

[**REPUBLIC ACT NO. 1000, June 12, 1954**]

AN ACT AUTHORIZING THE PRESIDENT OF THE PHILIPPINES TO ISSUE BONDS TO FINANCE PUBLIC WORKS AND PROJECTS FOR ECONOMIC DEVELOPMENT, AUTHORIZED BY LAW, AND FOR OTHER PURPOSES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Upon the recommendation of the Secretary of Finance, after consultation with the Monetary Board, the National Economic Council, and the Council of State, the President of the Philippines is authorized to issue, preferably in the Philippines, or abroad if necessary, in the name and behalf of the Republic of the Philippines, bonds in an amount not exceeding one billion pesos to finance public works and self-liquidating projects for economic development, which may be authorized by law, including expropriation of lands for subdivision and resale to individuals, or to repay or service bonded obligations of the Government incurred for such projects: *Provided, however,* That no single issue shall exceed two hundred million and that no further issue shall be made if eighty *per centum* of the immediately preceding issue has not been sold *And provided, further,* That not more than twenty *per centum* of any issue is spent for non-self-liquidating and non-revenue-producing projects. Investments in the self-liquidating projects in provinces, cities, and municipalities shall be limited by the paying capacity of the province, city or municipality to be certified by the Secretary of Finance: *Provided,* That the probable income from such projects shall be taken into consideration: *Provided, finally,* That not more than ten *per centum* of this bond issue shall be used to pay unserviced government obligations, loans and advances, secured or unsecured, guaranteed by the National Government, made by government owned or controlled financial institutions other than the Central Bank, to government political subdivisions, offices and instrumentalities, and/or other loans committed by government owned and /or controlled financial institutions, other than the Central Bank, guaranteed by the Government.

The bonds shall be issued in such amounts as will be needed at any one time taking into account the rate at which said bonds may be absorbed by the buying public and the fund requirements of projects ready for execution, and taking into consideration further a proper balance between productive and non-productive projects so that inflation shall be held to the minimum.

The Secretary of Finance, in consultation with the Monetary Board, shall prescribe the form, the rate of interests, the denominations, maturities, negotiability, convertibility, call and redemption features, and all other terms and conditions of issuance, placement, sale, servicing, redemption, and payment of all bonds issued under the authority of this Act.