

FOURTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
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SENATE

S. B. No. 81

Introduced by Sen. Gregorio B. Honasan

EXPLANATORY NOTE

The new contours of politics and economics both internal and external have substantially influenced the nature of security challenges of the entire nation. The end of the cold war heralded by the fall of the Berlin Wall might have moved the world a step away from the specter of nuclear destruction but it also marked the beginning of what Peter Duckér refers to as another "kind of history." In addition to some of cold war's "unresolved conflicts," – tension in Taiwan Strait and the Korean peninsula- the new, post cold war period also spawned new security challenges from ethno- linguistic strife to unresolved border disputes.

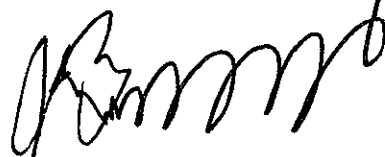
The end of the East-West divide has likewise paved for the systemic restructuring societies- their basic values, social and political structures, and key institutions- but in the process, unbalanced other "new" security issues. Such concerns that are now being considered in the formulation of long- term policies of government include among others, international terrorism, inter- cultural conflict, environmental degradation, food and energy scarcity, drug and human trafficking, and ill- effects of globalization. Although some of these so-called "new" security challenges have always been in our midst, their impacts to the survival and development of individuals and of nations have now become clearly understood, necessitating a re-examination and re-conceptualization of "security." These issues have gained adherents and have moved from the periphery to the center of the debate on security policy and strategy formulation.

The security implications of recent developments in the structure of political relations among nation states and the international economy- enhanced by advances in science and technology warrant the search for a new approach to security, one that covers non-military concerns such as economic, environmental, and social issues and the one that is able to account for the interconnected effects that such developments bear down on the state.

In the South Asian region, the call for a broader definition of security is reflective as well through the 1967 Bangkok Declaration. Although ASEAN leaders described their policies as "inward looking", a policy designed to focus and deal with internal security problems and threats rather those that originate from outside sources, there is no consensus on the definition of security.

In consideration of the recent developments in the international arena, the Philippines therefore must keep up with the changes in the 21st century. The country is bereft of a *Comprehensive National Security Plan*. For fifty-nine (59) years, we have been using the Commonwealth Act No.1 otherwise known as the National Defense Act. In view of the changes in the international arena discussed above, Commonwealth Act No. 1 is not responsive anymore in addressing both internal and external threats faced by the country. For this reason, a comprehensive national security policy needs to be adopted. The country needs a realistic, coherent and purposive blueprint to ensure the country's defense and development.

In view of the foregoing, immediate passage of this measure is earnestly sought.

A handwritten signature in black ink, appearing to read 'Gregorio B. Honasan', written in a cursive style.

GREGORIO B. HONASAN
Senator

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**AN ACT
PROVIDING FOR A NATIONAL SECURITY POLICY AND PLANNING FRAMEWORK
AND CREATING AN INSTITUTIONAL MECHANISMS FOR IMPLEMENTATION AND
FOR OTHER PURPOSES**

TITLE I.

GENERAL PROVISIONS

Article 1.

Title and Declaration of Principles and Policies

Section 1. Title - This Act shall be known as the "The National Security Act of 2007."

Section 2. Declaration of Policy. – It is the policy of the State to:

- 1) Provide a comprehensive system that integrates policies and procedures relating to national security for all the departments and agencies of the Government to achieve coordination of the Army, Navy, and Air Force and to ensure the effective strategic direction of the Armed Forces into the integrated and efficient operational organization;
- 2) Promote human development and security through the concerted effort of all its agencies and instrumentalities and by taking concrete steps to increase the availability and widen the range of economic and social choices;
- 3) Promote social cohesiveness among its people through education and participation in national development;

- 4) Protecting its environment and natural resources from undue utilization and exploitation thereby ensuring their productive and sustainable use, for the benefits of the present and future generations;
- 5) Encourage people's participation in national development and provide climate for free exercise of political rights;
- 6) Cognizant of the pluralist character of its populace, endeavor to create an environment conducive to cultural understanding and tolerance in order to attain harmony and peace among the people;
- 7) Support and encourage initiatives in science and technology and achieve technological self-reliance in selected areas that are vital to national development;
- 8) Ensure full exploration and development in the judicious disposition, utilization, management renewal and conservation of the country's forest, mineral, land, water, fisheries, wildlife, off-shore areas, and other natural resources, consistent with the maintenance of a sound ecological balance;
- 9) Ensure full protection to labor in terms of optimum working conditions, fair compensation, security of tenure and right to organization.
- 10) Protect and promote the right to health of the people and instill health consciousness among them; adopt an integral and comprehensive approach to health development, priority for the underprivileged, sick, elderly, disabled, women and children; endeavor to make essential goods, health, and other social services available to all the people at affordable cost;
- 11) Ensure the care, protection and rehabilitation of individuals, families and communities which have the least in life and need social work intervention to restore their normal functioning and enable them to participate in community affairs; and
- 12) *Maintain good diplomatic standing to promote its national interest. It shall enhance cooperative and harmonious relations with other countries, and ensure an effective and purposive representation with regional and international organizations.*

Section 3. Principles of a National Security Policy. – The following are hereby declared to be the principles of the national security policy:

