

[REPUBLIC ACT NO. 8494, February 12, 1998]

**AN ACT FURTHER AMENDING PRESIDENTIAL DECREE NO. 1080,*
AS AMENDED, BY REORGANIZING AND RENAMING THE
PHILIPPINE EXPORT AND FOREIGN LOAN GUARANTEE
CORPORATION, EXPANDING ITS PRIMARY PURPOSES, AND FOR
OTHER PURPOSES**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. It shall be the policy of the State to encourage and promote the expansion of Philippine exports, and to establish a strong and credible export credit institution which shall be dedicated to the provision of export financing facilities and services to support the country's export sector.

SEC. 2. Section 1 of Presidential Decree No. 1080, as amended, is hereby amended to read as follows:

"SECTION 1. Trade and Investment Development Corporation of the Philippines.

"a) There is hereby created a body corporate to be known as the Trade and Investment Development Corporation of the Philippines (TIDCORP), hereinafter referred to as the Corporation, which shall have succession in its corporate name. The Corporation shall have its principal office in Metro Manila;

"b) The Corporation shall be deemed to be a wholly owned Government corporation and shall accordingly be subject to provisions of existing laws, rules and regulations applicable to Government-owned and -controlled corporations not otherwise inconsistent with the provisions of this Decree."

SEC. 3. Section 2 of Presidential Decree No. 1080, as amended, is hereby amended, to read as follows:

"SEC. 2. *Primary Purposes.* - The primary purposes of the Corporation shall be as follows:

"a) To guarantee, with the prior concurrence of the Monetary Board, subject to the rules and regulations that the Monetary Board may prescribe, approved foreign loans, in whole or in part, granted to any entity, enterprise or corporation organized or licensed to engage in business in the Philippines;

"b) To guarantee Philippine banking and financial institutions against loss that may be incurred in connection with (1) the grant of loans/credit accommodation to exporters, producers of export products, or contractors with

approved service contracts abroad, organized or licensed to engage in business in the Philippines, and (2) with the prior concurrence of the Monetary Board, subject to the rules and regulations that the Monetary Board may prescribe, the issuance of standby Letters of Credit or Letters of Guarantee, as the case may be, to secure the performance of approved service contracts abroad entered into by any entity or corporation organized or licensed to engage in business in the Philippines;

"c) To provide insurance cover, credits and appropriate services to facilitate the export of Philippine goods and services by any entity, enterprise or corporation organized or licensed to engage in business in the Philippines; and

"d) To guarantee or provide insurance cover for investments of any entity, enterprise or corporation organized or licensed to engage in business in the Philippines."

SEC. 4. Section 3 of Presidential Decree No. 1080, as amended, is hereby amended to read as follows:

"SEC. 3. *Functions.* - The Corporation shall have the following functions:

"a) To promote and facilitate the entry of foreign loans into the country for development purposes having special regard to the needs of export-oriented industries, industries registered with the Board of Investments, public utilities, and industries the promotion of which is encouraged by government policy;

"b) To guarantee loans granted by Philippine banking and financial institutions to qualified exporters, producers of export products, and contractors with approved service contracts abroad;

"c) To facilitate and assist in the implementation of approved service contracts abroad entered into by Philippine entities, enterprises, or corporations with foreign exchange earning potentials, by providing counter-guarantees to Philippine banks and financial institutions issuing standby Letters of Credit or of Letters of Guarantee for the performance of said service contracts;

"d) To meet requests from domestic entities, enterprises, and corporations to assist them in the coordination of their development and expansion plans with a view to achieving better utilization of their resources;

"e) To provide technical assistance in the preparation, financing and execution of development or expansion programs, including the formulation of specific project proposals; and

"f) To undertake such actions that are consistent with the primary purposes of the corporation."

SEC. 5. *Borrowing and Other Miscellaneous Powers.* - In addition to the powers specified elsewhere in this Decree, the Corporation shall have the power:

"a) To borrow funds in foreign countries or in the Philippines with the approval of the President of the Philippines and subject, in the case of foreign