

Executive Order No. 124, s. 1987

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MALACAÑANG

MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 124

REORGANIZING THE MINISTRY OF PUBLIC WORKS AND HIGHWAYS, REDEFINING ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES

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

HAVING IN MIND that, pursuant to the Executive Order No. 5 (1986), there is a need to effect the necessary and proper changes in the organizational and functional structures of the national and local governments, agencies, and instrumentalities, including government-owned and controlled corporations and their subsidiaries, in order to promote economy, efficiency and effectiveness in the delivery of public services;

NOTING that the Ministry of Public Works and Highways has, in its operations, been impeded by organizational and functional deficiencies;

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:

SEC. 1. Title. This Executive Order shall otherwise be known as the Reorganization Act of the Ministry of Public Works and Highways.

SEC. 2. Reorganization. The Ministry of Public Works and Highways, hereinafter referred to as the Ministry, is hereby reorganized, organizationally and functionally in accordance with the provisions of this Executive Order.

SEC. 3. Declaration of Policy. The State shall maintain an engineering and construction arm and continuously develop its technology, for the purpose of ensuring the safety of all infrastructure facilities and securing for all public works and highways the highest efficiency and the most appropriate quality in construction. The planning, design, construction and maintenance of infrastructure facilities, especially national highways, flood control and water resource development systems, and other public works in accordance with national development objectives, shall be the responsibility of such an engineering and construction arm. However, the exercise of this responsibility shall be decentralized to the fullest extent feasible.

SEC. 4. Mandate. The Ministry shall be the State's engineering and construction arm and is tasked to carry out the policy enunciated in the preceding SEC. 3.

SEC. 5. Powers and Functions. The Ministry, in order to carry out its mandate, shall have the following powers and functions:

- (a) Provide technical services for the planning, design, construction, maintenance, and/or operation of infrastructure facilities;
- (b) Develop and implement effective codes, standards, and reasonable guidelines to ensure the safety of all public and private structures in the country and assure efficiency and proper quality in the construction of public works;
- (c) Ascertain that all public works plans and project implementation designs are consistent with current standards and guidelines;
- (d) Identify, plan, secure funding for, program, design, construct or undertake prequalification, bidding, and award of contracts of public works projects with the exception only of specialized projects undertaken by Government corporate entities with established technical capability and as directed by the President of the Philippines or as provided by law;
- (e) Provide the works supervision function for all public works construction and ensure that actual construction is done in accordance with approved government plans and specifications;
- (f) Assist other agencies, including the local governments, in determining the most suitable entity to undertake the actual construction of public works projects;

- (g) Maintain or cause to be maintained all highways, flood control, and other public works throughout the country except those that are the responsibility of other agencies as directed by the President of the Philippines or as provided by law;
- (h) Provide an integrated planning for highways, flood control and water resource development systems, and other public works;
- (i) Classify roads and highways into national, regional, provincial, city, municipal, and barangay roads and highways, based on objective criteria it shall adopt; provide or authorize the conversion of roads and highways from one category to another;
- (j) Delegate, to any agency it determines to have the adequate technical capability, any of the foregoing powers and functions.

SEC. 6. Minister of Public Works and Highways. The authority and responsibility for the exercise of the mandate of the Ministry and for the discharge of its powers and functions shall be vested in the Minister of Public Works and Highways, hereinafter referred to as the Minister, who shall have supervision and control over the Ministry and shall be appointed by the President. For such purposes, the Minister shall:

- (a) Advise the President on the promulgation of executive or administrative orders, regulations, proclamations and other issuances relative to matters under the jurisdiction of the Ministry;
- (b) Establish the policies and standards for the operation of the Ministry pursuant to the President's guidelines;
- (c) Promulgate rules and regulations necessary to carry out Ministry objectives, policies and functions;
- (d) Exercise supervision and control over all Bureaus and Offices under the Ministry;
- (e) Supervise all attached agencies and corporations in accordance with law;
- (f) As deemed appropriate by the Minister, delegate authority for the performance of any power or function, as defined herein or as delegated by the President of the Philippines, to officers and employees under his direction;
- (g) Perform such other authorities and responsibilities as may be provided by law.

SEC. 7. Office of the Minister. The Office of the Minister shall be composed of the Minister and his immediate staff.

