

# [ LETTER OF INSTRUCTIONS No. 1523, February 06, 1986 ]

TO: THE MINISTER OF FINANCE; THE MINISTER OF HUMAN SETTLEMENTS; THE MINISTER OF THE BUDGET; ALL CONCERN

WHEREAS, Presidential Decree No. 1517 dated June 11, 1978 proclaimed urban land reform in the Philippines and provided for the implementing machinery thereof;

WHEREAS, Letter of Instructions No. 932 was issued on September 11, 1979, ordering the immediate and vigorous implementation of Executive Order No. 558 which imposes a 20% *ad valorem* duty on the exportation of logs, and further directing that all collections from the export levy amounting to about P125 million be used to fund programs and projects arising from the proclamation of the Metropolitan Manila areas as an Urban Land Reform Zone;

WHEREAS, one of the basic components of urban land reform is the provision of affordable shelter for the low and middle-income groups, which is carried out by the government through its National Shelter Program administered by the Ministry of Human Settlements, particularly through the Pag-I.B.I.G. program components of lot acquisition, core-housing and Sardling Sikap Homes;

WHEREAS, the Pag-I.B.I.G. Program provides its members, through the Secondary Mortgage Market System implemented by the National Home Mortgage Finance Corporation, with home financing at a subsidized rate of nine percent (9%) per annum;

WHEREAS, there is a need to support the Secondary Mortgage Market System in order to assure its viability and thus enable the government agencies concerned to continue providing affordable homes, in pursuance of the policies of the state, under urban land reform, to promote the development of human communities and to provide equitable access to and opportunity for the use and enjoyment of the fruits of the land;

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

1. The 20% *ad valorem* duty shall continue to be imposed on log exportation to support the urban land reform as envisioned in the national shelter program of the government.
2. Accordingly, the Minister of the Budget is hereby directed to immediately release directly to the Ministry of Human Settlements and/or its appropriate shelter finance agency the total amount of accrued collections.

In particular, the total amount of collections accrued to date and all collections for the year 1985 and annually thereafter from the 20% *ad valorem* log export levy, shall be used to support the Secondary Mortgage Market System as may be best decided upon by the National Shelter Coordinating Council.