- (a) The military establishments shall at all times be subordinate to civilian authority;
- (b) For the defense of the State all citizens may be required to render personal military or civilian services;

- (c) The security of the State shall be pursued in the context of the respect for the rights of the Filipino people;
- (d) The Philippines renounces war as an instrument of national policy and affirms the right of self-defense against all threats to national security;
- (e) The Philippines adheres to the policy of peace, cooperation and the amity with all the nations, consistent with the national sovereignty, territorial integrity and self-determination;
- (f) The Philippines adopts the generally accepted principles of international law;
- (g) The security of the State shall be guaranteed to the mobilization of its citizens and resources; and
- (h) The integration of civilian and military personnel and resources shall underlie defense policy and structure

Article 2

Definition of Terms

Section 4. Definitions. – Under this Act the following terms shall mean:

1. National Security – refers to the state or condition wherein the people's way of life and institutions, their territorial integrity and sovereignty including their well-being are protected and enhance.
2. Defense – refers to the employment of acceptable and reasonable means and methods available to prevent, resist and destroy an enemy attack in accordance with international laws and standards.
3. Strategy – refers to a plan of action that organizes efforts to achieve objectives with the ways and means of achieving those ends.
4. National Security Strategy – refers to the bridge that connects the national instrument of power (military and diplomacy) and the country's defined national security objectives.
5. National Security Threat – capabilities, intentions, and actions of actual or potential enemies to prevent or interfere with the successful fulfillment of national security interests and / or objectives.

Title II: NATIONAL SECURITY STRATEGY

Article 3

Defining the Rationale / Objectives of a National Security Strategy

Section 5. Principles / Objectives of a National Security Strategy – The primary objective of a strategy is to protect and enhance the people's physical and government's political survival. Thus, a national security strategy plan shall be governed by the following principles and objectives:

- (a) the plan shall be created in the context of the prevailing political system and the prevailing security environment, taking into account the threats and opportunities that the nation faces;
- (b) the plan shall be realistic, coherent, and purposive blueprint to ensure the country's defenses and development because security is not inherited but created;
- (c) the plan shall determine how threats can be encountered and how opportunities can be pursued without risking the core values that the people treasure; and
- (d) the plan shall define by the national leadership or by the President provided that the strategic vision must be translated into specific security objectives, so that appropriate approach can be designed and implemented for the purpose.

Section 6. Imperative for a National Security Strategy. – a national security strategy shall outline three basic elements – ends, ways, and means – and the process that govern their interaction.

- a) **Ways** – the national leadership must be able to foster the broad public *understanding and support necessary for the implementation* of the country's national security strategy and plans. It shall also sustain its current security activities or engagements.

In the event where shaping the security environments proves difficult, the country must be prepared to respond the different ways adopted must therefore provide an array of possible responses consonant to the anticipated risks that may occur in its security environment.

- b) **Means**- the country's diplomatic instrument of power shall be established which shall be composed of professionals to well-trained individuals. Members of the diplomatic

corps must possess a broad understanding of the dynamics of domestic and international politics.

The Armed Forces of the Philippines (AFP) shall remain the strong source of the country's security. The AFP shall likewise be composed of professional individuals and shall be equipped with tools or technology demanded by the times.

- c) Ends – national security strategy must be focused. It shall define the country's strategic objectives or vision, which are derived from the hopes and aspirations of the people it serves. Henceforth, the ends must ensure the protection of the country's fundamental and enduring needs; protect the lives safety of the people; maintain the sovereignty of the country with its values, institutions and territory intact.

Section 7. Threats to National Security Requiring the Employment of Armed Forces. – Upon the direction of the President, threats to national security requiring the employment of armed forces shall be addressed by the Armed Forces of the Philippines and the Philippine National Police.

TITLE III . IMPLEMENTING STRUCTURE AND MECHANISMS

Article 4

The National Security Council

Section 8. Composition of the National Security Council. – There shall be created a National Security Council (NSC) which shall be composed of the following:

- a) The President;
- b) The Vice-President ;
- c) The Secretary of Foreign Affairs ;
- d) The Executive Secretary
- e) The Secretary of National Defense;
- f) The Secretary of Interior and Local Government;
- g) The Secretary of Justice;
- h) The Director-General of the National Economic Development Authority;
- i) The National Security Adviser
- j) The Chairman of the Committee on National Defense and Security of both Houses of Congress; and

- k) Other government officials and private citizens whom the President may designate from time to time.

The Chief of Staff of the Armed Forces of the Philippines and Director-General of the Philippine National Police shall serve as adviser to the council.

Section 9. Chairman of the National Security Council.- The President shall serve as the Chairman of the National Security Council. He shall convene and preside over all meetings of the Council provided that in his absence, he may designate any member of the Council to preside in his place. The Council shall meet as the President may deem necessary.

Section 10. Powers and Functions.- the National Security Council (NSC) shall exercise the following powers and functions;

- a) Advise the president on the formulation, integration, coordination and supervision of the national security policies;
- b) Formulate guidelines for all agencies of the government on matters relating to national security, including such rules that will govern the conduct of information and intelligence gathering collation and analysis by agencies and officials involve in national security;
- c) Ensure integration of relevant domestic and foreign policies relating to national security to enable all departments and agencies of the government to cooperate more effectively on matters involving national security.
- d) Provide guidance to the National Intelligence Agency (NIA) on the conduct of intelligence; and
- e) Exercise oversight function over the NIA.

