

[PRESIDENTIAL DECREE NO. 1977, June 21, 1985]

AMENDING PRESIDENTIAL DECREE NO. 1961

WHEREAS, in furtherance of the National Economic Recovery Program, the Philippines has agreed to a multi-national arrangement for the rescheduling of credits made, guaranteed or insured by foreign governments and their agencies;

WHEREAS, under bilateral agreements being negotiated with or to be concluded with some creditor countries, foreign currency obligations of public sector obligors other than the National Government and of private sector obligors guaranteed by government corporations have to be assumed by, and consolidated with the foreign currency obligations of the National Government;

WHEREAS, the issuance of this Decree is an essential and necessary component of the National Economic Recovery Program formulated to meet and overcome the current economic crisis:

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby direct and order the amendment of Section 13 Presidential Decree No. 1961 to read as follows:

SECTION 3. In the furtherance of the National Economic Recovery Program of the Philippines, the Republic of the Philippines, political subdivisions, and instrumentalities of the Republic of the Philippines, and corporations, including financial Institution owned or controlled by the Government of the Republic of the Philippines and corporations more than fifty percent of the beneficial ownership of which is held by one or more of such government-owned or controlled corporations, may reschedule, refinance or restructure their currency loans, credits and indebtedness, including suppliers credit, deferred payment arrangements and official assistance, upon such terms and conditions as may be agreed with the lenders, creditors or suppliers. The Republic of the Philippines may, when authorized by the President in writing, and on such foreign governments and/or their agencies, refinance or assume the foreign currency loans made, guaranteed or insured by such foreign governments and their agencies in favor of: (a) corporations owned or controlled by the Government of the Republic of the Philippines and corporations more than fifty percent of the beneficial ownership of which is held by one or more of such government-owned or controlled-corporations; and (b) Philippine private sector corporations which guaranteed by government-owned or controlled-corporations, both in connection with rescheduling, refinancing or restructuring of such official credits or indebtedness.

This Decree shall take effect immediately.

Done in the City of Manila, this 21st day of June, in the year of Our Lord, nineteen hundred and eighty-five.

