

MALACAÑANG PALACE
Manila

**PRESIDENTIAL DECREE NO. 1201
CREATING THE PHILIPPINE INSTITUTE
FOR DEVELOPMENT STUDIES**

WHEREAS, there is a present need for adequate research studies and materials properly oriented to the formulation of plans and policies relative to national development;

WHEREAS, under the existing set-up, the demand for research studies are in part supplied by the research output of academic and other research institutions but these research efforts are not, however, fully responsive to the requirements of national planning and policy making;

WHEREAS, research in the social sciences and economics under the existing set-up has given rise to the problem of the weakness of the link between public policy formulation and research because of the orientation and character of pure academic research;

WHEREAS, an effective means of bridging this gap is to establish a national research institution that will perform policy-oriented research on all aspects of the Philippine economy and assist the government in formulating plans and policies for national development;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order the following to be part of the law of the land:

**SECTION 1
Creation of the Philippine Institute for Development Studies**

There is hereby created a non-stock, non-profit government corporation to be known as the Philippine Institute for Development Studies, hereinafter referred to as the Institute, which shall be attached to the National Economic and Development Authority for policy and program coordination.

SECTION 2
Purposes and Objectives

The Institute shall have the following purposes and objectives:

- (a) To develop a comprehensive and integrated research program that will provide the research materials and studies required for the formulation of national development plans and policies. Such program shall be evolved through constant interaction between the Institute and the appropriate government agency or agencies;
- (b) To serve as the common link between the government and existing research institutions, and for this purpose, to provide a forum wherein various research studies are discussed and evaluated;
- (c) To conduct and undertake research requested by government or its agencies and to arrange for research to be conducted by other research institutions and individuals, locally and abroad;
- (d) To conduct joint studies with domestic research institutions in the academic, government and business sector ; and
- (e) To establish a repository for economic research information and other related activities.

SECTION 3
Powers

The Institute shall have the following powers:

- (a) To adopt, alter and use a corporate seal;
- (b) To collect, receive and maintain a fund or funds from government ap propriations and from donations, grants, gifts, bequests, loans from domestic and foreign sources, and to apply the income and principal thereof to the promotion of its aims and purposes;
- (c) To own, manage and hold such real and personal property as shall be necessary for the Institute's purposes;

- (d) In furtherance of its purpose and objectives, to extend financial assistance to, and enter into contracts of every kind and for any lawful purpose, with any person, firm, association or corporation, domestic or foreign, or others in which it has a lawful interest;
- (e) To invest its funds in such undertaking as it may deem wise or necessary to carry out its objectives; and
- (f) In general, to do all such acts and things as may be necessary to carry into effect the provisions of this Decree.

SECTION 4 **Board of Trustees**

The affairs of the Institute shall be managed by a Board of Trustees hereinafter referred to as the Board, to be headed by the Secretary of Economic Planning, or his representative, as Chairman and four (4) other members who shall be initially appointed by the President of the Philippines upon recommendation of the Secretary of Economic Planning. The appointive members shall serve for a term of four years; provided, that, of the first four members appointed, one shall serve for four years, one for three years, one for two years and one for one year, respectively. In case of a vacancy in the appointive membership of the Board, the successor appointee, who shall be appointed by the remaining Board members, shall serve only the unexpired term; provided, that, if the remaining Board members do not constitute a majority, the appointment shall be done by the President.

Per diems and allowances for members of the Board shall be as determined by the Board subject to the existing laws, rules and regulations on the matter.

A majority of the members of the Board shall constitute a quorum for the transaction of the business of the Board.

SECTION 5
Functions and Responsibilities of the Board

The Board of Trustees shall have the following functions:

- (a) To formulate and adopt policies and measures for the management and operation of the Institute;
- (b) To appoint the President of the Institute who shall come from among the appointive members of the Board;
- (c) To approve the staffing pattern of the Institute;
- (d) To promulgate rules and regulations for the discharge of its powers and functions and the internal operations of the Institute; provided, that, the Chairman of the Board of Trustees shall exercise the power to appoint, promote, discipline or remove the personnel of the Institute;
- (e) To manage the financial affairs of the Institute and approve an annual budget of receipts and expenditures of the Institute according to its requirements; and
- (f) To monitor and review periodically the programs and projects of the Institute.