Section 11. Executive Committee. – The National Security Council shall have an Executive Committee which shall be composed of the President as the Chairman, the Vice-President, the Secretary of Foreign Affairs, the Executive Secretary, the Secretary of National Defense, the National Security Adviser, and such other members or advisers as the President may appoint from time to time.

Section 12. Duties and Responsibilities of the Executive Committee. – The following shall be the primary duties and responsibilities of the Executive Committee:

- a) Review and analyze national security problems;

- b) Formulate position or solutions for consideration by the Council;
- c) Determine the agenda and order of business of the Council; and
- d) Advise the President on the implementation of any decisions.

To carry out the function of the Executive Committee, the Chairman shall utilize the facilities and expertise of any of the government agencies and instrumentalities and shall promulgate rules and regulations to govern the operations of the Executive Committee.

Section 13. National Security Adviser. – For purposes of this Act, the Director of the National Security Council shall be hereinafter referred to as the National Security Adviser. He shall be assisted by a Deputy who shall be appointed by and shall serve at the pleasure of the President.

Section 14. Duties of the National Security Adviser . - The National Security Adviser shall advise the President on matters pertaining to national security and, whenever directed by the President, supervise and monitor the implementation of national security policies and adopted by the Council. He shall likewise attend and participate in the meetings of the Cabinet with the permission of the Chairman.

Section 15. The National Security Council Secretariat. – The NSC shall have a permanent Secretariat which shall be headed by the Deputy National Security Adviser, under the general supervision of the National Security Adviser.

Section 16. Functions. – The Secretariat of the Council shall be responsible for providing technical and administrative services to NSC. It shall further undertake the following:

- a. Document the proceeding and manage and maintain the records of the meetings of the Council;
- b. Ensure the policies formulated by the Council as approved by the President are clearly and promptly communicated to the agencies concerned, and that all the implementation of national security plan and policies are closely monitored and appropriate evaluation of such policies are made;
- c. Prepare strategic studies, plans and policy options on issues and concern affecting the national security;
- d. Ensure the timely collection and dissemination of information necessary for the improvement of the national security process;

- e. Engage the services of and extend financial support to domestic and foreign specialist and experts, private research entities and other non-government organizations involved in the conduct of NSC; and
- f. Perform such other tasks as the President may direct.

Title IV

THE NATIONAL INTELLIGENCE AGENCY (NIA)

Section 17. Powers and Authority. – The National Intelligence Agency (NIA) shall be the central authority on national intelligence activities; direct, coordinate and integrate governmental activities involving national intelligence; and, prepare intelligence estimates of local and foreign situations for the formulation of national policies.

Section 18. Reconstitution of the NICA. – The National Intelligence Coordinating Agency (NICA) is hereby converted into the National Intelligence Agency (NIA). To ensure the continuity of NICA's operations, all its personnel and resources therein shall be absorbed by the NIA. Salaries of its personnel shall be fixed or adjusted by the NIA Director, provided that the same is within the limits of appropriations provided for the purpose.

Section 19. Organization. – The National Intelligence Agency (NIA) is hereby created under the Office of the President. It shall be headed by a Director who shall be assisted by a Deputy Director. Both officials shall be appointed by the President.

Section 20. Functions. – The following are the primary functions of the NIA:

- 1) Provide the President, the National Security Council, and other government agencies with the intelligence, estimates, reports, and other services essential to national security;
- 2) Undertake intelligence activities, focusing on collecting strategic intelligence requirements of the country (political, economic, defense, etc.) to include the collection of foreign intelligence;
- 3) Collect and process information for dissemination of accurate, comprehensive and timely intelligence to end users;
- 4) Coordinate with the various government agencies and instrumentalities to provide information and assistance of its mandate.

- 5) Maintain and operate a communication and information operations infrastructure; and
- 6) Performs such other functions and duties related to intelligence affecting the national security as the President or the National Security Council may direct.

Article 5. National Intelligence Board

Section 21. Creation of the National Intelligence Board. – There shall be created a National Intelligence Board (NIB) which shall be the advisory body to the Director of NIA on the conduct, coordination, and integration of intelligence activities and the preparation of national intelligence estimates on domestic and international situations.

Section 22. Composition of the NIB. – the NIB shall be composed of the NIA Director as ex-officio Chairman and the heads of all department and other intelligence units, who shall be appointed by the President as members.

Article 6. Department Strategic Intelligence Units

Section 23. Department Strategic Intelligence Agencies. – There shall be created an intelligence unit in all departments which shall collect and process information in support of the implementation of the country's national security strategy.

TITLE V. DEFENSE AND MILITARY ORGANIZATION

Section 24. Principles of the Defense and Military Organization. – The defense and military organization shall be governed by the principles of simplicity of structure, clear lines of command, expedient decision-making, jointness, complementarity, economy of resources and adaptability to specific environment conditions.

Section 25. The Line of Authority. – The established lines of authority shall be the following:

- (a) In times of peace, the Line of Authority starts from the President of the Philippines being the Commander-In-Chief of the entire Armed Forces of the Philippines to the:

- a. Secretary of the National Defense as it pertains to the Armed Forces of the Philippines;
 - b. Secretary of Interior and Local Government as it pertains to the Philippines National Police;
 - c. Secretary of Transportation and Communication as it pertains to the Philippine Coast Guard.
- (b) In times of emergency to meet threats to national security where mobilization is effected by the President, the Line of Authority starts from the President of the Philippines, as the Commander-in-Chief of the entire armed forces, to the Secretary of National Defense and to the Chief of Staff of Armed Forces of the Philippines.

