

EXECUTIVE ORDER NO. 530

AUTHORIZING THE NATIONAL DEVELOPMENT COMPANY TO ISSUE BONDS UNDER EXECUTIVE ORDER NO. 83 SERIES OF 1998, FOR THE PUMP-PRIMING ACTIVITIES AND OTHER PROJECTS OF THE GOVERNMENT

WHEREAS, Executive Order No. 83, Series of 1998 ("EO83"), authorized the National Development Company (NDC) to issue long term bonds to support projects for economic growth under a revitalized rural development program.

WHEREAS, Section 4 of EO No. 83 provides that the proceeds from the issuance of the bonds shall be used exclusively for the development of the agricultural and agrarian sectors;

WHEREAS, there is a need to expand the coverage of EO No. 83 in order that the proceeds of the bonds to be used by NDC may be used to fund, by way of loan or any other mode of financing, the economic pump-priming activities of the Government-Owned and Controlled Corporations which have existing projects on housing, irrigation, infrastructure and the like which are designed to pump-prime the economy and alleviate poverty;

WHEREAS, the NDC, pursuant to Presidential Decree No. 1648, as amended (the "Revised Charter of the NDC"), is the corporate vehicle of the government designed to pursue commercial, industrial, agricultural, mining and other enterprises which may be necessary or contributory to the economic development of the country;

NOW, THEREFORE, I, GLORIA M. ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law and the Constitution, do hereby order:

SECTION 1. AUTHORIZING NDC TO ISSUE BONDS UNDER EO NO. 83 TO BE USED FOR ECONOMIC PUMP-PRIMING ACTIVITIES AND OTHER PROJECTS OF THE GOVERNMENT – NDC is hereby authorized to issue bonds under EO No. 83 (hereinafter referred to as the "Fund") is hereby expanded to include economic pump-priming projects of the GOCCs and any other projects designed for economic growth and poverty alleviation.

SECTION 2. UTILIZATION OF FUND AND EVALUATION OF PROJECTS – The National Economic and Development Authority and the Department of Budget and Management are hereby directed to select the GOCCs to whom NDC will lend the Fund.

The GOCCs that will borrow from the Fund shall be responsible for the implementation and monitoring of their respective projects as well as the proper disbursement of the Fund once the same has been released by NDC.

SECTION 3. **REPAYMENT TO NDC** – The DOF and DBM shall promulgate such rules and regulations and execute any and all documents necessary to ensure repayment to NDC of the Fund it will lend to the GOCCs and the eventual retirement of the bonds it will issue under EO No. 83 and this Executive Order.

SECTION 4. **REPEALING CLAUSE** – All executive issuances, rules and regulations or parts thereof which are inconsistent with this Executive Order are hereby revoked, amended or modified accordingly.

SECTION 5. **EFFECTIVITY** – This Executive Order shall take effect immediately.

City of Manila, 24 May 2006.

(SGD.) **GLORIA M. ARROYO**

By:

(SGD.) **EDUARDO R. ERMITA**
Executive Secretary