

[PRESIDENTIAL DECREE NO. 487, June 19, 1974]

AUTHORIZING THE CREATION OF PHILIPPINE CENTERS ABROAD

WHEREAS, there is an urgent need to consolidate, integrate and coordinate all the activities of all Philippine Government offices and agencies abroad, which have hitherto been dispersed and separate from each other, a situation entailing unnecessary expense and duplication of functions;

WHEREAS, consistent with the human and material resources of the Philippines, it is the objective of the New Society, among other things, to nurture, promote and propagate Philippine culture, to encourage foreign tourists to visit the Philippines, to expand the foreign market for Philippine products, to provide efficient and comprehensive public service in the country and abroad, and in general to enhance the image of the Philippines;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution, do hereby decree and order as follows:

SECTION 1. In certain strategically located places approved by the President upon the recommendation of the Secretary of Trade, there shall be incorporated a Philippine Center Management Board, hereinafter called "the Board," which shall, in behalf of the Republic of the Philippines, acquire by purchase or by any other appropriate means of building, which shall house within its premises all the offices and agencies of the Philippine Government. Such building shall be called "the Philippine Center," hereinafter called "the Center," and shall serve the purposes stated in the second paragraph of the preamble.

SEC. 2. The Board shall have the following composition and functions:

A. Composition—

1. Chairman—The Chief of Mission
2. Vice Chairman—The Head of the Philippine National Bank Branch Office, or, in case there is no such branch office, the Philippine Commercial Attache or Trade Promotion Representative.

Members:

3. The Philippine Commercial Attache or Trade Promotion Representative when not acting as Vice Chairman.
4. The Representative of the Department of Tourism.
5. The Philippine Center Business Manager, who shall also be the Secretary of the Board.
6. One representative each from other offices and agencies of the Philippine Government in the area.

B. Functions—

1. The Board shall be responsible to the President of the Philippines for the overall operation, maintenance and management of the Center in accordance with this Decree and with sound business' practices.

2. The Board shall meet at least once a year to prepare and submit to the President of the Philippines through the Secretary of Trade its annual report on the operations, financial position and achievements of the Center not later than the 31st of December of each year.
3. The Board shall, in accordance with its procedures, decide and implement policies dealing with the construction, renovation, maintenance and operations of the Center. Its decisions shall be arrived at by a simple majority of the entire composition of the Board.
4. The Board shall approve lease contracts for the rentals stipulated in Section
5. All lease contracts shall be signed by the Chairman of the Board. All lease payments shall be payable to the "Philippine Center Management Board" and such payments shall be promptly deposited in the bank for credit to the fund provided in Section 3. 5. The Board shall adopt the most practical and effective arrangements for the security of personnel and the premises.
6. The Board shall have such other functions consistent with the objectives of this Decree.

SEC. 3. The funds for the purchase and renovation of the Center shall be obtained through borrowings that the Philippine National Bank is hereby authorized to secure as agent for and in behalf of the Philippine Center Management Board. Should such borrowings be inadequate to cover the cost of purchase and renovation, the Philippine National Bank may advance the necessary amount from its own resources in the event of urgent need. For borrowings contracted by the said bank, it shall be entitled to collect commission and service fees. For advances made from its own resources, the said bank shall be entitled to collect interest charges at the rate imposed by its present lending policy for loans or advances of the same category.

There is hereby appropriated annually out of any fund in the National Treasury not otherwise appropriated the sum of twenty million pesos to repay the advances or borrowing authorized in the preceding paragraph, including interests, premiums, commission, service fees and other charges thereon. Additional appropriations shall be authorized as the need arises.

The funds for the maintenance and operation of the Center shall, as far as practicable, be taken from the income accruing to the Center Fund: Provided, however, that advances or borrowings for this purpose may be obtained by the Board.

The Board shall have the power and authority to borrow money from the Philippine National Bank or from other creditors under financing arrangements that may be made with the assistance of the said banks, and to mortgage, or assign, or otherwise encumber its properties as security for such borrowings. The borrowings made pursuant to this authority shall be paid from any money in the Center Fund.

The Center Fund shall consist of the sales proceeds of the properties mentioned in Section 4 and the income of the Center from lease payments and other sources.

SEC. 4. All real property in the area owned by the Philippine Government shall be sold at the most advantageous price by the Board with the advice and assistance of