

## MEMORANDUM OF AGREEMENT

Between

THE GOVERNMENT OF THE PHILIPPINES (GPH),

herein represented by SECRETARY TERESITA QUINTOS-DELES of the  
Office of the Presidential Adviser on the Peace Process (OPAPP)

and the

CORDILLERA BODONG ADMINISTRATION (CBA) -  
CORDILLERA PEOPLE'S LIBERATION ARMY (CPLA)

herein represented by CPLA Chairman ARSENIO M. HUMIDING and CBA President  
MARCELINA G. BAHATAN as authorized by a Resolution with the signatures of the CPLA  
Commanders/Members of the Six (6) Zone Commands in the Cordillera dated January 18,  
2011, hereto attached as ANNEX A

### TOWARDS THE CPLA'S FINAL DISPOSITION OF ARMS AND FORCES AND ITS TRANSFORMATION INTO A POTENT SOCIO-ECONOMIC UNARMED FORCE (CLOSURE AGREEMENT)

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, on the basis of mutual interest to pursue a principled settlement for peace in the Cordillera, dignity and justice for its people, and in order to hasten the progress and development of Cordillera and the enjoyment of the fruits thereof by all its communities, the GPH and CPLA signed the Joint Memorandum of Agreement on 13 September 1986, otherwise known as the Mt. Data Peace Agreement.

WHEREAS, as a result of the succeeding peace negotiations, Executive Order 220 was issued on 15 July 1987 to prepare for, among other things, the establishment of the Cordillera Autonomous Region (CAR) and hasten the attainment of peace and development of the Cordilleras which has been and shall remain an aspiration of the CBA-CPLA.

WHEREAS, since the signing of the peace agreement, cessation of hostilities has been upheld and respected by both parties.

WHEREAS, having now reached twenty four years since the signing of Mt. Data Peace Agreement, the CBA-CPLA and the GPH have agreed to explore a stable and lasting mutual cooperation, commit to jointly fast-track community development, and move towards the closure of the this peace track through a mutually-agreed process, condition, and work plan with the end in view of implementing a final disposition of arms and forces and the transformation of the CPLA into a potent socio-economic and unarmed force.

WHEREAS, the active participation in the preparation of this Closure Agreement is a manifestation of the CBA-CPLA's continuing effort towards achieving a meaningful and lasting peace in the Cordillera.

WHEREAS, the present administration is sincere in its commitment to implement a closure agreement which embodies the ideals and aspirations of the Cordillera people for peace and development in the spirit of the 1986 Mt. Data Peace Agreement.

**WHEREAS**, a Joint Declaration of Commitment for Peace has been signed by the GPH and the CBA-CPLA on 6 May 2011 as a consensus for completion of a process of closure of the Mt. Data Peace Accord.

**NOW, THEREFORE**, the Government of the Philippines (GPH) and the Cordillera Bodong Administration-Cordillera People's Liberation Army (CBA-CPLA), hereby agree on the articles of the Closure Agreement, as follows:

## ARTICLE I

### ELEMENTS OF THE CLOSURE AGREEMENT

**Section 1. The GPH and CBA-CPLA**, herein referred to as the Parties, have agreed to enter into this Closure Agreement with the following components: i) documentation of the CBA-CPLA struggle; ii) economic reintegration and livelihood of CPLA members; iii) development of communities with CBA-CPLA presence; iv) transformation of the CBA-CPLA into a legal entity for socio-economic development; and v) inter-municipal and inter-barangay economic development for the selected areas of the Cordillera.

**Section 2. FINAL DISPOSITION OF ARMS AND FORCES.** The Parties have agreed to a gradual process of disposition of arms and forces to be completed within eight (8) months from the signing of this Agreement, guided by the following:

- a. The Parties shall implement a package on integration activities, as specified in Section 3, and the final disposition of arms and forces of 1,099 members. The integration package shall include a range of options such as integration into the AFP, employment as forest guards of the Department of Environment and Natural Resources (DENR); livelihood, or job placement as spelled out in Section 3 of this Agreement. The integration into the AFP shall be subject to AFP rules and regulations. Further, in case of integration, only a total number of 120 shall be integrated.
- b. All firearms shall be properly registered under the guidelines of the Philippine government's firearms registration rules, and /or turned in, in return for the economic reintegration. Firearms that cannot be registered under the government's rules shall be surrendered and compensated based on the recommendation of a Valuation Committee on serviceability and fair value. The Valuation Committee shall be created within thirty days upon approval of this Agreement to be composed of OPAPP, CBA-CPLA and AFP representatives.

