

[ **MEMORANDUM ORDER NO. 87, February 11, 2016** ]

**DIRECTING THE ABOLITION OF THE PHILIPPINE VETERANS ASSISTANCE COMMISSION AND THE PHILIPPINE VETERANS INVESTMENT DEVELOPMENT CORPORATION, AND FOR OTHER PURPOSES**

**WHEREAS**, Presidential Decree (PD) No. 244 (s. 1973), as amended, created the Philippine Veterans Assistance Commission (PVAC) and gave it the mandate to draw, absorb, invest, and manage private financial contributions for the employment, medical care, education, and other related services to veterans and their dependents;

**WHEREAS**, PD 243 (s. 1973), as amended, created the Philippine Veterans Investment Development Corporation (PHIVIDEC) with the mandate to formulate, execute, or operate policies, programs, projects or other activities for the full and continued employment of the productive capabilities and investments of the Armed Forces of the Philippines (AFP) veterans and retirees;

**WHEREAS**, the unabated and irreversible losses sustained by PVAC and PHIVIDEC make them no longer financially viable;

**WHEREAS**, provisions for the immediate and adequate care, benefits and assistance to veterans and retirees, in line with national development plans, may be efficiently carried out by fewer agencies maximizing their capabilities and assets;

**WHEREAS**, the commercial functions and provision of services to veterans by PVAC and PHIVIDEC have since been performed by the PHIVIDEC Industrial Authority (PIA) and the Philippine Veterans Assistance Office-Proper (PVAO);

**WHEREAS**, Section 5(a) of Republic Act (RA) No. 10149, otherwise known as the "GOCC Governance Act of 2011" empowers the GCG, in consultation with the department or agency to which a GOCC is attached, to determine whether a GOCC should be reorganized, merged, streamlined, abolished or privatized;

**WHEREAS**, the GCG, in line with Sections 6(d) and 8(e) of Executive Order (EO) No. 43 (s. 2011) and the Philippine Development Plan 2011-2016, finds the abolition of PVAC and PHIVIDEC to be in the best interest of the State in order to improve national productivity and reduce ineffective and inefficient spending of public funds; and

**WHEREAS**, pursuant to Section 5(a)(6)(ii) of RA No. 10149, the GCG recommended the abolition of PVAC and PHIVIDEC, and upon approval of the President, GCG will implement such abolition unless another agency is otherwise designated.