

Republic of the Philippines
Bangsamoro Autonomous Region in Muslim Mindanao
BANGSAMORO TRANSITION AUTHORITY
Cotabato City

Third Regular Session

BTA PARLIAMENT
BTA Resolution No. 586



Introduced by:

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**RESOLUTION URGING THE GOVERNMENT OF THE DAY (GOTD),
THROUGH THE MINISTRY OF FINANCE, BUDGET AND
MANAGEMENT (MFBM), TO ESTABLISH AN ISLAMIC LIVELIHOOD
FUND FOR TRANSITIONING COMBATANTS, AND APPROPRIATING
FUNDS THEREFOR**

WHEREAS, the enactment and ratification of Republic Act No. 11054, or the Bangsamoro Organic Law (BOL), has paved the way in ending the long-fought struggles of the Bangsamoro People on their demand of having meaningful and genuine self-governance, and the recognition of their right to self-determination;

WHEREAS, Section 1, Article XIV of the BOL, provides that the Bangsamoro Government, with funding support from the National Government, shall intensify development efforts for the rehabilitation, reconstruction, and development of Bangsamoro Autonomous Region (BARMM) as part of the normalization process. It shall formulate and implement a program for rehabilitation and development that will address the needs of Moro-Islamic Liberation Front/Bangsamoro Islamic Armed Force members and its decommissioned women auxiliary force, Moro National Liberation Front/Bangsamoro Armed Forces members, and address the needs of internally displaced persons, widows and orphans, and poverty-stricken communities. It shall observe, promote, and ensure gender-responsiveness in all aspects of security and peacebuilding, including the participation of women in decision-making;

WHEREAS, the National Government has manifested its commitment to provide meaningful autonomy to the BARMM Government;

WHEREAS, Sections 15 to 23, Article XII of the BOL, provides for the Block Grant of the BARMM. It gives the government its desired fiscal autonomy that would spark the BARMM's priority development goal, which is to address the root cause of conflict or struggles in the Bangsamoro Region;

WHEREAS, one of the items under the 12-point agenda of the Bangsamoro Government, published by the Bangsamoro Planning and Development Authority, is the formulation of special programs for transitioning combatants;

WHEREAS, the key informant interviews (KIIs) conducted by the Institute of Bangsamoro Studies in Cotabato City, provinces of Lanao del Sur, Basilan, Sulu, Tawi-Tawi and the 63 barangays of Cotabato disclosed that participants expressed their concerns on the slow progress of the normalization process of combatants;

WHEREAS, as of June 2021, only 12,145 of 40,000 former MILF combatants have so far been decommissioned during the new region's ongoing normalization process. The Government has so far given the former combatants Php100,000 each of the benefit package under the decommissioning programs. The package included education, housing, livelihood, health services, and other subsidies;

WHEREAS, the decommissioning is an important normalization activity. It enables the establishment of the foundations for peace and inclusive governance in BARMM. In the decommissioning, former combatants are given financial assistance through the Bangsamoro Transitory Family Support Package (BTFS) and the Livelihood Settlement Grant (LSG) being implemented by the Office of the Presidential Adviser on the Peace Process (OPAPP) and the Department of Social Welfare and Development (DSWD). Other kinds of assistance, such as healthcare and scholarship, are also given to their families;

WHEREAS, while the Bangsamoro Government is attending to the difficult tasks involved in the normalization process in keeping with the Comprehensive Agreement on the Bangsamoro, it can establish an Islamic Microfinancing program for the transitioning combatants to finance their livelihood projects;

WHEREAS, the Bangsamoro Government must strengthen its agenda in helping the transitioning combatants to integrate into society and establish sustainable livelihoods to address the issue of lack of access to Islamic microfinancing for transitioning combatants;

WHEREAS, establishing an Islamic microfinancing program for the transitioning combatants can ensure that the programs can fit the needs of the transitioning combatants so that they will become productive members of the society;

WHEREAS, the creation of Islamic Livelihood Fund (ILF) for the transitioning combatants and their families can be considered as a special program for the Bangsamoro Government to implement;

WHEREAS, ILF for the transitioning combatants and their families can lead to the fulfillment of the goal of BARMM in uplifting the lives of the combatants and their families, as well as their smooth integration into civilian life and providing peace dividends for their communities where they live;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, by the BTA Parliament to pass and approve this Resolution Urging the Government of the Day (GOTD) Through the MFBM for the Establishment of the Islamic Livelihood Fund (ILF) for Transitioning Combatants and their Families, and Appropriating Funds Therefor;

RESOLVED FURTHER, that the ILF shall be implemented through Islamic Microfinancing Arrangements using the following key Shariah Compliant products:

1. **Murabaha or cost plus selling.** – Instead of taking out an interest loan to buy something, the customer asks the bank to purchase an item and be sold to him or her at a higher price on installment. The bank's profit is determined beforehand and the selling price cannot be increased once the contract is signed;
2. **Ijara or leasing.** – Instead of issuing a loan, the bank buys the product and then leases it to the customer. The customer acquires the item at the end of the lease contract; and
3. **Mudarabah or profit share.** – The BARMM Accredited Institution provides 100 percent of the capital intended for the creation of a business. The BARMM Accredited Institution owns the commercial entity and the customer provides management and labor. They then share the profits according to a pre-established ratio that is usually close to 50/50.

RESOLVED FINALLY, that the program will be using a Tri-partite Agreement Model to ensure profitability and sustainability. The Ministry of Finance, and Budget and Management shall allocate the funds while BARMM Accredited Shariah Compliant Institutions shall provide shariah-compliant products for the transitioning combatants and their families. The three separate parties are the transitioning combatants and their families, the Accredited Entity engaged in Islamic Microfinancing and the Market or Buyer.

Adopted,


MP ENGR. BANTAN ADIL-AMPATUAN, MNSA