SEC. 8. Deputy Ministers. The Minister shall be assisted by not more than five (5) Deputy Ministers who shall be appointed by the President upon the recommendation of the Minister. The Minister is hereby authorized to delineate and assign the respective functional areas of responsibility of the Deputy Ministers; provided, that such responsibility shall be with respect to the mandate and objectives of the Ministry; and provided, further, that no Deputy Minister shall be assigned primarily administrative responsibilities. Within his functional area of responsibility, a Deputy Minister shall have the following functions:

- (a) Advise and assist the Minister in the formulation and implementation of Ministry policies, plans, programs and projects;
- (b) Supervise all the operational activities of the units assigned to him, for which he is responsible to the Minister;
- (c) Perform such other duties and responsibilities as may be assigned or delegated by the Minister to promote efficiency and effectiveness in the delivery of public services or as may be required by law.

SEC. 9. Assistant Ministers. The Minister shall also be assisted by six (6) Assistant Ministers appointed by the President of the Philippines upon the recommendation of the Minister: one to be responsible for the Internal Audit Services; one for the Monitoring and Information Service; one for the Planning Service; one for the Comptrollership and Financial Management Service; one for the Legal Service; and one for the Administrative and Manpower Management Service.

SEC. 10. Organizational Structure. The Ministry shall be composed of the following organizational units:

- (a) Ministry Proper consisting of the Office of the Minister, the Offices of the Deputy and Assistant Ministers, the Internal Audit Service, Monitoring and Information Service, Planning Service, Comptrollership and Financial Management Service, Legal Service, and the Administrative and Manpower Management Service;
- (b) Bureau of Research and Standards, Bureau of Design, Bureau of Construction, Bureau of Maintenance, and Bureau of Equipment;
- (c) Field Offices, consisting of fourteen (14) Regional Offices composed of Region I (Ilocos), Region II (Cagayan Valley), Region III (Central Luzon), National Capital Region, Region IV-A (Southern Tagalog Mainland Provinces), Region IV-B (Southern Tagalog Island Provinces), Region

V (Bicol), Region VI (Western Visayas), Region VII (Central Visayas), Region VIII (Eastern Visayas), Region IX (Western Mindanao), Region X (Northeastern Mindanao), Region XI (Southern Mindanao, and Region XII (Central Mindanao) and their respective District Offices.

SEC. 11. Internal Audit Service. The Internal Audit Service is hereby created for the purpose of conducting comprehensive audit of various Ministry activities. Specifically, it shall have the following functions:

- (a) Advise the Minister on all matters relating to management control and operations audit.
- (b) Conduct management and operations performance audit of Ministry activities and units and determine as to the degree of compliance with established objectives, policies, methods and procedures, government regulations, and contractual obligations of the Ministry.
- (c) Review and appraise systems and procedures, organizational structure, assets management practices, accounting and other records, reports and performance standards (such as budgets and standard costs) of the Ministry Proper, Bureaus, and Regional Offices.
- (d) Analyze and evaluate management deficiencies and assist top management to solve the problems by recommending realistic courses of action.
- (e) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 12. Monitoring and Information Service. The Monitoring and Information Service is hereby created to provide the Minister timely reports on the status of various Ministry projects and activities; and develop and implement information program for mass dissemination in coordination with the appropriate government agencies. The Monitoring and Information Service shall have the following functions:

- (a) Advise the Minister on all matters relating to monitoring and public information;
- (b) Develop and maintain a system for retrieving and processing monitoring information on all projects and activities of concern to the Minister;
- (c) Provide accurate and timely status and exception reports to the Minister;
- (d) Generate monitoring reports for the President, the Cabinet, or for any other purpose as required by the Minister;

- (e) Develop and supervise the implementation of communications programs to have relevant policies, programs and plans of the Ministry understood by the public;
- (f) Produce and supervise the dissemination of media materials in line with the national government public information programs;
- (g) Coordinate with the appropriate national government agencies tasked with public information affairs;
- (h) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

The existing Infrastructure Computer Center shall be under the supervision of the Assistant Minister for Monitoring and Information. It shall establish and maintain a computerized data bank as a repository of statistics and information on infrastructure operations. It shall also provide computer services to the different offices of the Ministry.