All forms of explosives shall be surrendered.

- c. A profiling of the CPLA members and their firearms shall serve as the basis for establishing a Master List to pursue the option above.
- d. The GPH shall conduct regular monitoring and evaluation of the progress of the disposition of arms and forces and integration program.

**Section 3. ECONOMIC REINTEGRATION OF CPLA MEMBERS.** CPLA members shall be provided assistance in securing employment or other source of income, including livelihood projects, as a step towards disarmament. The range of options for integration includes integration into the armed forces, employment as forest guards, subject to DENR requirements, skills training and job placement or other forms of income generating activities. In cases when livelihood projects are the feasible options, upon an assessment of labor markets and economic development potential of the area where the CPLA members wish to reside, livelihood project proponents shall receive technical assistance and training in entrepreneurial development of

such skills as may be required to assist them in successfully implementing their projects. The following activities shall be undertaken in pursuit of this section:

- a. A Joint Committee (JC) shall conduct profiling of the 1,099 CPLA members submitted by the CPLA leadership under ANNEX B. The profiling shall form the basis of deciding on livelihood, income-generating intervention, employment and integration into the AFP.
  - b. An independent institution or non-government organization (NGO), or an individual with proven track record or expertise in entrepreneurship or livelihood improvement, shall be tapped to provide training, assessment and on-demand technical support to CPLA members and project proponents. The assistance includes the preparation of business plans, cash flows, product sourcing, technical and vocational training, job-matching services and similar services.
  - c. Upon completion and submission of proposals and business plans, the JC shall subject them to a technical and financial feasibility review, and shall provide assistance for revisions prior to approving the proposals and their financing plan. The JC may also recommend such action as may be appropriate to assist the proponent in improving chances of success, including submission of a new proposal, if called for.
  - d. Implementation of the plans and their funding shall be based on the approved financial plan issued by the JC.
  - e. Technical assistance and monitoring shall be provided during the duration of project activities.

**Section 4. COMMUNITY DEVELOPMENT.** The Parties have agreed to jointly undertake community development projects in the 57 areas identified in ANNEX C. These areas consist of the totality of barangays and sitios where the CBA-CPLA has established presence. For this purpose, a preliminary list of sub-projects was identified by the CBA-CPLA. Community development projects may include any kind of project that communities deem are needed to address issues affecting peace, provided they do not exclude anyone in the community from their enjoyment and use. This includes public infrastructure for the communities, basic services, income-generating projects for the benefit of the entire community, and capability building activities, provided they comply with the following procedures for selection:

- a. The Joint Committee (JC) to be created under Article II shall undertake a community validation of proposed development sub-projects to ensure ownership of communities and transparency of decision-making. This will be undertaken through community consultations in the areas where the sub-projects are to be implemented and led by the CBA-CPLA.
  - b. Upon validation, or submission of alternate proposals by the assemblies, in case communities do not concur, the sub-projects shall be subjected to a technical and financial feasibility review. This validation shall be contained in a community assembly resolution. The feasibility review will be undertaken under the JC's guidance and supervision.
  - c. Once the projects have passed the feasibility reviews, detailed technical and financial proposals shall be prepared by the JC or its authorized body. This technical proposal shall be the basis for release of funds.
  - d. Community development projects shall be undertaken for two cycles, with one cycle consisting of 8 – 12 months. Each community will have a block allocation for the 2 cycles, the amount of which shall be determined annually by the JC.

- e. The JC shall start social preparation (ground working and facilitating community meetings) for community development projects, in partnership with the *Ili (Community)/Tribal Council of Elders*, and local government units (LGUs) upon the signing of this Agreement.