Article 7. The Department of National Defense (DND)

Section 26. Powers and Functions of the Department of National Defense.-

The Department of National Defense (DND) shall be responsible for planning, directing, and supervising the national defense programs, undertaking and promoting research and development activities; and performing such other functions as may be prescribed by the President. It shall exercise control and supervision over the Armed Forces of the Philippines (AFP), the Government Arsenal (GA), the Office of Civil Defense (OCD), the Philippine Veterans Affairs Office (PVAO), and the National Defense University of the Philippines (NDUP).

Section 27. Composition.- The office of the Secretary of the National Defense shall be headed by the Secretary and shall include, the Undersecretary, the Executive Staff, Service Staff and Personal Staff.

Article 8. The Armed Forces of the Philippines (AFP)

Section 28. Powers and Functions. – The Armed Forces of the Philippines is the military establishment of the government under the command, control and supervision of the President as its Commander-in-Chief through the Secretary of National Defense. Its mission is to uphold the Constitution, protect the people, preserve territorial integrity and secure the sovereignty of the state. Its broad functions are:

- (a) Promote and advance the national security interests of the country;

- (b) Plan, organize, maintain, develop and employ its regular and reserve forces for national defense; and
- (c) Perform other functions as may be provided by law or assigned by higher authorities on the Line of Authority.

Section 29. The Armed Forces of the Philippines shall undertake a program of strengthening the patriotic spirit and nationalist consciousness of all its members and respect for people's rights.

Section 30. The members of the Armed Forces of the Philippines shall insulated from partisan politics and they shall not engage in partisan political activity, directly or indirectly, except to vote.

Section 31. Recruitment of the AFP. – The officers and men of the Armed Forces of the Philippines shall be recruited proportionately from all regions of the country, to the extent practicable, taking into account the existence of multicultural composition of the population.

Section 32. The President as the Commander-in-Chief of the Armed Forces of the Philippines, whenever it becomes necessary, may call on the AFP to support the PNP in preventing or suppressing lawlessness violence or rebellion.

Section 33. Regular and Reserve Forces.- The Armed Forces of the Philippines shall be composed of the Regular Force and Reserve Force. The Regular Force shall consist of all personnel in the active military service.

Section 34. Organization of The AFP. – The Armed Forces of the Philippines shall be organized into three Major Services, namely: Philippine Army, Philippine Navy, and Philippine Air Force. It shall have an AFP Wide Service Support Units (AFPWSSU's), a General Headquarters (GHQ), and organized Operational Commands.

Section 35. AFP Technical Services.- The AFP Technical Services shall be composed of services in specialized fields requiring at least a baccalaureate preparation in a particular discipline which are rendered to all AFP personnel and their dependents.

The AFP Technical Services shall consist of the Chaplain Service, Corps of Professors, Judge Advocate General Service, Medical Corps, Dental Service, Veterinary Corps, Nurse Corps, and Medical Service Corps.

Section 36. General Headquarters of the Armed Forces of the Philippines. –

The General Headquarters of the Armed Forces of the Philippines, shall be composed of the offices of the Chief of Staff, the Vice Chief of Staff, the Deputy Chief of Staff, the Armed Forces Joint Coordinating Staff, and the Personal, Special, and Technical Staff.

- (a) The AFP Chief of Staff shall exercise command and control over all elements of the AFP. He shall execute command functions in relation to military strategy and tactics operation. He shall be responsible for the development and execution of the national defense programs and armed forces mission under the authority and direction of the President and the Secretary of National Defense and shall prescribe, in accordance with policies of the Secretary of National Defense, the organization, powers, function and duties of the various staff, services, installation and other units of the AFP.
- (b) The Vice Chief of Staff shall be the principal assistant to the Chief of Staff and shall act, as the Chief of Staff during the latter's absence or disability. He shall assist the Chief of Staff in the administration and management of the AFP;
- (c) The AFP General Staff shall advise and assist the Chief of Staff in the performance of his functions and in the accomplishment of the tasks of the General Headquarters. It shall be headed by the Deputy Chief of Staff, who shall be appointed by the Chief of Staff, subject to the approval of the President. The AFP General Staff, subject to the approval of the President. The AFP General Staff shall be a joint staff consisting of the coordinating, personal, and special and technical staffs. The organization, functions and duties of the General Staff shall be prescribed by the Chief of Staff.

Article 9. The Philippine Army

Section 37. Mandate. – The Philippine Army shall organize, train, equip, maintain, and provide ground forces for the conduct of prompt and sustained land operations to accomplish the AFP mission.

Section 38. Organization.- The Philippine Army shall be composed of its headquarters land combat and service forces and such other units may be necessary to accomplish its assigned mission. It shall be headed by a Commanding General who shall hold the rank of Lieutenant General.

