

[ADMINISTRATIVE ORDER NO. 122, June 01, 1968]

DIRECTING ALL DEPARTMENTS, BUREAUS, COMMISSIONS, OFFICES AND OTHER AGENCIES AND INSTRUMENTALITIES OF THE GOVERNMENT, INCLUDING ALL LOCAL GOVERNMENTS AND FINANCIAL INSTITUTIONS AND CORPORATIONS OWNED OR CONTROLLED BY THE GOVERNMENT, TO HELP ENSURE THE IMPLEMENTATION OF THE FIRST AND SUBSEQUENT INVESTMENTS PRIORITIES PLANS AND AMENDMENTS THERETO UNDER THE INVESTMENT INCENTIVES ACT

1. All departments, bureaus, commissions, offices and other agencies and instrumentalities of the government, including all local governments and financial institutions and corporations owned or controlled by the government, are hereby directed to extend the maximum cooperation and assistance to the Board of Investments and other government agencies involved in the implementation of the Investment Incentives Act in order to ensure the implementation of the first and subsequent Investments Priorities Plans, and amendments thereto, in a synchronized and integrated manner. No government body shall adopt any policy or take any course of action contrary to or inconsistent with said Plans.

2. The above government offices, agencies and instrumentalities and all officers and employees thereof are particularly enjoined to observe punctiliously the following provisions of the Investment Incentives Act and the Rules and Regulations issued by the Board of Investments

"Protection from Government Competition.—No agency or instrumentality of the government shall import, or allow the importation tax and duty free of products of items that are being produced or manufactured by registered enterprises, except when the President determines that the national interest so requires or when international commitments require international competitive bidding. [Republic Act 5186, Section 7(j)]

"Nothing in this Section shall be construed to exclude any non-registered enterprises from freely engaging, within existing constitutional and statutory limitations, and without enjoying the incentives benefits provided in this Act, in any line of economic activity or endeavor that has been declared a preferred area of investment: Provided, That a non-Philippine National may engage, without incentives, in preferred areas of investment where Philippine Nationals are already engaged only after three (3) years from the date of declaration of the area as preferred if the measured capacity has not been filled within the said period, except where such non-Philippine National shall engage, without incentives, in the manufacture of finished products primarily for export. The Board shall fix the percentage of production that must be exported by a non-