

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 523

**INSTITUTING THE USE OF ALTERNATIVE DISPUTE RESOLUTION IN
THE EXECUTIVE DEPARTMENT OF GOVERNMENT**

WHEREAS, Article III, Section 16 of the Constitution guarantees the right of all persons to a speedy disposition of their cases before all judicial, quasi-judicial or administrative bodies;

WHEREAS, Republic Act No. 9285, otherwise known as the "Alternative Dispute Resolution (ADR) Act of 2004", declares that it is the policy of the State to actively promote and encourage the use of ADR as an important means to achieve speedy and impartial justice and to declog court dockets;

WHEREAS, the use of the alternative modes of dispute resolution has proven to be effective in amicably and speedily resolving disputes filed before judicial and quasi-judicial agencies;

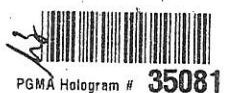
WHEREAS, there is a need to promote the use of ADR to achieve speedy resolution of all disputes before all administrative bodies in the Executive Department.

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

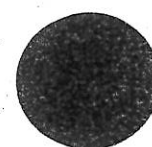
SECTION 1. Use of Alternative Dispute Resolution. All administrative bodies shall promote the use of alternative modes of dispute resolution such as, but not limited to, mediation, conciliation and arbitration as part of their practice in resolving disputes filed before them.

SEC. 2. Training. All agencies of the Executive Department shall train in the field of ADR at least two (2) senior officials who shall be designated to organize, develop and implement the use of ADR in their agency.

SEC. 3. Management of Alternative Dispute Resolution in Executive Agencies. The Office of the President shall manage the development of the ADR practice in the executive agencies. It shall:



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- 3.1 coordinate/direct the development of rules, regulation and procedures to implement ADR policies in each agency;
- 3.2 assist in providing training resources for the development of the use of ADR in each agency;
- 3.3 monitor and evaluate the compliance with and efficiency of the use of ADR in each agency;
- 3.4 educate and encourage the public in the use of ADR;
- 3.5 perform such other functions as may be necessary to carry into effect the purpose of this order.

SEC. 4. Principles to Promote Just and Efficient Administrative Dispute Resolution.

- 4.1 All executive agencies are mandated to review periodically their administrative dispute resolution processes and develop specific procedures to reduce delay in decision-making, to institutionalize the use of ADR processes prior to litigation, to facilitate self-representation, and expand non-lawyer counseling and representation where appropriate;
- 4.2 All executive agencies shall review their administrative dispute resolution processes that may create or induce prejudice on the part of the decision-makers that may result in injustice to persons who appear before administrative dispute resolution bodies; regularly train all fact-finders, administrative hearing officers, and other decision makers to eliminate such prejudice; and establish appropriate mechanisms to receive and resolve complaints of such prejudice from persons who appear before administrative dispute resolution bodies;
- 4.3 An agency may propose the enactment of new laws to minimize litigation so as not unduly burden the courts. The agency's proposed legislation and regulations shall provide a clear legal standard for affected conduct rather than a general standard, and shall promote simplification and burden reduction.

SEC. 5. Funding. Funding for managing ADR programs shall be included in the yearly appropriations of each agency.



SEC. 6. Transitory Provision. Until the general policies and implementing rules and guidelines are issued by the Joint Congressional Oversight Committee, all existing ADR policies in administrative bodies, if any, shall continue to be in full force and effect. Nothing in this order shall be construed to require any administrative body to act in a manner contrary to any existing laws, rules, or regulations.

SEC. 7. Separability Clause. If any provision of this Executive Order is declared invalid or unconstitutional, the remaining provisions not affected thereby shall continue to be in full force and effect.

SEC. 8. Effectivity. This Executive Order shall take effect immediately.

DONE in the City of Manila this 7th day of April in the year of Our Lord Two Thousand and Six.

Gloria Arroyo



By the President:

Eduardo R. Ermita

EDUARDO R. ERMITA
Executive Secretary



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