

# [ LETTER OF INSTRUCTIONS NO. 950, October 25, 1979 ]

## ESTABLISHING THE COMMISSION FOR HEAVY ENGINEERING INDUSTRIES

TO: The Ministry of Industry  
The Board of Investments  
The Metals Industry Research & Development Center  
The National Development Company  
The Development Bank of the Philippines

WHEREAS, the development of heavy engineering industries is vital and fundamental to industrial growth;

WHEREAS, the Philippine heavy engineering industry is a critical factor in the implementation of the country's major industrial projects through domestic manufacture of substantial quantities of heavy equipment and heavy machinery, including earth moving equipment and construction machinery;

WHEREAS, it is the policy of the Government to provide the heavy engineering industry with all the necessary support in terms of upgraded infrastructure, utilities, and other support services;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order the following:

SECTION 1. A Commission for Heavy Engineering Industries (hereafter referred to as the Commission) is hereby created, composed of the Minister of Industry as Chairman, and representatives from the Board of Investments, Metals Industry Research and Development Center, National Development Company, and Development Bank of the Philippines, as members. The Board of Investment, shall serve as the technical staff of the Commission.

SEC. 2. The Commission shall adopt a developmental strategy for the industry to enable it to produce an average of 50% of the equipment and machinery requirements of large-scale industrial plants, within a prescribed development period.

SEC. 3. The development strategy shall include, among others, the immediate implementation of a local content program applicable to the machine and equipment requirements for all major industrial projects to be implemented in the Philippines within the period from 1980 to 1985 as follows:

<u>Starting Year of Construction</u>	<u>Prescribed Local Content</u>
1980	15%
1981	20%
1982	25%
1983	30%