

[EXECUTIVE ORDER NO. 362, September 22, 2004]

**DIRECTING THE CONSOLIDATION AND MERGER OF THE
NATIONAL LIVELIHOOD SUPPORT FUND AND THE PEOPLE'S
CREDIT AND FINANCE CORPORATION**

WHEREAS, the National Livelihood Support Fund [NLSF], formerly known as the "BKKK Capital Fund" and the "Effective Response to Alleviate Poverty Trust Fund", under the administrative supervision of the Land Bank of the Philippines, is intended to be utilized for the promotion, generation and development of livelihood opportunities, particularly for microfinance services for the poor, such as credit delivery, capital investments in microfinance institutions, capacity building and the like;

WHEREAS, the People's Credit and Finance Corporation [PCFC], which is a government-owned and controlled corporation registered with the Securities and Exchange Commission and created in accordance with Administrative Order No. 148 (s. 1994) and Memorandum Order No. 261 (s. 1995), has been identified under Republic Act No. 8425 (s. 1997), otherwise known as the "Social Reform and Poverty Alleviation Act," as the vehicle for the delivery of microfinance services for the exclusive use of the poor and as the lead government entity specifically tasked to mobilize financial resources from both local and international funding sources for microfinance services for the exclusive use of the poor;

WHEREAS, one of the programs to reduce poverty and bring about progress in the country identified by the President of the Republic of the Philippines in her 10-Point Agenda to be pursued and implemented by her administration in the next six (6) years is the generation of 6 to 10 million jobs by tripling loans to micro, small and medium enterprises, and the development of 1 to 2 million hectares of agri-business lands;

WHEREAS, since the objectives and programs of the NLSF and PCFC are similar, there is a need to rationalize and consolidate them into one entity in order to achieve efficiency in the delivery of microfinance services to micro, small and medium enterprises, in accordance with the President's 10-Point Agenda;

NOW, THEREFORE, I GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Consolidation and Merger. - The National Livelihood Support Fund [NLSF] is hereby consolidated and merged with the People's Credit and Finance Corporation [PCFC]. The Land Bank of the Philippines which exercises supervision over the NLSF is hereby directed to transfer the management of all funds, properties, equipment and records of the NLSF, as a Trust Fund, to the PCFC.