**Section 5. INTER-MUNICIPAL AND INTER-BARANGAY DEVELOPMENT PROJECTS.**

Recognizing the aspirations of the people of the Cordillera for economic development and for initiatives to allow the region to catch up with the rest of the country in achieving the Millennium Development Goals, the Parties agree to pursue implementation of development projects for the benefit of barangays and municipalities where CBA-CPLA has established presence.

In pursuing development projects, the JC herein below mentioned shall:

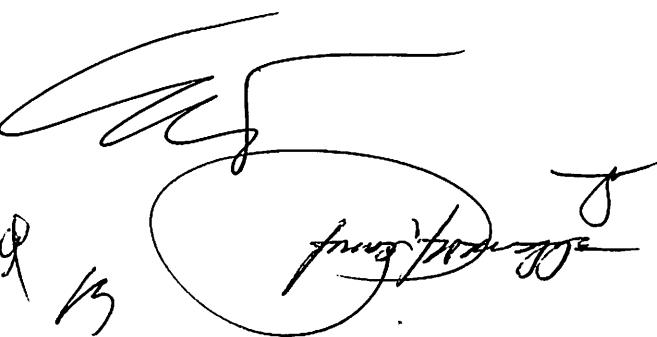
- a. Deliberate and prioritize the proposed projects submitted by the CBA-CPLA under ANNEX C.
- b. Deliberate the technical feasibility and financial viability of such projects and approve an annual development plan consisting of priority projects and their financial and technical designs. These projects will be endorsed for funding to government agencies or donors.

**Section 6. DOCUMENTATION OF THE CBA-CPLA STRUGGLE.** The CBA-CPLA shall prepare the documentation design, including its timeframe and work plan. As a result of the documentation, the CBA-CPLA shall submit to the GPH a copy of the manuscript of the CBA-CPLA history. In pursuit of this initiative, the GPH shall provide fund support for the documentation activities, and their publication and launching.

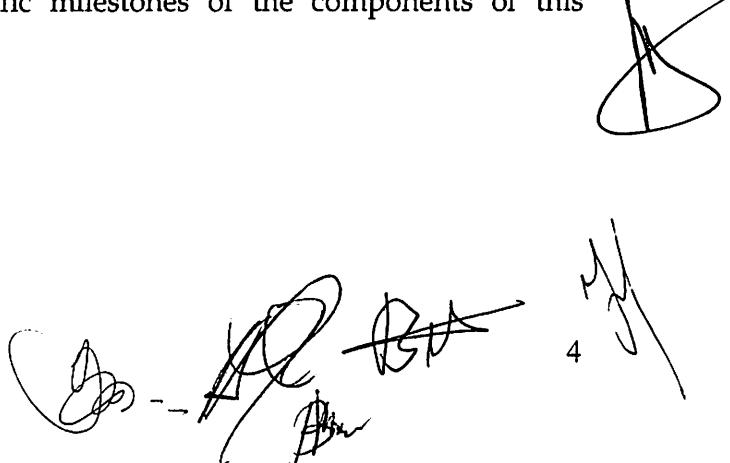
**Section 7. TRANSFORMATION OF CBA-CPLA INTO A SOCIO-ECONOMIC ORGANIZATION.** In order for the CBA-CPLA to be transformed into a socio-economic organization, the following shall be implemented accordingly by the Parties:

- a. The Parties have agreed to assist each other to transform CBA-CPLA into a potent economic unarmed force within the next two (2) years.
- b. The CBA-CPLA, with the assistance of the GPH, shall apply for its immediate accreditation as a legal organization for management of resources and day-to-day operations. For this purpose, the GPH shall co-convene a pre-incorporation meeting within thirty (30) days from the signing of this Agreement to decide on matters required for the incorporation of the new entity.
- c. The GPH shall provide support and venues for capacity building on organizational development of CBA-CPLA transition to a legal organization.
- d. The Parties shall craft and implement a five-year partnership strategy that will sustain economic development efforts between the GPH and CBA-CPLA, beyond closure, including drawing the support of donors, the international community, the private sector and the LGUs.

**Section 8. IMPLEMENTATION SCHEDULE AND MILESTONES.** The Parties agreed to implement significant activities to achieve specific milestones of the components of this Agreement as specified in ANNEX D.



