

[LETTER OF INSTRUCTIONS NO. 954, October 30, 1979]

PROVIDING FOR STABILIZATION OF FISH SUPPLY AND PRICES

TO: The Ministry of Agriculture
The Ministry of the Budget
The Ministry of Finance
The Ministry of Human Settlements
The Ministry of Local Governments & Community Development
The Ministry of National Defense
The Ministry of Natural Resources
The Ministry of Trade
The National Economic and Development Authority
The Central Bank of the Philippines
The Philippine National Bank
The Development Bank of the Philippines
The Land Bank of the Philippines
The Commission on Audit
The Metro Manila Commission
The Food Terminal, Inc.
The Philippine Fish Marketing Authority
The Maritime Industry Authority

WHEREAS, fish is a basic component of the Filipino diet and an essential source of protein;

WHEREAS, fish supply and prices fluctuate wildly due to the seasonality of fish supplies, the long-standing inefficiencies in the fish marketing system, and the lack of adequate institutional credit for fish producers and fish traders;

WHEREAS, there is a pressing need for concerted action on the part of government and the private sector to stabilize fish production, streamline the fish marketing system, and provide adequate production and marketing credit.

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

1. The Food Terminal, Inc. (FTI) and the Philippine Fish Marketing Authority (PFMA) shall undertake the direct procurement of a significant portion of the total volume of fish traded daily in Metro Manila area and shall sell such fish through selected traders and/or retailers with the end in view of reducing and stabilizing fish supply and prices;
2. The Ministry of the Budget is hereby directed to place the compensation and position structure of the PFMA under the same classification as government corporations.
3. The Ministry of Local Governments and Community Development, through its bureau of Cooperative Development, shall step up its organization of cooperatives among market vendors and shall coordinate the participation of all such market vendor cooperatives and consumer cooperatives in the

stabilization of fish supply and prices. The Cooperative Marketing System of the Philippines (CMSP) is hereby directed to engage in the marketing of fish at reasonable prices to marketing and consumer cooperatives. The existing "Super Palengke" are hereby directed to increase their volumes of fish to be sold at reduced prices.

4. A special ad-hoc committee, to be headed by the Managing Director of the Food Terminal, Inc. shall be created to prepare and submit to the President recommendations and guidelines for the importation of frozen fish to supply the requirements of local fish canners, hotels and restaurants and other institutions and thus ease the pressure of demand on fish supplies and prices during the lean months. This committee shall consist of a representative of local fish canners, importers of canned fish, tin-plate manufacturers, fishing vessel operators, the Central Bank, and the Philippine Fish Marketing Authority.
5. The Philippine Fish Marketing Authority (PFMA) shall immediately improve all its facilities in the Navotas Fishing Port and Fish Market, particularly completing its terminal road network and providing lighting facilities in its newly-constructed wing.
6. The Philippine Fish Marketing Authority (PFMA) shall immediately undertake the accreditation of all fish producers and traders operating in the Navotas Fishing Port and Fish Market, using credit-worthiness as the one major criterion.

The PFMA, jointly with Market Administrators in public markets, shall also undertake the accreditation of all fish retailers in the public and private markets of Metro Manila.

7. The Ministry of Finance, through the Market Administrators under its supervision, and the Metro Manila Commission shall assist the PFMA in the proper accreditation of all fish retailers. They shall also assist all government and private agencies that shall hereinafter be involved in the financing of market vendors.

The Market Administrators are hereby instructed to allow the use of market stalls and/or market "puestos" as collaterals for working capital loans under this program, and to respect claims by the financial institutions on the use of these market stalls or market "puestos" in the event of foreclosure of this collateral.

8. The Ministry of the Budget shall immediately appropriate and release the amount of THIRTY-FIVE MILLION PESOS (P35,000,000) for the last quarter of 1979, as follows
 - a. TWENTY MILLION PESOS (P20,000,000) for the Land Bank of the Philippines to be used as a Guarantee and Loan Fund to cover loans granted by PNB and private banks under this new fish program, including loans to FTI and PFMA.
 - b. THREE MILLION TWO HUNDRED FIFTY THOUSAND PESOS (P3,250,000) as Corporate Equity Investment in the Philippine Fish Marketing

Authority, of which P1,250,000 shall be used for its operating funds, and P2,000,000 for the completion of its terminal road network and lighting facilities in the Navotas Fish Market.

- c. SIX MILLION TWO HUNDRED FIFTY THOUSAND PESOS (6,250,000) as Corporate Equity Investment in Food Terminal, Inc., of which P1,250,000 shall be used for its operating requirements and P5 million for capital outlays to support its marketing operations.
- d. ONE MILLION TWO HUNDRED THOUSAND PESOS (P1,500,000) for the Bureau of Fisheries and Aquatic Resources, of which P1,000,000 shall be used to locate spawning grounds of bangus fry and prawn fry and P500,000 for regular surveys of fishing grounds.
- e. FOUR MILLION PESOS (P4,000,000) for the Cooperatives Development Fund of the MLGCD to be used for trading operations as well as relending to the Cooperative Marketing System of the Philippines (CMSP) under this program.

Funding for the Program shall come from the Special Activities Fund, the Corporate Equity Fund, the Social Pricing and Development Fund, from other funds and savings of the national Government otherwise appropriated.

9. For 1980, the Ministry of the Budget shall appropriate and release the total amount of NINETY-THREE MILLION PESOS (P93,000,000) as follow:
 - a. EIGHTY MILLION PESOS (P80,000,000) for the Land Bank of the Philippines to be used as a Guarantee and Loan Fund to cover loans granted by PNB and private banks under this program, including loans to FTI and PFMA.
 - b. FIVE MILLION PESOS (P5,000,000) for PEMA to cover current operative expenditures under this program.
 - c. FIVE MILLION PESOS (P5,000,000) for FTI to cover current operating expenditures under this program.
 - d. THREE MILLION PESOS (P3,000,000) for the Bureau of Fisheries and Aquatic Resources to cover current operating expenditures for its surveys under this program.
10. The Philippine National Bank is hereby directed to provide credit lines in the total amount of EIGHTY-TWO MILLION PESOS (P82,000,000) as Follow:
 - a. TWENTY-THREE MILLION PESOS (P23,000,000) for Food Terminal, Inc. for fish trading; and THREE MILLION PESOS (P3,000,000) for the Philippine Fish Marketing authority.
 - b. The amount of TWENTY MILLION PESOS (P20,000,000) for working capital requirements of fish producers, on a non-collateral basis.