

**[ REPUBLIC ACT NO. 7181, January 17, 1992 ]**

**AN ACT EXTENDING THE LIFE OF THE COMMITTEE ON  
PRIVATIZATION AND THE ASSET PRIVATIZATION TRUST**

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

SECTION 1. The term of the Committee on Privatization and the Asset Privatization Trust created by Proclamation No. 50 "Proclaiming and Launching a Program for the Expeditious Disposition and Privatization of Certain Government Corporation and/or the Assets thereof, and Creating the Committee on Privatization and the Asset Privatization Trust" is hereby extended from December 8, 1991 to August 31, 1992 and thereafter may be again extended by the President of the Philippines for not more than sixteen (16) months.

During the said extension period, the Committee on Privatization and the Asset Privatization Trust shall continue to exercise the powers, duties and responsibilities provided under Proclamation No. 50: *Provided*, That all disposition of any and all assets shall be exclusively and solely for cash, including sales by installments, subject to the provisions of the Comprehensive Agrarian Reform Law.

All assets held by the Asset Privatization Trust, all moneys and other properties belonging to it, and all its liabilities outstanding upon the expiration of its term shall revert to and be assumed by the National Government. The President of the Philippines shall designate by an executive order the government office or entity to which the assets and liabilities of the Asset Privatization Trust shall be transferred.

All cash advances and all unsettled obligations owed to the Government by the officers and employees of the Committee on Privatization or the Asset Privatization Trust, as finally determined by the proper agency or court of law, must be liquidated on or before August 31, 1992.

SEC. 2. The following conditions shall be adhered to in Privatization:

- a. In the disposition of assets in corporate form, there shall be no undue dislocation of labor unless all benefits as provided by existing laws or Collective Bargaining Agreement (CBA) shall be complied with.
- b. Assets for disposal shall not revert to previous owners who after final judgment by the proper agency or a court of law have been found to have mismanaged or diverted the resources of the assets which resulted in loss and bankruptcy: *Provided*, That if assets are to be reverted back to the previous owners, the price shall not be less than the original transfer price.
- c. Privatization of government assets classified as a strategic industry by the National Economic and Development Authority shall first be approved by the