SEC. 13. Planning Service. The Planning Service is hereby reorganized to provide the Ministry with the capability to undertake infrastructure development planning and programming. For this purpose, it shall have the following functions:

- (a) Advise the Minister on all matters relating to infrastructure planning;
- (b) Formulate strategies and priorities for infrastructure development consistent with national development objectives; and initiates or undertake, coordinate and review area and sector surveys for development planning
- (c) Formulate long-range, medium-term and annual development plans and programs for infrastructure, especially highways, flood control and water resource development systems, and other public works projects, including phasing of implementation;
- (d) Identify priority packages for infrastructure development, especially highways, flood control and water resource development systems, and other public works projects, and undertake or supervise and evaluate the conduct of feasibility studies and project preparation thereof;
- (e) Prioritize project implementation and the allocation of funds and other resources and package project proposals for funding and implementation;
- (f) Evaluate and appraise all regional interregional infrastructure development plans and programs as to their feasibility and consistency with approved strategies and long and medium-term plans;

- (g) Initiate regular Ministry-wide planning exercises and act as the secretariat thereof;
- (h) Gather, analyze and organize needed statistical data and information;
- (i) Provide technical assistance related to its functions to the other Services, Bureaus and the Regional Offices as needed; and
- (j) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 14. Comptrollership and Financial Management Service. The Comptrollership and Financial Management Service is hereby created to provide the Ministry with coordinated services relating to financial systems and procedures, budget, cash, accounting, and all financial housekeeping matters. For such purposes, it shall have the following functions:

- (a) Advise the Minister on all matters relating to the accounting of government expenditures and receipts, budgeting and cash management, project finances, and financial systems and procedures;
- (b) Prepare budget proposals and pursue formal budget authorizations; undertake budget execution; and prepare and submit all appropriate reports to the proper offices;
- (c) Develop and maintain accounting, financial and assets management systems, procedures, and practices in the Ministry proper, Bureaus and Regional Offices;
- (d) Provide assistance in its area of specialization to any unit of the Ministry and, when requested, to government corporations and councils attached to the Ministry;
- (e) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 15. Legal Service. The Legal Service is hereby reorganized to provide the Ministry with services on such legal affairs as contract letting and litigation, legal and legislative research, complaints and investigation, legal counseling and other matters of law. For such purposes, it shall have the following functions;

- (a) Advise the Minister on all matters relating to legal affairs;
- (b) Prepare Ministry contracts and legal instruments, review and interpret all contracts and agreements entered into by the Ministry; evaluate all legal proposals;

- (c) Conduct administrative investigation as well as the review of administrative charges against officers and employees of the Ministry;
- (d) Exercise functional jurisdiction over the legal staffs of Regional Offices;
- (e) Provide legal assistance to the Ministry Proper, the Bureaus and Regional Offices and, when requested, the attached corporations;
- (f) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 16. Administrative and Manpower Management Service. The Administrative Service and the Manpower Development Service are hereby merged and reorganized into an Administrative and Manpower Management Service to provide the Ministry with services relating to human resources development, personnel, records, facilities maintenance, medical and dental, security, and property and procurement services. For such purposes, it shall have the following functions:

- (a) Advise the Minister, on all matters relating to internal administration and human resources management;
- (b) Prepare and implement an integrated personnel plan that shall include provisions on merit promotions, performance evaluation, job rotation, suggestions and incentive awards systems, and health and welfare services;
- (c) Provide services related to human resources training, education, and development, including manpower and career planning and forecasting, and development of indigenous training materials;
- (d) Develop, establish and maintain an efficient and cost-effective property procurement system and facilities and coordinate or otherwise interface with relevant agencies, whether government or private, for the purpose of developing or upgrading the system;
- (e) SECure and maintain necessary Ministry facilities, and, develop, establish, and maintain an efficient and effective SECurity system covering, among others, personnel, physical installations, equipment, documents, and materials, including the conduct of SECurity investigations.
- (f) Coordinate with the appropriate government agencies for a more efficient conduct of administrative processes;
- (g) Develop, establish, and maintain an efficient records system;

(h) Provide assistance in its area of specialization to the Ministry proper, Bureaus, and Regional Offices and, when requested, the government agencies and corporations attached to the Ministry;

(i) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 17. Bureau Head. Each Bureau shall be headed by a Bureau Director who shall be responsible for efficiently and effectively carrying out the functions of the Bureau.

