

THIRTEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES  
First Regular Session

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SENATE  
OFFICE OF THE SECRETARY

'04 JUN 30 P11:29

SENATE

RECEIVED BY:                     

S.B. No. 942

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Introduced by Senator Jinggoy Ejercito Estrada

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### EXPLANATORY NOTE

The need for policy research and strategic studies could not be more compelling than at the present time. Domestic and international, political, economic, and other developments of profound significance present tremendous challenges to the country.

Major technological advances especially in communications, information and transportation have increased interdependence among nations.

While large-scale military confrontation has become more unlikely, competition for resources is likely to develop more keenly. It is expected that the next arena of competition could very well be the Asia-Pacific region.

In many parts of Asia, outstanding territorial conflicts may fuel many interstate tensions. Meanwhile, some states continue to build vast arsenals of weapons which may bring about another arms race.


Contending claims over the Spratly portion of the South China Sea by several states, including the Philippines, may result in armed confrontation.

Internally, the Philippines is beset by a continuing insurgency. The local communist movement remains a clear and present danger to national security, even as the Moro Islamic Liberation Front (MILF), together with terrorist organizations, like the Abu Sayyaf continues to disturb the political stability of the country.

There is clearly an urgency in conducting scientific and continuing policy research and strategic studies as bases for addressing our fundamental and critical national concerns.

Strategic studies work has to be done by a group of select scholar-members who, among other things, shall (1) conduct strategic research on national and international concerns, (2) formulate various policy options on various national concerns, and (3) recommend the appropriate actions to support such policies and strategies.

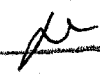
The establishment of such an organization is the purpose of this bill.

  
JINGGOY EJERCITO ESTRADA  
Senator

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**AN ACT**  
**CREATING AND ESTABLISHING THE INSTITUTE FOR STRATEGIC STUDIES, AND**  
**FOR OTHER PURPOSES**

*Be it enacted by the Senate and House of Representatives in Congress assembled:*

**SECTION 1. Establishment of the Institute for Strategic Studies (ISS).** - The Institute for Strategic Studies, hereinafter referred to as the Organization is hereby created and established as an institution to promote understanding of fundamental, current and emerging domestic and international issues and to assist the government in formulating policy and strategic perspectives on those issues. It shall conduct research on fundamental national concerns in response to or in anticipation of the needs of policy making, conduct studies on matters of domestic and international political, economic, military, socio-cultural and techno-scientific significance in an interdisciplinary and integrative manner; identify strategies to serve the ends of policy; design programs to effect coordinated and integrated work of other research institutes engaged in strategic studies, undertake commissioned research work in collaboration with outside entities/institutions consistent with its mandate; build and maintain a resource facility and data bank; and carry out such other activities and projects as shall enhance the mission of the organization.

**SECTION 2. Powers of the Organization.** The Organization shall have the following powers:

- a) Adopt, alter and use a corporate seal;
- b) Take and hold by bequest, devise, gift, purchase or lease, either absolutely or in trust, for any of its purposes, any property, real or personal, without limitation as to amount or value, to convey such

- property and to invest and reinvest any principal of the said Organization in such manner as shall best promote its objectives;
- c) Collect, receive and maintain a fund or funds, and to apply the income and principal thereof to the promotion of its aims and purposes herein-before set out;
  - d) Contact any obligation or enter into any agreement necessary or incidental to the proper management of its corporate powers;
  - e) Engage in any activity, and exercise all the powers conferred by the laws upon private or government-owned or controlled corporations; and
  - f) Exercise the general powers of a duly incorporated entity as set out in the corporate code.

