



MEMORANDUM ORDER NO. 2014-19

CLASSIFYING THE VETERANS FEDERATION OF THE PHILIPPINES (VFP) AS A *SUI GENERIS* GOCC

WHEREAS, the **VETERANS FEDERATION OF THE PHILIPPINES (VFP)** is a chartered¹¹, non-sectarian, and non-political GOCC under the control and supervision of the Secretary of National Defense;

WHEREAS, while the VFP is a GOCC by operation of law falling within the regulatory jurisdiction of the Governance Commission for GOCCs (GCG) and the provisions of Republic Act (R.A.) No. 10149, *The GOCC Governance Act of 2011*, the VFP may properly be classified as *SUI GENERIS* GOCC for the following reasons:

- a. The VFP is a non-sectarian and non-political GOCC under the control and supervision of the Secretary of National Defense;
- b. The VFP is created primarily for benevolent purposes, among which is to represent and defend the interests of all Filipino veterans, to promote mutual help among them, to perpetuate their common experiences in war, to undertake acts of charity, and to foster patriotism;
- c. It does not receive funding from the Government;
- d. The VFP is a nationwide federation of several associations of veterans who are empowered by law to select their leaders on the organizational, district, regional, and national levels; and
- e. Membership in the VFP is voluntary.

WHEREAS, the Supreme Council of the VFP, its Governing Board, is an embodiment of the will of its members as it is a product of a nationwide electoral process wherein the members get to elect their various representatives to the Supreme Council;

WHEREAS, Section 5(b) of R.A. No. 10149 empowers the GCG to “[c]lassify GOCCs into: (1) Developmental/Social Corporations; (2) Proprietary Commercial Corporations; (3) Government Financial, Investment and Trust Institutions; (4) Corporations with Regulatory Functions; and (5) Others as may be classified by the GCG, without prejudice to further sub classifications in each category and/or any other classification based on parameters as it may find relevant or material such as, but not limited to, industry type. The classification shall guide the GCG in exercising its powers and functions as provided therein.”

WHEREAS, the application of the provisions of R.A. No. 10149 on the selection and appointment of members of the Supreme Council of VFP will unduly impinge on the collective will of the VFP’s membership who are empowered by VFP’s charter to determine their leadership themselves;

¹¹ Republic Act No. 2640, AN ACT TO CREATE A PUBLIC CORPORATION TO BE KNOWN AS THE VETERANS FEDERATION OF THE PHILIPPINES, DEFINING ITS POWERS, AND FOR OTHER PURPOSES, 18 June 1960.

WHEREAS, since VFP remains a GOCC by operation of law:

- a. the Governance Commission may still include the VFP within the coverage of the Compensation Position and Classification System (CPCS) that it has developed pursuant to R.A. No. 10149 and is now pending approval by the President;
- b. the members of its Supreme Council can still be subjected to the Compensation Framework for Directors applicable to all GOCCs; and
- c. The VFP in general will still be subject to all other regulations of the Governance Commission.

NOW, BE IT –

RESOLVED, that VFP is hereby classified as a *SUI GENERIS* GOCC.

RESOLVED, FURTHER, that the selection and nomination process of the Governance Commission for Appointive Directors will not be made applicable to the VFP;


RESOLVED, FURTHER, that the officers and employees of the VFP will still be subject to the CPCS that the Governance Commission has submitted to the President for his approval;

RESOLVED, FURTHER, the members of the Supreme Council of the VFP will still be subject to the guidelines of the Governance Commission on Directors' compensation and performance-based incentives; and

RESOLVED, FINALLY, that the VFP, in general, will still be subject to all other regulations of the Governance Commission, and shall remain subject to all laws, rules and regulations pertaining to GOCCs.


DONE, in the City of Makati, this 14th day of July in the year of our Lord Two Thousand Fourteen.


CESAR L. VILLANUEVA
Chairman


CESAR V. PURISIMA
DOF Secretary

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MA. ANGELA E. IGNACIO
Commissioner


FLORENCIO B. ABAD
DBM Secretary


RAINIER B. BUTALID
Commissioner