SEC. 18. Bureau of Research and Standards. The Bureau of Research and Standards is hereby created to develop and set effective standards and reasonable guidelines to ensure the safety of all infrastructure facilities in the country and to assure efficiency and proper quality in the construction of government public works. In pursuit of this task, the Bureau shall engage in research and development on all major areas pertinent to infrastructure development. For such purposes, it shall have the following functions:

(a) Study, on a continuing basis, and formulate and recommend guidelines, standards, criteria and systems for the survey and design, construction, rehabilitation, maintenance, and improvement of all public works and highways;

(b) Conduct or sponsor research on construction materials and formulate and recommend policies, standards, and guidelines on materials and quality control;

(c) Undertake or cause to be undertaken specialized technical studies to advance the inhouse technology of the Ministry and secure the most complete information for project development and implementation purposes;

(d) Formulate technical training programs for Ministry technical personnel, including the identification of appropriate local and foreign training programs, and recommend the selection of Ministry personnel for such programs;

(e) Review and study, for the purpose of recognizing new technologies especially those utilizing indigenous resources, current national building and construction standards and procedures, and make appropriate recommendations thereon;

(f) Promote, publish, and disseminate technical publications;

(g) Provide technical assistance to the Ministry Proper, other Bureaus, Regional Offices and other agencies on matters within its competence, including technical assistance in the upgrading or updating of the building code, and other services;

(h) Cooperate or coordinate with other established research, development, and engineering centers in areas of common or national interest;

(i) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 19. Bureau of Design. The Bureau of Design is hereby reorganized to ascertain that all government infrastructure project implementation plans and designs are consistent with current standards and guidelines. For this purpose, it shall have the following duties and responsibilities:

(a) Conduct or initiate, supervise and/or review the results of field surveys for highways, flood control and water resource development systems, and other public works projects, including aerial, hydrologic, hydrographic, topographic, geotechnical and other investigations;

(b) Conduct or initiate, supervise and/or review the preparation of schemes, designs, specifications, estimates, tender contract documents covering the architectural, structural, mechanical and electrical and other technical design aspects of highways, flood control, and other projects of the Ministry or of other ministries upon request or agreement;

(c) Review and evaluate the designs, specifications, estimates, tender and contract documents covering the architectural, structural, mechanical, electrical, and other technical design aspects of public works projects of all agencies in accordance with current standards and guidelines;

(d) Provide technical assistance in the selection of firms or entities that shall undertake actual construction of public works projects via participation in the technical evaluation aspect of the bidding/award process;

(e) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 20. Bureau of Construction. The Bureau of Construction is hereby reorganized to provide technical services on construction works for infrastructure projects and facilities. For this purpose, it shall have the following duties and responsibilities:

(a) Formulate policies relating to construction management and contract administration;

(b) Review and evaluate construction programs, estimates, and tender and contract documents;

(c) Inspect, check, and monitor construction and works supervision activities of field implementing offices for the purpose of ensuring that such activities are being conducted in accordance with the current standards and guidelines of the Ministry;

(d) Provide specialist support to implementing field offices on construction management and contract administration;

(e) Perform, such. other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 21. Bureau of Maintenance. The Bureau of Maintenance is hereby reorganized to provide technical services on the maintenance and repair of infrastructure projects and facilities. For this purpose, it shall have the following duties and responsibilities.

(a) Formulate policies relating to maintenance of infrastructure projects and facilities

(b) Review and evaluate maintenance programs, estimates, and tender and contract documents;

(c) Inspect, check, and monitor maintenance activities of implementing field offices for the purpose of ensuring that such activities are being conducted in accordance with the current standards and policies of the Ministry;

(d) Provide specialist support to implementing field offices on the maintenance of infrastructure projects and facilities;

(e) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 22. Bureau of Equipment. The Bureau of Equipment is hereby reorganized to provide technical services on the management of construction and maintenance equipment and ancillary facilities. For this purpose, it shall have the following duties and responsibilities:

(a) Formulate policies relating to the management of infrastructure equipment and ancillary facilities;

(b) Review and evaluate programs, estimates, and tender and contract documents for equipment;

(c) Inspect, check, and monitor the management of equipment by regional equipment services and area shops for the purpose of ensuring that such activities are being conducted in accordance with the current standards and policies of the Ministry;

(d) Provide specialist support to implementing field offices on equipment management;

(e) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 23. Regional Office. All Regional Offices are hereby retained. They shall be responsible for highways, flood control and water resource development systems, and other public works within the region, except those defined in SEC. 5 (d) hereof. For this purpose, their duties and responsibilities shall now be as follows:

