

[EXECUTIVE ORDER NO. 246, May 20, 2000]

**AMENDING EXECUTIVE ORDER NO. 226 PROVIDING FOR THE
ADJUSTMENT IN THE DIVIDEND RATE OF THE DEVELOPMENT
BANK OF THE PHILIPPINES ON ITS 1999 EARNINGS PURSUANT
TO SECTION 5 OF REPUBLIC ACT NO. 7656**

WHEREAS, Section 1 of Republic Act (RA) No. 7656 provides that:

"Section 1. Declaration of Policy. It is hereby declared policy of the State that in order for National Government to realize additional revenues, government-owned and/or controlled corporations without impairing their viability and the purposes for which they have been established shall share a substantial amount of their net earnings to the National Government."

WHEREAS, Section 5 of RA 7656 provides that:

"Section 5. Flexible Clause. In the interest of national economy and general welfare, the percentage of annual net earnings that shall be declared by a government-owned and/or controlled corporation may be adjusted by the President of the Philippines upon recommendation by the Secretary of Finance."

WHEREAS, Pursuant to Section 5 of RA 7656, the Secretary of Finance recommended the adjustment on the percentage of the annual net earnings that shall be declared by the DBP in the interest of national economy and general welfare;

WHEREAS, Executive Order No. 226 was issued on 03 April 2000 providing for the adjustment in DBP's dividend rate from at least fifty percent (50%) to ten percent (10%) of its 1999 net earnings;

WHEREAS, in order to meet the revenue target of the National Government, there is a need for DBP to remit additional dividend to the Bureau of Treasury.

NOW, THEREFORE, I, JOSEPF EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. The percentage of net earnings to be declared and remitted by DBP as dividends to the National Government as provided in Executive Order No. 226 is adjusted from 10% to 13% provided that such remittance should not be lower than P233 M.

SEC. 2. The adjusted dividend rate provided for under Section 1 is only applicable on 1999 net earnings of the DBP.