Francisco Domingo



Jose  
Raul  
Others

## ARTICLE II

### IMPLEMENTING MECHANISM

**Section 9. STRUCTURE.** The implementation of this Agreement, especially the community development projects shall be governed by the following structures:

- a. A Joint Committee (JC) composed of two (2) representatives from GPH, two (2) representatives from CBA-CPLA and one (1) representative from either civil society organization (CSO), academic institution or technical institution, mutually agreed by the Parties, shall be established. The JC, chaired by OPAPP, shall perform the following functions:
  1. Oversee the management, operation and utilization of resources in the implementation of development projects in CBA-CPLA communities and for their members. Project prioritization and approval shall be exercised by the Committee;
  2. Provide referral service to concerned public and private agencies for the employment and income generation of CPLA members. The referral service shall also provide assistance in social, psychological, health requirements of the communities and members that may not be addressed by the terms of this Agreement;
  3. Establish a Project Clearing Team (PCT) to facilitate the process of disbursement, accounting and auditing of project funds consistent with the approved development projects; and
  4. Create Monitoring Teams (MT), both independent and internal, to ensure the proper implementation of the development projects and the utilization of funds.
- b. An Implementation Group (IG) which shall be created by the JC shall undertake on the ground implementation, in collaboration with communities or appropriate agency. This shall lead in the completion of the projects in the community. The concerned regional line agencies shall be tapped to provide assistance for this purpose. The IG shall also be responsible for the submission of quarterly status reports, consisting of physical and financial information.

**Section 10. MONITORING, EVALUATION AND TRANSPARENCY.** The monitoring and evaluation and transparency measures shall be pursued by the Parties, as follows:

- a. The GPH, acting under the JC, shall undertake regular monitoring and evaluation of the progress of this Agreement, especially the delivery of development projects.
- b. The following transparency and accountability arrangements shall be set in motion prior to the release of funds:
  1. Independent monitoring by CSOs. Spot checks and periodic monitoring shall be undertaken by CSOs to validate the accomplishments of partner agencies. The appropriate mechanism and partner for this shall be designed depending on the presence of CSOs in the areas of coverage, types of projects and implementation arrangements;
  2. Quarterly posting in websites and posting in community billboards. Information on types of projects, fund releases and physical accomplishments shall be regularly posted both in the website of OPAPP and in community billboards, erected in conspicuous locations in barangays.

Joint Committee Chair

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3. Performance-based fund releases and tranching. As a rule, all funds shall be released in three tranches, subject to physical performance and fund use.
- c. The Implementing Guidelines attached as ANNEX E shall regulate the efficient use of resources and effective completion of development projects in CBA-CPLA communities; and, commence various activities on the CBA-CPLA legacy documentation, final disposition of arms and forces and transformation of the CBA-CPLA into a legal entity. These Guidelines may be revised as agreed by the Parties, upon the recommendation of the JC. The Guidelines shall put emphasis on the following activities:
  1. Community validation of CBA-CPLA proposed projects;
  2. Individual profiling of CPLA members;
  3. Determination of community mechanism for project implementation & monitoring;
  4. Design for capability-building support for livelihood and organizational strengthening & development; and
  5. Training on livelihood and capacity building on the development of business plans and community organizing.

## ARTICLE III FUNDING

**Section 11. FUND ALLOCATION.** The GPH shall allocate funds dedicated for the purpose of implementing this Agreement, including financing of development projects and social processes entailed in this Closure Agreement. The fund shall also finance strategic planning processes of the CBA-CPLA, capacity building to strengthen organizational development of CBA-CPLA, social preparation of communities for managing development projects, coordinative meetings, and the documentation of CBA-CPLA history.

- a. An initial fund for CY 2011, in the amount of at least Thirty Five Million Pesos (Php 35,000,000.00) shall be allocated from the PAMANA (Payapa at Masaganang Pamayanan) Program of OPAPP.
- b. Subsequent allocation to support uncompleted projects for subsequent years shall be determined at the end of every fiscal year. Such allocations shall only be finalized upon a review and satisfactory outcome of such review by both Parties. In case of divergent opinions on the performance of the Parties, such issue shall be resolved at the JC level.
- c. It is the understanding of both Parties that the appropriation of funds for this purpose shall be through regular appropriations process by Congress and shall be secured jointly on best efforts basis by the Parties.

