

MALACAÑANG  
MANILA

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ADMINISTRATIVE ORDER NO. 162

DIRECTING THE LAND BANK OF THE PHILIPPINES (LBP) TO INCREASE ITS LOANS/FINANCIAL ASSISTANCE TO SMALL FARMERS AND ENHANCE ITS INSTITUTIONAL TRAINING PROGRAMS OF FARMERS COOPERATIVES, AS A SAFETY NET MEASURE FOR THE IMPLEMENTATION OF THE GATT-UR

WHEREAS, the LBP is empowered under Sec. 75 of its charter (RA 3844, as amended) to grant loans and other financial assistance to farmers' cooperatives/associations "to facilitate production, marketing of crops and acquisition of essential commodities";

WHEREAS, as of 1993, total loans/financial assistance extended to farmers was ₱9.1B benefitting 886,503 small farmers/fishermen, through 5198 cooperatives and 352 rural financial institutions;

WHEREAS, the LBP also provide institutional training programs to strengthen the Bank--assisted Cooperatives and for CY 1993 it has facilitated the training of 3,259 cooperatives on basic operations, management, value formation, bookkeeping, capital build-up, savings mobilization and entrepreneurship;

WHEREAS, the Senate Committee on the Whole, in one of its public hearings on the GATT-UR, recommended that LBP should increase its loans/financial assistance to farmers-- one of the sectors identified that will be affected by the implementation of the aforesaid Agreement;

WHEREAS, there is, indeed, an imperative need for LBP to further increase its loans/financial assistance to farmers and enhance its institutional training programs of farmers' cooperatives, as a safety net measure for the implementation of the aforestated Agreement.

NOW THEREFORE, I FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:



SECTION 1. The LBP shall further increase its loans/financial assistance to farmers and enhance its institutional training programs of farmers' cooperatives, as a safety net measure for the implementation of the GATT-UR, under such terms and conditions as are consistent with LBP's viability.

SEC. 2. To enable LBP to attain the above objectives and to strengthen its financial capability to sustain its on-going agrarian related and developmental programs, LBP shall be:

(1) Provided with low-cost revolving funds from the GATT-support funds which may be available under the General Appropriations Act for on-lending to the agricultural sector and to improve its funds mix;

(2) Exempted from any requirement of any governmental agency to rechannel its investible funds and deposits to the Bureau of Treasury and the Bangko Sentral ng Pilipinas.

SEC. 3 This Administrative Order shall take effect immediately.

DONE in the city of Manila, this 7th day of December 1994.



By the President



LEONARDO A. QUISUMBING  
Acting Executive Secretary