SECTION 6
President of the Institute

The President of the Institute shall be the chief executive officer of the Institute and shall receive such salary and remuneration as may be determined by the Board. He shall have the following powers and duties;

- (a) To prepare, for the approval of the Board, the staffing pattern of the Institute which shall include the determination of the qualifications, and fixing the number and compensation of such officials and personnel as may be necessary for the proper discharge of the functions of the Institute;

- (b) To have control and supervision over the personnel, staff, operations and internal administration of the Institute in accordance with existing laws and the rules and regulations promulgated by the Board of Trustees;
- (c) To recommend to the Board of Trustees such policies and measures which he deems necessary for the effective exercise and discharge of the powers and responsibilities of the Institute; and
- (d) To submit an annual report to the Board of Trustees on the operations, the status of the programs funded by, and the financial condition of, the Institute, including a recommendation for its budget for the ensuing year.

SECTION 7

Fees of Research Fellows and Associates

Any provision of law, rule or regulation to the contrary notwithstanding, the Institute is hereby authorized to engage researchers and other professional staff from other government offices and agencies to conduct specialized studies and researches for the Institute. Those so engaged by the Institute shall be issued appointments as Research Fellows or Research Associates and shall be paid, as they are hereby authorized to be paid, such fees as determined by the Board in addition to whatever compensation or emoluments they are receiving in their respective mother offices or agencies.

SECTION 8

Research Advisory Committee

The Institute shall have a Research Advisory Committee which shall be composed of personalities well known in the field of research relevant to national development and may include foreign scholars. The Committee to be set up by the Board shall have the following functions:

- (a) To advise the Board on the selection of, and design of the methodology of research projects;
- (b) Evaluation, announcement and publication of major research studies; and
- (c) Advise the Board on such other research activities deemed necessary to meet the needs of national development.

SECTION 9 **Endowment Fund**

There is hereby established an Endowment Fund which shall be self-sustaining and shall consist of contributions, donations, grants, or loans from domestic and /or foreign sources, government subsidies and other income accruing from the operations of the Institute. For the initial organizational and operational requirements of the Institute, there is hereby appropriated out of any fund in the National Treasury not otherwise appropriated the sum of SEVEN MILLION PESOS (P7,000,000.00). Hereafter, funding for the operational activities of the Institute shall be generated by the Institute from the earning of this Fund.

SECTION 10 **Government Contribution to Research Funding**

There shall be included in the annual budget of the NEDA such sum as may be determined by the NEDA Director-General as contribution in financing the research activities of the Institute. Other government agencies are hereby authorized to include in their respective annual budget such necessary amounts as their contribution to the funding of certain research activities of the Institute. These contributions shall be treated as distinct from the Endowment Fund and shall be managed under separate account.

The Institute shall submit to the Director-General of the NEDA a work program with budget estimates for each calendar year, not later than November 30 of the preceding year.

SECTION 11
Exemption from Taxes

Any provision of law to the contrary notwithstanding any donation, contribution, bequest, subsidy or financial aid which may be made to the Institute shall be exempt from taxes of any kind and shall constitute allowable deductions in full from the income of the donors or grantors for income tax purposes.

The Institute, its assets, acquisitions, income and its operations and transactions shall be exempt from any and all taxes, fees, charges, imposts, licenses and assessments, direct or indirect, imposed by the Republic of the Philippines or any of its political subdivision.

SECTION 12
Effectivity

This decree shall take effect immediately.

Done in the City of Manila, this 26th day of September, in the year of Our Lord, nineteen hundred and seventy-seven.

(SGD.) FERDINAND E. MARCOS
President of the Philippines