

[EXECUTIVE ORDER NO. 363, August 23, 1996]

**PROVIDING FOR THE GUIDELINES ON THE ALLOCATION AND
RELEASE OF THE 1996 POVERTY ALLEVIATION FUND**

WHEREAS, poverty alleviation stands among the highest priorities of this Administration, and to focus poverty alleviation interventions, 20 priority provinces were identified as the primary initial targets to ensure that these provinces contribute to and benefit from country's economic growth;

WHEREAS, the focus of intensive poverty alleviation efforts has been widened to include Mindanao, particularly the Autonomous Region for Muslim Mindanao or ARMM, in view of its overall high poverty incidence and this Administration's peace and development agenda;

WHEREAS, the 1996 General Appropriations Act provides for a Poverty Alleviation Fund (PAF) amounting to 4.0 billion and designates seven (7) national agencies to oversee the implementation of identified programs;

WHEREAS, there is a need to disseminate clearly to all concerned, the allocation formula and procedures that will be adopted for the release of the PAF to ensure proper coordination between and among the national government agencies and local government units concerned;

WHEREAS, consultations were conducted with the Representatives and Governors of the 20 priority provinces as well as the Representatives of the Mindanao provinces;

NOW THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of powers vested upon me by law, do hereby order the adoption of the following guidelines for the allocation and release of the 1996 Poverty Alleviation Fund, net of reserves:

Section 1. The scholarship programs under the PAF to be administered by the Commission on Higher Education (CHED) shall be implemented nationwide, provided that the provincial allocations shall be based on poverty incidence and preference shall be given to the applicants from the 20 priority provinces and Mindanao.

Sec. 2. The rest of the funds under the PAF (3.5 billion) shall be allocated to three (3) focus areas according to the 2-1-1 formula as follows: P1.75 billion for the 15 priority provinces in Luzon and Visayas; P875 million for the four provinces of the ARMM, to include the priority provinces of Sulu and Tawi-tawi; and P875 million for the remaining provinces of Mindanao, to include the priority provinces of Basilan, Agusan del Sur and Surigao del Sur. The portion of the PAF intended for each focus area shall be apportioned among the member provinces as follows, provided that priority shall be given to responding to the needs of the 5th and 6th class