Section 39. Functions.-The Philippine Army shall have the following functions:

- (a) Prepare such units such as maybe necessary for the effective prosecution of the national defense plans and programs and armed forces missions, including the expansion of the peacetime army component to meet emergency;
- (b) Formulate and develop, in coordination with the other Major Services, concepts, doctrines, systems, policies, procedures, strategies, tactics, and techniques for army operations;
- (c) Organize, and train and equip all army reserve units;
- (d) Assist in disaster relief and search and rescue operations;
- (e) Support national development efforts; and
- (f) Perform such other functions as may be provided by law.

Article 10. The Philippine Navy

Section 40. Mandate.- The Philippine Navy shall organize, train, equip, maintain and provide Navy forces for the conduct of prompt and sustained naval operations to accomplish the AFP missions.

Section 41. Organization.- The Philippine Navy shall be composed of headquarters, naval combat, marine, support, and such other forces as may be necessary to accomplish its mission. It shall be headed by a Flag Officer in Command who shall hold the rank of Vice Admiral.

Section 42. Functions.- The Philippine Navy shall have the following functions:

- (a) Prepare the necessary naval units for the effective prosecution of national defense plans and programs and armed forces missions, including the expansion of peacetime navy component to meet any emergency; and support the enforcement of all applicable laws pertaining to maritime matters like safety of life at sea, immigration, customs, revenues, narcotics, quarantine and fishing;
- (b) Formulate and develop, in coordination with the other Major Services, concepts, doctrines, systems, policies, procedures, strategies, tactics and techniques for naval operations;
- (c) Organize, train and equip all naval reserve units;
- (d) Assist in disaster relief and rescue operations;
- (e) Support national development efforts; and
- (f) Perform such other functions as may be provided by law.

Article 11. Philippine Air Force

Section 43. Mandate.- The Philippine Air Force shall organize, train, equip, maintain and provide air forces for the conduct of prompt and sustained air operations to accomplish the AFP missions.

Section 44. Organization.- The Philippine Air Force shall be composed of a headquarters, tactical, and service support forces as may be necessary to accomplish its assigned mission. It shall be headed by a Commanding General who shall hold the rank of Lieutenant General.

Section 45. Functions.- The Philippine Air Force shall have the following functions:

- (a) Organize, train, and equip forces for airlift, airborne and tactical air operations;
- (b) Formulate and develop, in coordination with the Major Services, concepts, doctrines, systems, policies, procedures, strategies, tactics, and techniques for air operations;
- (c) Organize, train, and equip all air force reserve units;
- (d) Assist in disaster relief and search and rescue operations;
- (e) Support national development efforts; and
- (f) Perform such other functions as may be provided by law.

Article 12. Operational Commands

Section 46. Operational Commands.- Operational Commands shall be created which shall consist of Area Commands and Specified Commands. The SND shall prescribe the operational boundaries and force structure of these commands. Area Command refers to a military command which has broad, continuing mission in a particular operational area of responsibility and shall be composed of forces from two or more major services. The President shall prescribe the operational boundaries and force structure of these commands.

Section 47. Mandate.- The operational commands shall conduct such prompt and sustained land, sea, and air operations as may be necessary to accomplish the AFP mission.

Section 48. Role of the Chief of Staff of the Armed Forces of the Philippines. The Chief of Staff shall periodically review the mission, responsibilities,

including operational boundaries and organization of each command, and, as may be necessary, recommend to the President, through the Secretary of National Defense, any changes to such mission, area of responsibility, and organization.

Article 13. Reserve Force

Section 49. Mobilization of the Reserve Force.- The utilization of the Reserve Force in times of emergency to meet threats to national security shall be through mobilization which shall be effected by the President as follows:

1. **Full Mobilization.** When full mobilization is ordered, all units of the Ready, Standby and Retired Reserves shall be activated. The reservists constituting the same shall be called to active duty and placed on operational readiness;
2. **Partial Mobilization.** When partial mobilization is ordered, only the units of the Ready Reserve necessary to meet the threat will be activated. The reservists assigned to these units shall be called to active duty; and placed on operational readiness;
3. **Selective Mobilization.** When selective mobilization shall be ordered by the President and shall himself select the units of the Ready Reserve to be activated for the purpose.

Section 50. Mobilization Fund- For purposes of Section 52, the President shall submit to Congress a mobilization plan and its corresponding budgetary requirements. Under this Act, the President is authorized to cause the preparation and maintenance of mobilization staff at reasonable levels, which shall be replenished on a regular basis. He is also authorized to cause the utilization of any private entity necessary for the implementation of the mobilization shall be paid by the National Government.

Section 51. Duration of Mobilization. The President may call for mobilization for a period not exceeding 100 days after which, he shall render a report to Congress, immediately after the termination of mobilization or in case of new appropriation for the extension of the period of mobilization.

Section 52. Demobilization. When the threat or emergency for which the mobilization had been ordered has passed, the President shall order the demobilization and subsequent deactivation of the reserve units, and reservists shall be reverted to inactive status.

Section 53. Reserve Force Readiness Evaluation. Reserve Force Readiness Evaluation shall be conducted by the Secretary of National Defense upon the recommendation of the Chief of Staff on a periodic basis to provide the reservists with training opportunities and evaluate operational effectiveness of units and individual members. Reservists participating in training and readiness evaluation shall be entitled to medical, incapacity and death benefits in accordance with law.

Section 54. Role of the Philippine Coast Guard and the Philippine National Police. The Philippine Coast Guard (PCG) and Philippine National Police (PNP) shall be affiliated reserve units of the Armed Forces of the Philippines. In times of war or emergency, the PCG and PNP, upon the approval of the President, may be called upon to provide forces and resources to support the AFP mission.

