

**[LETTER OF INSTRUCTIONS NO. 1231, May 01,
1982]**

**INCREASING THE FINANCIAL EXPOSURE OF THE REPUBLIC
PLANTERS BANK IN THE LOAN GUARANTEE FUND FROM
P20,000,000 to P100,000,000**

TO: THE MINISTER, MINISTRY OF LABOR AND EMPLOYMENT
THE GOVERNOR, CENTRAL BANK OF THE PHILIPPINES
THE PRESIDENT, REPUBLIC PLANTERS BANK

WHEREAS, on 17 January 1980 the Ministry of Labor and Employment thru the Bureau of Rural Workers and the Republic Planters Bank concluded a Memorandum of Agreement establishing a Loan Guarantee Fund Scheme providing credit to sugar workers and their organizations;

WHEREAS, pursuant to said agreement, the Bureau of Rural Workers shall put up a fund amounting to TEN MILLION PESOS (P10,000,000.00) to be administered, by the Republic Planters Bank, and the latter in turn shall extend an exposure equivalent to two times the amount so deposited for the purpose of granting loans to qualified super workers and their organizations;

WHEREAS, there is a need to expand the Loan Guarantee Fund scheme in support of the National Livelihood Program for sugar workers to effectively implement the objectives of the New Republic in uplifting the living and working conditions of workers in the sugar industry more specially those in the plantations;

WHEREAS, sugar workers urgently need special assistance in view of possible labor displacement, underemployment and unemployment in the event of intensive farm mechanizations;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines by virtue of the powers vested in me by the Constitution do hereby order that;

1. The Central Bank and the Republic Planters Bank shall negotiate for the increase of the financial exposure of the latter bank in the Loan Guarantee Fund for sugar workers from the current P20,000,000 to P100,000,000; and
2. The maximum coverage of the Loan Guarantee Fund shall be extended to all qualified sugar workers as well as to qualified sugar workers' organizations as determined by the Ministry of Labor and Employment within the framework of the National Livelihood Program.

DONE this 1st day of May, 1982 in the City of Manila, Philippines

(Sgd.) FERDINAND E. MARCOS
President of the Philippine