- (a) Undertake and evaluate the planning, design, construction and works supervision functions of the Ministry for the abovementioned infrastructure within the region;
- (b) Undertake the maintenance of the abovementioned infrastructure within the region and supervise the maintenance of such local roads and other infrastructure receiving national government financial assistance as the Minister may determine;
- (c) Ensure the implementation of laws, policies, programs, rules and regulations regarding the abovementioned infrastructure as well as all public and private physical structures;
- (d) Provide technical assistance related to their functions to other agencies within the region especially the local government;
- (e) Coordinate with other ministries, agencies, institutions, and organizations, especially local government units within the region in the planning and implementation of infrastructure projects;
- (f) Conduct continuing consultations with the local communities, take appropriate measures to make the services of the Ministry responsive to the needs of the general public, compile and submit such information to the central office, and recommend such appropriate actions as may be necessary;
- (g) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

The Ministry shall retain and have such Project Management Offices as may be required which shall be under the supervision and control of the appropriate Regional Director, unless otherwise determined by the Minister for reasons of supra-regional scope, magnitude, and multi-functional coverage.

SEC. 24. Regional Director. The Regional Office shall be headed by a Regional Director who shall be responsible for efficiently and effectively carrying out the duties and responsibilities of the Regional Office. Towards this end, and in line with the policy of decentralization, he shall, within his defined powers, exercise functional and administrative supervision over District Offices within the region including the authority to commit their resources and personnel to integrated province- or city-wide development thrusts.

He shall also perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

The Regional Director shall be assisted by two (2) Assistant Regional Directors who shall exercise supervision, respectively over (1) the construction, maintenance and works supervision functions in the region; and (2) the planning project design, evaluation and technical assistance functions of the Regional Office.

SEC. 25. District Office. There shall be a District Office in each of the provinces and cities throughout the country to be headed by a District Engineer appointed by the Minister. A province or city may, however, be divided into two (2) or more engineering districts, upon determination and issuance of an administrative order by the Minister. The District Office shall be responsible for all highways, flood control and water resource development systems, and other public works within the district, except those defined under SECTION (5) hereof. For this purpose, it shall have the following duties and responsibilities:

- (a) Undertake and evaluate the planning, design, construction, and works supervision functions of the Ministry for the abovementioned infrastructure in the district;
- (b) Undertake the maintenance of the abovementioned infrastructure within the district and supervise the maintenance of such local roads and other infrastructure receiving national government financial assistance as the Minister may determine;
- (c) Coordinate with other ministries, agencies, institutions, and organizations, especially local government units within the district in the planning and implementation of infrastructure projects;
- (d) Provide technical assistance to other agencies at the local level on public works planning, design, construction, maintenance, and other engineering matters including SECuring assistance from the Regional Office or, through the same Office, assistance from the Ministry proper of Bureaus;
- (e) Conduct continuing consultations with the local communities, take appropriate measures to make the services of the Ministry responsive to the needs of the general public, compile and submit such information to the Regional Office, and recommend such appropriate actions as may be necessary;
- (f) Perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 26. District Engineer. The District Engineer of or within a province or city shall be accountable for the efficient and effective conduct of the duties and responsibilities of the District Office of which he is the head. Within his defined powers, he shall exercise functional and administrative supervision over district operations including the authority to recommend that field resources and personnel be committed to integrated district-wide development thrusts. He shall also perform such other related duties and responsibilities as may be assigned or delegated by the Minister or as may be required by law.

SEC. 27. Equipment Services. The Regional Equipment Services, including regional depots and area shops are hereby reorganized to undertake the management, repair, maintenance, and rehabilitation of construction and maintenance equipment. Each depot or shop shall be operated, to the extent practicable, as a profit center. The Regional Equipment Services shall be under the administrative supervision of the Regional Director and technical supervision of the Bureau of Equipment.

SEC. 28. Abolished/Transferred Agencies. Compliance with the following is hereby prescribed:

(a) The Pasig River Development Council is hereby abolished and its flood control functions are transferred to the pertinent Bureaus, Services, and Regional Office of the Ministry.

(b) The Rural Waterworks Development Corporation is hereby abolished and its functions and assets transferred to the Local Water Utilities Administration in accordance with sections 29 to 31 hereof.

(c) The National Water Resources Council (NWRC) is hereby abolished. All technical functions of the NWRC are hereby transferred to the Bureau of Research and Standard and other offices as deemed appropriate by the Minister.

SEC. 29. Attached Agencies and Corporation. Compliance with the following is hereby prescribed:

(a) The National Water Resources Board shall be created under a separate Executive Order to be submitted to the President for approval within one hundred twenty (120) days after the approval of this Executive Order and shall thereby be attached to the Ministry.