TITLE VI. SECURITY AND DEFENSE STRATEGY FORMULATION

Section 55. Role of the President. The President as the Commander-in-Chief shall have the responsibility to undertake strategic planning on defense and security policies. The president shall transmit to Congress a comprehensive report on the Philippine national security strategy, along with the mid- term and long- term defense progress with its concomitant annual budget. The report shall primarily contain the following:

- a) National interest, goals, objectives and consequent national defense capabilities vital to national security;
- b) Foreign policy, international commitments and legislative actions necessary to implement the national security strategy of the country; and
- c) Short, medium and long term uses of the elements of national power to protect and promote security interests of the country.

Section 56. Role of the Secretary of National Defense. The Secretary of National Defense shall be the principal assistant to the President on policy and strategy matters involving national defense. He shall provide the Chief of Staff an annual Defense Planning Guidance which shall contain national defense objectives, policies, and strategies and the resource levels projected to be available for the period.

Section 57. The Role of the Chief of Staff. The Chief of Staff shall assist the President and Secretary of National Defense in providing strategic direction to the Armed Forces of the Philippines. He shall prepare the national military which will contain military objectives, strategic review thereof.

Section 58. Strategic Plans. Strategic plans shall enumerate specific strategic objectives, identify resources and constraints, outline strategy for securing objectives, and determine force capability requirements.

Section 59. Strategic Reviews. There shall be a periodic review of the defense organization to determine its continuing relevance, viability and capability. The strategic review shall be conducted by a special committee to be constituted by the Secretary of National Defense upon approval of the President of the Republic.

Section 60. The administration of the Armed Forces shall be the responsibility of the Secretary of National Defense.

Section 61. Personnel Policies. Personnel policies and administration shall be in accordance with the following principles:

1. Recruitment to the Armed Forces shall be governed by the principle of equality, without distinction to any kind as to, ethnicity, gender, religion, and political beliefs. It shall be limited to natural born citizens in case of officers;
2. Career management in education, training, assignment and appointment shall provide for equal opportunities to all members;
3. Promotion of members of the Armed Forces shall be based on merit, efficiency, and competence. It shall be governed by the principles of justice, equality, fairness, and professionalism;
4. Members of the Armed Forces shall receive pay, allowances and other benefits that shall promote professionalism and afford them a respectable life;
5. Members of the Armed Forces shall be entitled to retirement and separation benefits that shall enable them to live a decent life. Retirement and separation benefits shall not be subject to attachment, levy, execution or any tax whatsoever, neither shall they be assigned, ceded, or conveyed to any third party;
6. Attrition of members of the Armed Forces shall consider the best interest of the service over that of its individual members;
7. At any time during the active service, no officer or member of the Armed Forces of the Philippines may be appointed or designated in any capacity whatsoever to any civilian position in any branch, department, agency, or unit of Government, or any of the corporations that it owns or control, or any of the subsidiaries of such corporations; and

8. Military officers shall not be allowed extension of service upon retirement.

Article 14. Government Arsenal

Section 62. Mandate. The Government Arsenal shall undertake research and development on munitions and to operate as an integrated manufacturing entity producing munitions primarily for the Armed Forces of the Philippines and the Philippine National Police.

Section 63. Organization. The Government Arsenal shall be headed by a Director, who shall be a natural-born citizen, with relevant education and experience in munitions and its related fields.

Section 64. Functions. The Arsenal shall have the following functions:

- a) Operate and maintain the government arsenal;
- b) Formulate and implement plans and programs to achieve self-sufficiency in arms and munitions;
- c) Design, develop, manufacture, stockpile, and allocate arms and munitions without the necessity of obtaining any permits or licenses;
- d) In case of war or an emergency, facilitate the efficient mobilization of civilian industry to augment the production of the government arsenal;
- e) In case of full mobilization, supervise the operation of the civilian munitions industry; and
- f) Procure raw materials, test weapons and other equipment in support of its mission.

Article 15. Office of Civil Defense

Section 65. Mandate. The office of the Civil Defense shall promote and ensure the protection and security of the population, their property and environment, from all kinds of disasters by overseeing the effective and efficient implementation of civil protection programs and services through as integrated, multi-sectoral and community based approaches and strategies.

Section 66. Organization. The Office of Civil Defense shall be headed by an Administrator.

Sec 67. Functions. The Office of Civil Defense shall have the following functions:

- 1) Formulate and administer a comprehensive national civil protection and disaster risk reduction program;
- 2) Formulate policies and prepare plans for the protection and security of the production, their property and environment, from all kinds of disasters;
- 3) Estimate the total material manpower and fiscal requirements for carrying out the national civil protection and disaster risk reduction program, and provide the local government units and autonomous regions such aid in facilities, materials, and funds as may be available from the National Government;
- 4) Develop and coordinate a program for informing, educating, and training the general public, volunteer workers, local government units and other critical groups, on civil protection measures and activities;
- 5) Furnish guidance and technical assistance to the various provinces, cities, municipalities in the planning, organization, training and operation of the local Disaster Management Councils;
- 6) Advise the Secretary of National Defense on matters concerning civil defense and make recommendations from time to time as may be deemed appropriate or as the Secretary may require;
- 7) Provide secretariat and technical support services to the National Disaster Management Councils; and
- 8) Performs such other duties as may be provided by law.