## ARTICLE IV OBLIGATIONS, PROHIBITIONS, SETTLEMENT OF GRIEVANCES AND DISPUTES

**Section 12. SPECIFIC PROHIBITIONS.** The development fund will not be used for activities other than those provided for in the Work and Financial Plan approved by the JC under this Agreement. Specifically, the funds cannot be spent for: (1) environmentally destructive activities, equipment, and goods; (2) arms and weapons; (3) activities that exploit children below 18 years old; (4) activities that exploit women; (5) anti-government activities and, (6) activities that go against local beliefs, traditions, laws, and good morals.

**Section 13. CESSATION OF HOSTILITIES.** The Parties shall continue to observe cessation of hostilities during and beyond the implementation schedule of this Agreement.

**Section 14. SUSPENSION OF PROJECT IMPLEMENTATION.** The Parties shall have the right to suspend this Agreement or portions thereof, after giving fifteen (15) days' notice in writing in case of grave and willful violation of any of the material conditions, stipulations, and covenants of this Agreement. What constitutes grave and willful violation shall be determined by the JC.

**Section 15. GRIEVANCE MECHANISM.** The signatory Parties shall exhaust all peaceful means and options to redress and solve issues through dialogue. The Parties also agree to develop and include a grievance system allowing OPAPP, CBA-CPLA communities and members for a redress should there be a claim of wrongdoing, misconduct or misuse of resources. This grievance system shall function under the JC.

**Section 16. MEDIATION AND CONCILIATION.** In case of failure to reach a mutual agreement, the JC shall constitute a mediation and conciliation body consisting of three (3) members, namely: one (1) GPH representative, one (1) CBA-CPLA representative and one (1) independent representative to be chosen by both Parties. The said body will facilitate a mutually-agreed solution for a period not exceeding thirty (30) days and shall monitor the implementation of such until both Parties agree to resume this Agreement and/or the portions thereof that have been subjected to suspension.

## ARTICLE V

### RESERVATION

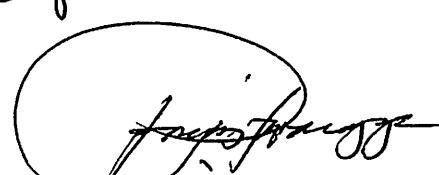
**Section 17.** Nothing in this Agreement precludes any area covered or members of the CBA-CPLA from benefitting from any other government sponsored program or project. The JC shall endeavor to secure other resources or target government programs and projects to the CBA-CPLA.

## ARTICLE VI

### TRANSITORY PROVISION

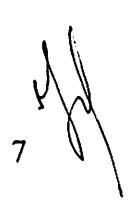
**Section 18.** All other issuances inconsistent herewith shall be reviewed and the necessary executive action shall be made accordingly. All other agreements inconsistent with this MOA are hereby superseded.

Janet Santos Dela









## ARTICLE VII

### EFFECTIVITY

**Section 19.** This Memorandum of Agreement shall take effect immediately upon signing thereof.

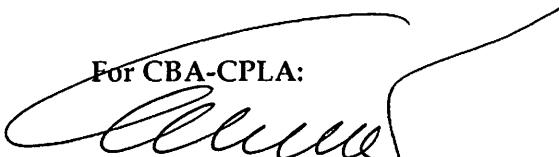
Done in the City of \_\_\_\_\_, Philippines, this JUL day of 4, 2011, in the year of our Lord, Two Thousand Eleven.

