

[PRESIDENTIAL DECREE NO. 811, October 17, 1975]

APPROPRIATING FUNDS FOR THE PAYMENT OF THE REMAINING BALANCE OF THE UNPAID SUBSCRIPTION OF THE GOVERNMENT TO THE CAPITAL STOCK OF THE DEVELOPMENT BANK OF THE PHILIPPINES

WHEREAS, in line with the objective of rapid economic growth, it is necessary for the Government to provide massive credit financing for the development and expansion of industry and agriculture;

WHEREAS, the Development Bank of the Philippines is the primary agency of the Government which provides credit facilities for economic development purposes;

WHEREAS, under its Charter (Republic Act No. 2081, as amended) the Development Bank of the Philippines has an authorized capital of P3 billion fully subscribed by the Government, of which P1.8 billion has been paid and except for the conversion of 20% of the Bank's annual net income there is no provision for continuous payment of the Government's subscription;

WHEREAS, the Development Bank of the Philippines is being called upon to meet the funding requirements of high priority economic development projects, specifically the tourist hotel expansion program and food production project;

WHEREAS, the present provisions of the existing law governing the payment of the Government's subscription to the capital stock of the Bank is not sufficient to allow the Bank to increase its resources to meet the funding requirements of the aforesaid priority projects;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution and in order to effect the desired changes and reforms in the social, economic, and political structure of our Society, do hereby order and decree the further amendment of Republic Act No. 2081, as amended, as follows:

SEC. 1. The following provision is hereby inserted as letter (e) under Section 3 of R.A. 2081, as amended:

" Whatever remaining balance of the unpaid subscription of (e) the Government to the capital stock of the Bank shall be paid out of any funds in the National Treasury not otherwise appropriated, be they collections from any or all taxes accruing to the general fund or proceeds from loans, the issuance of bonds, treasury bills or notes; which are hereby authorized to be incurred or to be issued by the Secretary of Finance for the purpose, such amount to be programmed and released in accordance with the following schedule:

P400 million—in FY 1975-76

P350 million—in FY 1976-77

P150 million—in FY 1977-78