Section 68. Renaming of the NDCC. The National Disaster Coordinating Council (NDCC) and the other Disaster Coordinating Councils established under Presidential Decree No. 1566 are hereby renamed as the National Disaster Management Council (NDMC) and Regional, Provincial, City, and Municipality and Barangay Disaster Management Council, respectively.

The NDMC shall remain under the Office of the President.

Article 16. Philippine Veterans Affairs Office

Section 69. Mandate. The Philippine Veterans Affairs Office shall administer the needs of veterans and their dependents and shall develop and maintain national military shrines.

Section 70. Organization. The Philippine Veterans Affairs Office shall be headed by an Administrator.

Section 71. Functions. The Philippine Veterans Affairs office shall have the following functions:

- a) Formulate and promulgate, subject to the approval of the Secretary of National Defense, policies, rules, and regulations and governing the adjudication and administration of veterans claims and benefits;
- b) Adjudicate and administer benefits, pensions and other privileges granted to veterans, their heirs and beneficiaries;
- c) Provide medical care and treatment to veterans pursuant to existing law;
- d) Provide administrative supervision of the Veterans Memorial Medical Center;
- e) Administer, develop, and maintain military shrines;
- f) Formulate policies concerning the affairs, placement and training of ex-servicemen, and assist their widows and dependents, and other retired military personnel; and
- g) Perform other functions as the Secretary of National Defense may direct.

Article 17. National Defense University of the Philippines

Section 72. Conversion of the NDCP. The National Defense College of the Philippines is hereby converted into the National Defense University of the Philippines. To ensure the continuous operations of the College, all its personnel and resources thereof shall be absorbed by the NDUP. Salaries of its personnel shall be fixed or adjusted at the discretion of the NDUP Academic Board within the limits of appropriation provided for the purpose.

Section 73. Mandate. The National Defense University of the Philippines (NDUP) shall maintain and develop such academic program of instruction and research as designed for the education and training of defense and national security leaders and managers and for NDUP to be the center of strategic studies on defense and security in the country.

Section 74. Organization. The NDUP shall be headed by a President.

Section 75. Functions. The NDUP shall have the following functions:

- 1) Train and develop the skills and competence of potential national defense leaders, civilian officials of the different agencies and instrumentalities of the government and selected executives from the private sector in the formulation and implementation of national security and for high command and staff duty;

- 2) Confer postgraduate, graduate, and baccalaureate degrees in national security administration and related fields; and
- 3) Engage in high- grade research and studies as called for by its mission.

TITLE VIII. DEFENSE EDUCATION

Section 76. Defense Education. Defense education shall be geared towards the development of professional and intellectually competent personnel at all levels of the defense establishment who are imbued with values, knowledge and skills necessary for the attainment of the country's security objectives. It shall actively promote, develop and complement Philippine education and manpower resource development, particularly identifying productive and potential personnel who shall be leaders, professionals, or staff workers endowed with nationalism and patriotism cognizant of the country's role as a member of the international community. Defense education and training shall be governed by the principles of sequential learning and jointness.

Section 77. Defense Education and Training Board. The Secretary of National Defense shall constitute a Defense Education and Training Board from among the constituent offices of AFP and DND engaged in education and training activities. The DND Secretary shall appoint the chairman of the Board.

TITLE IX. HUMAN DEVELOPMENT AND SECURITY

Article 18. Economic Security

Section 78. The government shall pursue an economic regime based on the principle of responsible entrepreneurship, social conscience, respect for the dignity of labor and concern for the public interest to achieve economic solidarity, strength and independence where people enjoy economic freedom.

Article 19. Role of the Executive Offices

Section 79. Role of the NEDA. The National Economic and Development Authority shall primarily be responsible for formulating continuing, coordinated and fully integrated economic and social policies, plans and programs to promote economic growth and equitable distribution of the benefits of such growth to the members of the society.

Section 80. Role of the DOF. The Department of Finance shall be responsible for the formulation, institutionalization and administration of fiscal policies in coordination with other concerned subdivisions, agencies and instrumentalities of government in support of the attainment of the government's development objectives.

Section 81. Role of the DFA. The Department of Foreign Affairs shall promote trade, investments, and other economic relations with other countries in cooperation with other government agencies and private sector.

Section 82. Role of the DTI. The Department of Trade and Industry shall formulate and implement policies, plans, and programs relative to the promotion, development, expansion and regulation of trade industry and investments. It shall pursue a trade policy that serves the general welfare and utilizes all forms and arrangements of exchange on the basis of equality and reciprocity.

Section 83. Role of the DA. The Department of Agriculture shall be responsible for the promotion of agricultural development by providing the policy framework, public investments, and support services needed for domestic and export oriented business enterprises. It shall take steps to improve farm income and generate work opportunities for farmers, fishermen and other rural workers.

Section 84. Role of the DOT. The Department of Tourism shall be charged with the responsibility to encourage, promote and develop tourism as a major socio-economic activity to generate foreign currency and employment and to spread the benefits of tourism to wider segment of the population.

Section 85. Role of the DOE. The Department of Energy shall ensure a continuous and adequate supply of energy. It shall endeavor to achieve self-reliance in the country's energy requirements through the integrated and intensive exploration, production, management, development and sustainable utilization of the country's indigenous energy resources.