For the GPH:

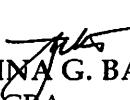


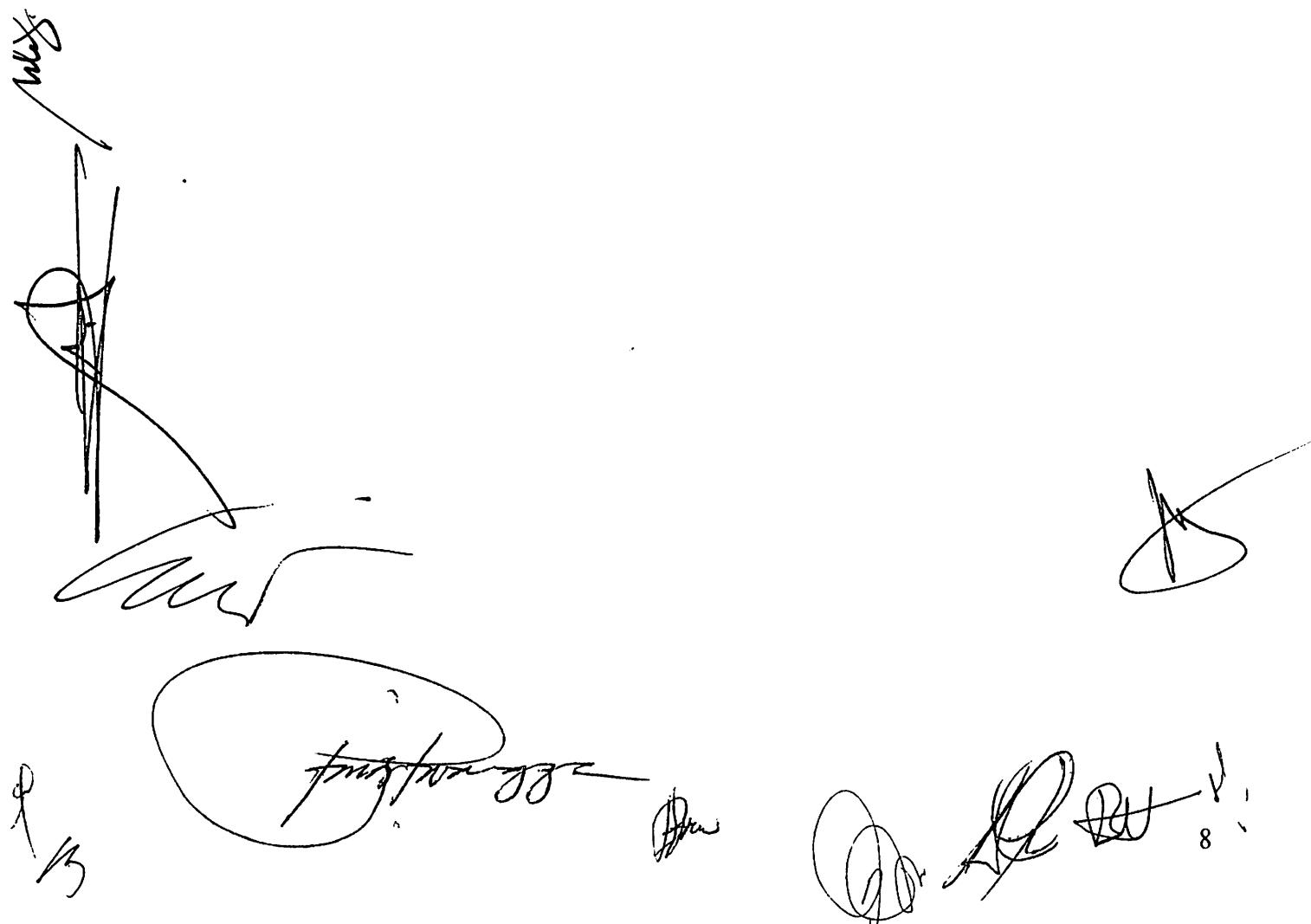
SEC. TERESITA QUINTOS DELES  
Presidential Adviser on the Peace Process

For CBA-CPLA:



ARSENIO M. HUMIDING  
Chairman, CPLA

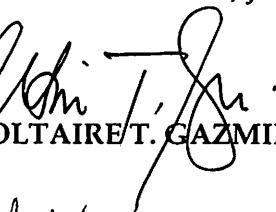
  
MARCELINA G. BAHATAN  
President, CBA



A large area at the bottom of the page contains several large, handwritten signatures and initials, likely belonging to other signatories or witnesses, though they are not clearly legible.