(b) The Metropolitan Waterworks and Sewerage System, the Local Water Utilities Administration and the National Irrigation Administration shall continue to be attached to the Ministry.

(c) The Metropolitan Manila Flood Control and Drainage Council shall be reorganized, under a separate Executive Order to be submitted to the President of the Philippines within one hundred twenty (120) days after the approval of this Executive Order with such Council attached to the Ministry, in order to improve the coordination among the Ministry, local government units, and

other concerned agencies in Metropolitan Manila. The Ministry shall be responsible for the planning, design, construction, maintenance, and operation of flood control and drainage facilities in Metropolitan Manila.

(d) A Traffic Engineering Center attached to the Ministry may be created upon recommendation of the Minister under a separate Executive Order to be submitted to the President after the approval of this Executive Order, in which event the Project Management Office for Traffic Engineering and Management shall be abolished and its functions and such appropriations, funds, records, equipment, facilities, other assets, and personnel as may be necessary transferred to the Center.

SEC. 30. 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 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 or Article III of the Freedom Constitution. Those personnel of the transferred unit whose positions are not included in the new positions structure and staffing pattern approved by the Minister or who are not reappointed shall be deemed separated from the service and shall not be entitled to the benefits provided in the second paragraph of SEC. 31 hereof.

(b) The transfer of functions which results in the abolition of the government unit that has exercised them shall include 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 Minister shall determine or shall otherwise disposed in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. Its liabilities, if any, shall likewise 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 Ministry's new position

structure and staffing pattern approved and prescribed by the Minister under SEC. 31 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 SEC. 31.

(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 Government 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 Ministry's new position structure and staffing pattern approved and prescribed by the Minister under SEC. 31 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 SEC. 31.

(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 Minister shall determine. The liabilities of the abolished units shall be treated in accordance of the Government Auditing Code and other pertinent laws, rules and regulations, while the personnel thereof, whose position is not included in the Ministry's new position structure and staffing pattern approved and prescribed by the Minister under SEC. 31 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 SEC. 31.

(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 Ministry's new

position structure and staffing pattern approved and prescribed by the Minister under SEC. 31 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 SEC. 31.

(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 functions shall be allocated to the appropriate units as the Minister 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 Minister under SEC. 31 hereof or who have not been reappointed, shall be deemed separated from the service and shall be entitled to the benefits in the SECond paragraph of the same SEC. 31.

SEC. 31. New Structure and Pattern. Upon approval of this Executive Order, the officers and employees of the Ministry 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.

The new position structure and staffing pattern of the Ministry shall be approved and prescribed by the Minister 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 of the Philippines 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, whether permanent, temporary, contractual or casual employees, 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 the equivalent nearest fraction thereof, favorable to them or the basis of 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 office or employee effected under this Executive Order.

SEC. 32. Periodic Performance Evaluation. The Ministry is hereby required to formulate and enforce a system of measuring and evaluating periodically and objectively the performance of the Ministry and submit the same annually to the President.

SEC. 33. Notice or Consent Requirement. If any reorganizational change herein authorized is of such substance or materiality 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 requirements shall be complied with prior to the implementation of such organizational change.

SEC. 34. Change of Nomenclature. In the event of the adoption of a new Constitution which provides for a presidential form of government, the Ministry shall be called Department of Public Works and Highways and the titles of Minister, Deputy Minister, and Assistant Minister shall be changed to SEcRetary, Undersecretary, and Assistant secretary, respectively.

SEC. 35. Prohibition Against Change. No change in the organizational structure 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. 36. Funding. Funds needed to carry out the provisions of this Executive Order shall be taken from funds available in the Ministry.

SEC. 37. Implementing Authority of the Minister. The Minister 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. 38. 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 thereof as long as such remaining portions or provisions can still subsist and be given effect in their entirety.

SEC. 39. Repealing Clause. All laws, ordinances, rules, regulations, and other issuances or parts thereof, which are inconsistent with this Executive Order, are hereby repealed or modified accordingly.

SEC. 40. 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

Source: **Presidential Management Staff**

Office of the President of the Philippines. (1987). [Executive Order Nos. : 1 – 170]. Manila : Presidential Management Staff.

RESOURCES

- [PDF] [Executive Order No. 124, January 30, 1987](http://www.officialgazette.gov.ph/downloads/1987/01jan/19870130-EO-0124-CCA.pdf)
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