the national government;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, do hereby order and direct the following;

1. A Review Committee is hereby created to review the organization and activities of agencies of the national government, with, the aims of (a) identifying proliferation in agency organizational units and duplication in functions and activities and (b) recommending such measures as may be necessary to eliminate duplication and to enhance complementary and supportive relationships among government agencies;
2. The objective of this study is to identify measures which will limit current operating expenditures so as to maximize the amount available for capital outlays. The Committee shall therefore recommend measures necessary (a) to eliminate the proliferation of organizational units within individual Ministries, Offices or Bureaus, (b) to reduce duplication of functions among agencies of government, and (c) to reduce overhead expenditures of government by strengthening the principal line agencies of government;
3. The Committee is specifically instructed to study the general areas and the specific activities of agencies that are included in the attached list, and such other similar instances of possible duplication as it may identify;
4. The Committee shall dovetail its work with the ongoing study of government corporations being done by the Presidential Commission on Reorganization;
5. The Committee shall submit its recommendations in the form of suggested organizational or activity changes, including the consolidation of organisational

units, the transfer of functions and activities, the abolition of offices, and the redefinition of functions and activities;

6. The Committee shall be headed by the Chairman, Presidential Commission on Reorganization, with the Minister of the Budget and the Dean of the College of Public Administration of the University of the Philippines as members. The Committee shall be supported in its work by the staffs of the Presidential Commission on Reorganization, the Management Office of the Ministry of the Budget, and the U.P. College of Public Administration. Minimum necessary costs for the study, not to exceed P250.000, may be charged to the Special Activities Fund.
7. The Committee shall submit a preliminary report on or before October 31, 1978.

Done in the city of Manila, this 9th day of June, in the year of Our Lord, nineteen hundred and seventy-eight.

**(Sgd.) FERDINAND E. MARCOS**  
President of the Philippines

List of Government Organizations, Functions and Activities  
Directed for Review

General Areas of Review

1. The proliferation of organizational units within Ministries, Bureaus, Offices, and Agencies in the existence of Centers, Offices, Project Units, and other similar organizational units wuoso functions can be assigned to regular line agencies.
2. The duplication of line agency functions within the Offices of the Ministers with the existence of unnecessary organizational units in the Office of the Minister.
3. The inadequate delineation of functions among planning, coordinative, implementing and monitoring bodies of government and the need for such bodies.
4. Incomplete delegation of authority to Regional Directors, resulting in duplicating and parallel functions at regional and central offices of agencies.
5. The clarification of functions of regional government bodies, including the Regional Commissions, Regional Development Councils, Regional Development authorities or Corporations, and Integrated Area Development Project Councils.
6. The oreation of Regional Offices by bureaus and agencies, resulting in additional overhead expense and in violation of the principle of the Integrated Reorganization Plan which calla for the establishment of Department-wide Regional Offices.
7. The proliferation of state universities and colleges, national schools and emergency hospitals as against the alternative approach of having fewer but larger and better-funded institutions.

Specific Areas of Review

1. Abaca and Other Fibers

Abaca Industry Development Authority

Bureau of Fiber Inspection Service

2. Administration of National Shrines

National Historical Institute, Ministry of Education and Culture

National Military Shrines, Ministry of Defense

3. Barangay Roads

Bureau of Barangay Roads, Ministry of Public Highways  
Rural Roads Program, Ministry of Local Government and Community Development

4. Computer Services

National Computer Center, Office of the President

Bureau of Internal Revenue, Ministry of Finance

Bureau of Customs, Ministry of Finance

Bureau of Treasury, Ministry of Finance

National Census and Statistics Office, National Economic and Development Authority

Office of the Minister, Ministry of Agriculture

Central Bank of the Philippines

Infrastructure Computer Center, Ministry of Public Works, Transportation and Communications

Professional Regulation Commission

Technology Resource Center, Ministry of Human Settlements

National Science and Development Board

National Bureau of Investigation, Ministry of Justice

5. Construction and Repair of National Building and School Buildings

Bureau of Public Works, Ministry of Public Works, Transportation and Communications

Bureau of Buildings and Real Property Management, General Services Administration

6. Drugs Regulation/Supervision

Dangerous Drugs Board

Bureau of Intelligence and Investigation, Ministry of Finance

Constabulary Anti-Narcotic Unit, Armed Forces of the Philippines

National Bureau of Investigation

Food and Drugs Administration

7. Economic Research

Philippine Institute of Development Studies, National

Economic and Development Authority  
Philippine Center for Economic Development, University  
of the Philippines  
Institute of Economic Development and Research,  
University of the Philippines

8. Employment Services

Overseas Employment Development Board  
Bureau of Employment Services  
National Seamen Board

9. Energy

Ministry of Energy  
Bureau of Mines, Ministry of Natural Resources

10. Executive Training Programs

Development Academy of the Philippines  
Philippine Executive Academy, University of  
the Philippines  
National Defense College of the Philippines  
Civil Service Academy  
(a) Junior Executive Training  
(b) Supervisory Training for Effective Administrative  
Management  
Training and Information Service, Ministry of the  
Budget  
Foreign Service Institute, Ministry of Foreign Affairs

11. Export Promotion

Philippine Export Council, Office of the President  
National Economic and Development Authority, Export  
Promotion Project  
Board of Investments, Ministry of Industry  
Embroidery and Apparel Control and Inspection Board,  
Ministry of Finance  
Tobacco Promotion and Regulation Board, Bureau of  
Internal Revenue, Ministry of Finance  
Garments and Textile Export Board  
Bureau of Foreign Trade, Ministry of Finance

12. Family Planning

Ministry of Health  
Commission on Population  
Office of the Minister, Ministry of Labor  
Ministry of Education and Culture