

[EXECUTIVE ORDER NO. 12, August 14, 1998]

REVITALIZING THE PRIVATIZATION PROGRAM OF THE GOVERNMENT

WHEREAS, Proclamation No. 50, s. 1986, as amended, launched a program for the desposition and privatization of government corporations and or the assets thereof and created the Committee on Privatization (COP) and the Asset Privatization Trust (APT);

WHEREAS, Executive Order No. 37, s. 1992, restated the privatization policy of Government by encouraging government agencies and government corporations to identify assets which may be disposed of to the private sector and activities which may be more efficiently, effectively and economically undertaken by the private sector; and that disposition of such assets activities may be undertaken through sale of physical assets, leasing of assets, management and maintenance contracts or build-operate-transfer (BOT) schemes;

WHEREAS, of the 562 Government Owned and Controlled Corporations (GOCCs) Assets, approved by the President for privatization, 453 were privatized disposed as of June 30, 1998, generating gross sales proceeds of P184 billion;

WHEREAS, the privatization program has helped substantially in improving the investment climate, attracting foreign investments, broadening ownership base, developing the local capital market, and generating substantial revenues for priority government expenditures;

WHEREAS, there is a vast opportunity for promoting private sector participation in developing the Philippine economy;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Reaffirming the Privatization Program. — The National Government hereby reaffirms its privatization policy to promote an orderly, coordinated and efficient program for the privatization of government entities, assets or activities which are better managed, undertaken or owned by the private sector. This privatization program shall cover not only the sale of share or assets but also other modes of privatization such as leasing, management and maintenance contracts, BOT schemes or joint venture arrangements.

SEC. 2. Identification of Assets/GOCCs for Privatization. — All heads of departments, bureaus, agencies and its instrumentalities, including government owned or controlled corporations (GOCCs) and local government units (LGUs) are hereby directed to identify and list assets which may be offered for sale to acquisition by the private sector and/or activities which may be more efficiently, effectively and economically undertaken by the private sector and submit said list to the COP which is the central agency for all privatization activities of Government. An initial list shall