Signed in the presence of:

  
SEC. CESAR P. GARCIA, JR  
NSC

  
SEC. VOLTAIRE T. GAZMIN  
DND

  
SEC. JESSE M. ROBREDO  
DILG

  
SEC. CORAZON J. SOLIMAN  
DSWD

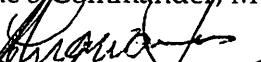
  
REP. TEODORO B. BAGUILAT, JR  
Lone District, Ifugao

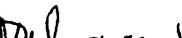
  
GOV. ELIAS C. BULUT, JR  
Apayao

  
ARMANDO C. WATIL  
Zone 1 Commander, Abra

  
TIRSO P. IWANGGA  
Zone 2 Commander, Kalinga

  
BANATE E. WALIS  
Zone 3 Commander, Mt. Province

  
ALFONSO A. LENGWA, JR  
Zone 4 Commander, Apayao

  
CRIZALDO C. VELASCO  
Zone 5 Commander, Ifugao

  
THOMAS D. TANACIO  
Zone 6 Commander, Benguet

  
MODESTO F. SAGUDANG  
Chief of Staff, CPLA

  
FELIPE L. CARIÑO  
Vice-Chairman, CPLA

  
GABINO P. GANGGANAN  
Secretary General, CBA

## ACKNOWLEDGEMENT

BEFORE ME, a notary public for and in the above jurisdiction, this \_\_\_ day of JUL 14 2011,  
2011, personally appeared:

Name

CTC No.

Date and Place of Issue

TERESITA QUINTOS-DELES

ARSENIO M. HUMIDING

MARCELINA G. BAHATAN

Known to me by the same persons who executed the foregoing instrument and acknowledged  
to me that the same is their free act and deed and the institutions herein represented.

This instrument consisting of \_\_\_ pages including the page on which this acknowledgment is  
written has been signed by the parties and their instrumental parties and their instrumental  
witnesses on each and every page hereof and sealed with my notarial seal.

IN WITNESS WHEREOF, I have hereunto set my hand and seal.

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Page No. 15  
Book No. 777  
Series 2011

*Fernando J. Alcalay Jr.*  
AT THE NOTARY PUBLIC  
NOTARY PUBLIC  
Until December 31, 2012  
Roll No. 10553 March 13, 1961  
IBP No. 891359 / 01-03-11-Q.C.  
PTR No. 4559121-01-03-11-Q.C.  
MCLE EXAMINED

*Teresita Quintos Deles*

*MS.*

*[Signature]*

*10*

Bla

General Headquarters  
**CORDILLERA PEOPLE'S LIBERATION ARMY**  
Sadanga, Mt. Province

Datal

**"RESOLUTION EXPRESSING VIGOROUS SUPPORT TO THE ONGOING EFFORTS OF THE CORDILLERA PEOPLE'S LIBERATION ARMY (CPLA) IN NEGOTIATING WITH GOVERNMENT FOR THE FINAL COMPLETION OF THE MT. DATA PEACE AGREEMENT THAT SHALL EVENTUALLY LEAD TO ARMS AND FORCES DEMOBILIZATION AND TRANSFORMATION OF THE ORGANIZATION INTO AN ECONOMIC FORCE FOR PEACE AND DEVELOPMENT"**

Whereas, the Cordillera People's Liberation Army (CPLA) had manifested sincere intentions in achieving peace, unity, and development in the Cordillera when its High Command leaders met with the Honorable Teresita Quintos-Deles, Secretary of the Office of the Presidential Adviser on the Peace Process (OPAPP) at Malacanang Palace on August 25, 2010;

Whereas, during that consultative meeting, the Honorable Secretary expressed the position of Government towards the full completion of all existing peace processes in the country, through a roadmap anchored on peace and development for the respective area;

Whereas, the CPLA reciprocally expressed its position on its willingness to take the course of peace and development and demobilization of arms and forces as its primary agenda in completing the Mt. Data Peace Agreement signed in September 13, 1986 between the late President Corazon C. Aquino and the late CPLA head, Father Conrado M. Balweg;

Whereas, this same position has been earlier manifested as its new policy direction when leaders of the CPLA opted to establish an interim leadership in October 21, 2009;