**SECTION 3. The Board of Trustees.** - The Organization shall be organized functionally with the following components:

1. There shall be a Board of Trustees composed of the Executive Secretary, Senate President, House of Representatives Speaker, Secretary of Foreign Affairs, Secretary of National Defense, Secretary of Science and Technology, President of the Philippine Chamber of Commerce and Industry, an eminent representative from the private sector to be appointed by the President of the Republic of the Philippines, and the President of the Organization.
2. The Trustees shall elect from among themselves the Chairman and Vice Chairman of the Board.
3. The Board of Trustees coming from the private sector may create an executive committee of five trustees including its chairperson, which shall have the authority to make decisions on behalf of the Board of Trustees in between the regular meetings of the said board. The Chair of the board shall head the executive committee. Decisions of the Executive Committee shall be reported to the board of trustees at its meeting.
4. The Trustees shall receive per diem as may be authorized for every meeting actually attended, in addition to reasonable transportation and representation expenses.
5. The Board shall provide guidance to the Policy Council on the thrusts, objectives, policies, research, agenda, programs and other activities of the organization.

**SECTION 4. Policy Council.** There shall be a Policy Council, composed of a Executive Director and five others, as Members, all of whom shall be appointed by the President of the Republic of the Philippines from among the present members of the Strategic Studies Group of the National Defense College of the Philippines, as presently constituted, for a term of six years. The Council shall have the following authority;

1. To formulate the thrusts, objectives, policies, research agenda, programs and other activities of the Organization;
2. To oversee, monitor and evaluate all research work and studies;
3. To designate Research Fellows with notable scholarship to do and/ or direct research work and strategic studies in the various functional/ area program of the organization that are relevant to their areas of expertise;
4. To determine and fill up other positions in the Organization and fix the salaries, honoraria, allowances and other emoluments of all the Organization's personnel-whether they are term, permanent, temporary or casual.
5. The Executive Director of the Council shall concurrently serve as the President of the Organization. He/She shall be responsible for the leadership, management and operation and the day-to-day requirements of the organization.

**SECTION 5. Autonomy and Academic Freedom of the Organization.** - The Organization shall be an autonomous and self-governing institution governed by the principle of academic freedom; it shall neither be organic nor be part of any government instrumentality. It shall be attached to the Office of the President to facilitate its budgetary and other administrative requirements , and for the purpose of policy coordination.

**SECTION 6. Assistance from Government Departments and Agencies.** - To assist in its functions, government departments, agencies, units or instrumentalities shall allow the Organization access to their official files, records, data and other documents, provided such access is consistent with the requirements of confidentiality.

**SECTION 7. Exemptions,** Notwithstanding any provisions of law to the contrary, appointments to the research and administrative staff of the Organization may be on a full-time basis, and shall be exempt from the requirements and restrictions of the Civil Service and retirement laws, other laws, rules and regulations on position-classification and salary standardization and Section Two Hundred Fifty-Nine of the Revised

Administrative Code; provided , that any government retiree employed in the Organization shall not be required to reimburse or refund any gratuity received from the government nor shall any pension or annuity to which he is entitled be suspended or reduced on account of his employment in the Organization.

**SECTION 8. Services of Outside Agencies and of Private Sector.** The Organization may, for the purpose of research, field work, and other activities, obtain and pay for the services of the personnel of any agency of the Philippine Government and/or private sector to perform research of field work and such other activities as may be needed.

**SECTION 9. Endowment Fund.**

1. An Endowment Fund shall be created to provide for non-recurring expenditures of the Organization. For this purpose, the amount of 500 million pesos (PhP 500,000,000.00) is hereby appropriated from any appropriated funds in the National Treasury. The Endowment Fund shall be administered as a trust with the Board of Trustees thereof, provided that the principal of said endowment shall not be subject to impairment, and provided further that the earnings thereof, shall constitute a trust fund available for non-recurring and un programmed expenditures of the Organization.
2. Any or all savings of the Organization shall form part of the trust funds provided in Section 9, above.

**SECTION 10. Appropriation.** There is hereby appropriated the amount of five hundred million pesos (Php 500,000,000.00) out of any un appropriated funds in the National Treasury for such initial requirements as capital outlay and infrastructures of the Organization. Thereafter, beginning January 2001, the Congress of the Philippines shall include as part of its budgetary appropriations the amount of at least fifty million (Php50,000,000.00) pesos to finance the recurring and operational expenditures of the Organization.

Approved,