Article 20. Political Dimension

Section 86. Role of the DILG. The Department of Interior and Local Government shall promote peace and order, ensure public safety and further strengthen the local government capability aimed towards the effective delivery of the basic services to the citizenry.

Section 87. Local Government Units shall ensure the delivery of basic services to the citizenry. It shall promote the empowerment of the local citizenry in order to contribute to the attainment of political stability.

Article 21. Socio- Cultural Dimension

Section 88. Role of Educational Institutions. The Department of Education, TESDA and the Commission of Higher Education (CHED) shall be responsible in their respective areas for the formulation, planning and implementation and coordination of the policies, plans, programs and projects in formal and non- formal education; supervise all educational institutions; and provide for the establishment and maintenance of a complete, adequate and integrated system of education relevant to the goals of nation development.

Section 89. The Role of the DOH. The Department of Health shall be primarily responsible for the formulation, planning, implementation and coordination of the policies, plans and programs in the field of health. It shall promote, preserve, or restore the health of the people through the provision and delivery of health services and through the regulation and encouragement of the providers of health goods and services.

Section 90. Role of the DSWD. The Department of Social Welfare and Development shall provide a balanced approach to welfare whereby the needs and interests of the population are addressed pro- actively.

Article 22. Techno- Scientific Dimension

Section 91. Role of the DOST. The Department of Science and Technology shall support and encourage public and private sector initiatives in science and technology and provide 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. It shall provide central direction to all science and technology policies and shall ensure that the results therefrom are geared and utilized for maximum *economic and social benefits*.

Section 92. Role of the DND. The Department of National Defense shall incorporate in every equipment acquisition contract, special foreign exchange reduction schemes such as counter trade, in-country manufacture, co-production, or other

innovative arrangements or combinations thereof, in order to generate employment opportunities and enhance technology transfer.

Section 93. Role of the DTI. The Department of Trade and Industry shall formulate the appropriate mechanics to guide and manage the transfer of appropriate industrial technology in the country.

Section 94. Role of the DOTC. The Department of Transportation and Communication shall assess, review and provide direction to the transportation and communications research and development program of the government in coordination with other relevant institutions.

Article 23. Ecological Dimensions

Section 95. Role of the DENR. The Department of Environment and Natural Resources shall be in charge in carrying out the state's constitutional mandate to control and supervise the exploration, development, utilization and conservation of country's natural resources.

Section 96. Role of the DA. The Department of Agriculture shall promulgate and enforce all laws, rules and regulations governing the conservation and proper utilization of agricultural and marine resources.

Section 97. Role of the Educational Institutions. The Department of Education, TESDA and CHED shall ensure that relevant learnings on ecology are integrated in the system of education that includes formal, non-formal, indigenous learning and out-of-school study programs

Section 98. Role of DPWH. The Department of Public Works and Highways shall give due regard to the protection of the ecology in the integrated planning for roads, flood control and water resource development systems, and other public works.

Section 99. Role of the DND. The Department of National Defense shall take part in the preservation of national patrimony including the country's living and non-living marine, sub marine, mineral, forest and other natural resources.

Section 100. Role of the DOE. The Department of Energy, in the management of energy resources, shall ensure environmental protection and maintenance.

Article 24. Human Welfare and Social Dimensions

Section 101. Role of the DOLE. The Department of Labor and Employment shall ensure that the rights of all workers to self- organization, collective bargaining negotiations, and peaceful concerted activities, including the right to strike in accordance with the law. It shall promote the voluntary modes in settling disputes, including conciliation, and shall enforce their mutual compliance therewith to foster industrial peace.

Section 102. Role of the DOH. The Department of Health shall protect and promote the right to health of the people and instill health consciousness among them; adopt an integral and comprehensive approach to health development, with priority for the unprivileged, sick, elderly, disabled, women and children; endeavor to make essential goods, health and other social services available to all people at affordable cost; establish and maintain an effective food and drug regulatory system; and undertake appropriate health manpower development and research, responsive to the country's health needs and problems.

Section 103. Role of the DSWD. The Department of Social Welfare and Development shall provide a balanced approach to welfare whereby the needs and interests of the population are addressed not only at the outbreak of the crisis but more importantly at the stage which inexorably lead to such crisis.

Section 104. Role of the DENR. The Department of Environment and Natural Resources shall promote equitable access to natural resources by the different sectors of population and enhance the contribution of natural resources for achieving national economic and social development.

TITLE X. SECURITY AND DIPLOMACY

Section 105. Role of the DFA. The Department of Foreign Affairs shall be the lead agency in the planning, organizing, directing, coordinating and evaluating the total national effort in the field of foreign relations. Other agencies, in consultation with the Department of Foreign Affairs, may initiate bilateral or multi lateral cooperative activities in their respective areas of concern with other countries.

Article 25. Separability Clause and Repeals

Section 106. Separability Clause. If for any reason, any provision of this Act is declared invalid or unconstitutional, the remaining provisions not affected thereby shall continue to be in full force and effect.

Section 107. Repealing Clause. All laws, decrees, executive orders, proclamation, rules and regulations, and other issuances, or parts thereof, which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 108. Effectivity. This Act shall take effect fifteen (15) days after its publication in at least two newspapers of general circulation.

Approved.