

February 29, 1984

EXECUTIVE ORDER NO. 936

**PROVIDING FOR THE ESTABLISHMENT OF A GOVERNMENT
CORPORATE MONITORING AND COORDINATING SYSTEM**

WHEREAS, under the New Republic, national development shall be pursued with renewed dedication and greater determination through a more efficient, effective, and economical government;

WHEREAS, over the last few years the government corporate sector has been accounting for significantly large claims on government budgetary resources as well as substantial domestic and external borrowings;

WHEREAS, it is desirable to further rationalize the allocation of the investment resources of the government sector in order to improve upon financial and social investment returns and productivity;

WHEREAS, there is need to develop further the institutional mechanisms for monitoring and coordinating the activities of government-owned and controlled corporations;

WHEREAS, for effective monitoring and coordination of the operations of government-owned and controlled corporations, it is necessary to be better informed about their respective plans, projects, resources requirements and extent of funding support which will be needed from the national government and from external sources;

WHEREAS, at present there is no entity primarily responsible for monitoring and coordinating the operations of government-owned and controlled corporations; and

WHEREAS, under Presidential Decree No. 1416 as amended, the President is empowered to undertake such organizational and related improvements as may be appropriate in the light of changing circumstances and new developments;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution and the authority vested in me by Presidential Decree No. 1416 as amended, do hereby order and ordain;

Sec. 1. There is hereby created a Government Corporate Monitoring Committee, hereafter called the Committee, which shall operate as a sub-committee of the Cabinet. It shall be composed of the Prime Minister as Chairman, and the Minister of Finance, the Director-General of the Office of Budget and Management, the Governor of the Central Bank, the Director-General of the National Economic and Development Authority, and the Chairman of the Commission on Audit as members. The members may designate alternates to represent them in the meetings of the Committee, provided that such alternates shall not be lower than deputy minister or their equivalents.

Sec. 2. The Committee shall have the following duties and functions:

- (1) Developing appropriate guidelines on the monitoring of the operations of government-owned and controlled corporations, including their wholly-

owned or majority- owned subsidiaries, such monitoring to include (a) the utilization of General Appropriations funds from the national government, whether as equity contributions, program support, or otherwise; (b) the contracting and utilization of borrowed domestic and external funds, whether as loans, suppliers' credits, deferred payments, or otherwise; and (c) the financial and operational conditions of the corporations, including the status of major projects and programs;

- (2) Formulating the necessary recommendations on policies and guidelines relevant to government corporate operations for submission to and approval by the President through the Cabinet; and
- (3) Determining the priorities, on the basis of the policies and guidelines approved by the President through the Cabinet, on acting upon the various claims of the government corporations for (a) national government funding (b) domestic and external borrowing, whether as loans, suppliers' credits, or otherwise, (c) major projects, and programs of government corporate entities, such as capital projects and subsidy programs, and (d) such other matters as may be approved.

Sec. 3. The Committee, in the performance of its stated responsibilities, shall coordinate with the appropriate committee and other agencies which also have significant functions related to the policies, programs, and operations of government-owned and controlled corporations, including but not limited to the NEDA Development Budget Coordination Committee, and the NEDA Investment Coordination Committee, and the NEDA Infrastructure Committee, with the end in view of avoiding the duplication of requests for information from the various government corporations. To the extent possible, the Committee shall rely upon extant data- gathering mechanisms in other agencies and entities, modifying such data requirements for its own needs whenever necessary.

Sec. 4. In determining the specific government corporations that shall fall within the scope of the government corporate monitoring system herein established, the Committee shall prepare a list of such government corporations in coordination with the member agencies of the Committee and with those other entities with government corporation monitoring functions, such as but not limited to the Civil Service Commission and the Presidential Commission on Reorganization, with the end view of arriving at a uniform coverage and listing of such corporations. On the basis of such a master list, the Committee shall from time to time select and determine, in addition to the government financial corporations, the non-financial government corporations that are to be covered by the monitoring system herein established.

Sec. 5. The technical secretariat of the Development Budget Coordination Committee shall provide the technical and administrative support requirements of the Committee, and shall be responsible for the day-to-day operating concerns involved in the monitoring functions of the Committee. For this purpose, the secretariat shall undertake the monitoring of the operations of government-owned and controlled corporations, including their subsidiaries, for the purpose of generating adequate baseline data and evaluative inputs to policies and programs of the national government on government-owned and controlled corporations and their subsidiaries. The Development Budget Coordination Committee technical secretariat may be augmented as necessary by personnel on part-time or full-time detail from the member agencies of the Committee and from other

agencies undertaking related work, as well as such consultants as may be necessary.

Sec. 6. Nothing in this Executive Order shall be construed as in any way diminishing the powers and functions of the respective governing boards of the various government-owned or controlled corporations.

Sec. 7. All laws, decrees, orders, proclamations, rules and regulations, or parts thereof, which are inconsistent with any of the provisions of this Executive Order are hereby repealed or modified accordingly.

Sec. 8. Any portion or provision of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying the other provisions thereof, provided that such remaining portions can still stand and be given effect in their entirety to accomplish the objectives of this Executive Order.

Sec. 9. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 29th day of February in the Year of Our Lord, Nineteen Hundred and Eighty Four.