

[EXECUTIVE ORDER NO. 786, March 19, 1982]

CREATING THE NATURAL RESOURCES DEVELOPMENT CORPORATION, DEFINING ITS FUNCTIONS, POWERS AND RESPONSIBILITIES AND FOR OTHER PURPOSES

WHEREAS, with the urgent need to accelerate the country's development is the need to conserve the natural resources and the environment to attain a better quality of life for the people;

WHEREAS, there are new technologies which complement the utilization of a resource with the conservation of another and result to greater net benefit to the people and the environment, such as the charcoal pig iron making;

WHEREAS, more productive utilization of resources can be attained by the use of new or better systems or technologies, such as the stumpage valuation system; and

WHEREAS, with the present slump in the economy, it is imperative that the government actively support the development and implementation of such technologies and systems;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution and Presidential Decree No. 1416 do hereby order the following:

SECTION 1. Creation of the Corporation. – The Natural Resources Development Corporation (NRDC) is hereby created under the Ministry of Natural Resources. It shall have corporate term of fifty (50) years which shall be deemed renewed for an equal period unless earlier dissolved by law. The principal office shall be in Metro Manila but the Board may hereafter establish branches/offices elsewhere in the Philippines as it shall deem necessary.

SEC. 2. Policy/Purposes. – The NRDC shall on its own, or through its subsidiary/subsidiaries or in joint venture with the private sector hasten development by promoting and/or undertaking the development and/or use of technologies/systems that complement the utilization of natural resources with its conservation and/or optimize its utilization;

SEC. 3. Functions/Objectives. – The NRDC shall undertake all manner of activity, business or development projects that shall achieve the purpose to include but not limited to the following:

1. Engage in the production of charcoal pig iron and small and/or medium scale steel mills as well as the necessary support fuel wood plantations.
2. Engage in and/or encourage private sector to engage in reforestation and

industrial forestry operations through the stumpage sale system and other means.

3. Ensure a stable market for natural resources-based products by coordinating the production and marketing activities and/or by engaging in the production and/or local/international marketing of critical natural resources-based products.

4. Promote investment in natural resources-based industries by providing financial, technical and/or management support/assistance.

5. Conduct research and development on natural resources-based products.

6. Engage in the production and marketing of minor forest, aquatic and marine products.

SEC. 4. Powers. – The NRDC shall have the general powers provided in the Corporation Law, insofar as they are not inconsistent with this Order, and such other powers necessary to enable it to attain its objectives. Without in any manner restricting the purpose of this Section, it is expressly provided that the NRDC shall exercise the following powers:

1. Acquire, hold and dispose such lands as may be necessary to carry out the purposes and objectives of the NRDC within such areas and locations as may be determined by the President and approved by the Board of Directors;

2. Promulgate such rules and regulations necessary for the attainment of the objectives of this Order;

3. Enter into, make and execute contracts of any kind with any person, firm or corporation, with the Philippine Government or with any foreign government, subject to existing laws;

4. Form, establish, organize and operate and/or contract to operate such subsidiaries, divisions, functional units, offices and departments of the NRDC as it may deem necessary or useful for the furtherance of the purpose of this Order;

5. Enter into any lawful arrangement for sharing profits, joint ventures, union, interests, reciprocal concession or cooperation with any association, partnership, syndicate or entity located in or organized under the laws of any authority in any part of the world as may be necessary to carry out its operations;

6. Obtain funds to support or carry out its objectives and purposes and/or to invest idle funds or income derived from marketing, contributions, etc. in any authorized government depository banks;

7. Arrange for financing or credit, or any kind of assistance for its own account, subsidiaries or any client from government or private sources in the Philippines or from international public or private financial institutions, as the Board may deem necessary;

8. Secure any or all of its obligations or liability by any guarantee or counter-guarantee, pledge, mortgage, deed of trust or assignment of the NRDC property or by creating or suffering to exist, a charge, lien, or encumbrance, general or special,