Whereas, the outcome of said consultative meeting was the formation of a team from the CPLA and the OPAPP to formulate a comprehensive and needs-based economic development package for the closure program of the Mt. Data Peace Agreement;

Whereas, the series of consultations and workshops - including community visits - has yielded the formulation of an operational plan as the core component of the Memorandum of Agreement (MOA) to be signed by the Government and the CPLA;

Whereas, said operational plan shall consist of a socio-economic development component and the integration of qualified CPLA members into the AFP;

Now, therefore, on motion duly seconded, be it

Resolved, as it is hereby resolved by the CPLA High Command in conference, to express vigorous support to the ongoing efforts of the CPLA in negotiating with Government for the final completion of the Mt. Data Peace agreement that will eventually lead to arms and forces

*H. J. de Leon* *W. M. D.* *B. G. G.* *D. D.* *J. P. S.*

demobilization and for the transformation of the Organization into an economic force for peace and development;

Resolved further, that this resolution be a manifestation of our sincere trust and confidence on the collective leadership of the CPLA High Command under Chairman Arsenio M. Humiding;

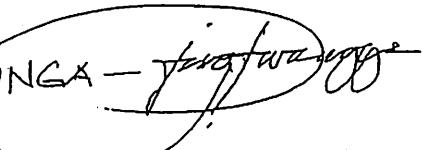
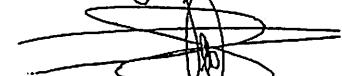
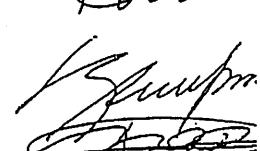
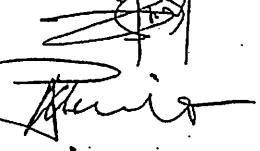
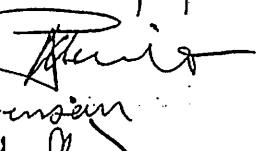
Resolved, finally, that this resolution be submitted to His Excellency, President Benigno S. Aquino III, thru the Honorable Teresita Quintos-Deles, Secretary of OPAAP, for his information and guidance;

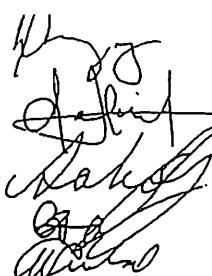
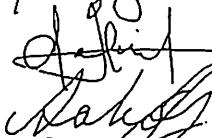
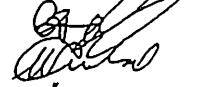
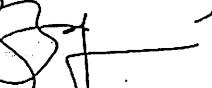
Signed this 18th day of January 2011 at Alfonso Lista, Ilfugao.

Name

Position

Signature

1. TIRSO P. IXANGGA - ZONE II COMDR - KALINGA - 
2. Banat E. Walis - Zone 3 Command M. PROV. 
3. Cruzaldo D. Nolasco - Zone II COMDR - IFLUGAO 
4. NORBERTO DURAN - ZONE II CMNDR - APAYAD 
5. VENANCIO C. FIUCHAG - ZONE III CMNDR, PAZACI 
6. THOMAS D. TANAGDIL - ZONE II CMDA. Banguit 
7. Armando C. Walid Zone I Abra 
8. Patrick B. Ngis-eban Zone 3 M. prov. 
9. ALVAREZ, JOEFNEY Zone 4 pl. leader Apayad 
10. PEPB A. TANAGDIL Zone 1 Banguit 
11. Benson B. Cardenas ABRA 
12. FETT Lister Licuben ABRA 
13. FELIPE L. CARINO ABRA 

15. Henry Duclawit	Zone II	Kalinga	
16. Larry Sarangay	Zone II	Kalinga	
17. Mark A. Obca	Zone II	Kalinga	
18. Cirilo A. Samabo	Zone II	Kalinga	
19. Heitor A. Raponen		ABRA	
20. Basol Dangabe		Kalinga	
21. Gervin Urbano		ABRA	
22. Rolando Gasmin		A. Lista	
23. MARCELINO DARGO		ABRA	
24. Eduardo Parinas		A. Lista	
25. Ferdinand M. <del>Parinas</del>		<del>A. Lista</del>	