

MALACANANG
Manila

PROCLAMATION NO. 82

DIRECTING THAT ALL PROCEEDS OF THE SALE OF NON-PERFORMING ASSETS OF THE ASSETS PRIVATIZATION TRUST BE USED EXCLUSIVELY FOR LAND REFORM

WHEREAS, the elimination of poverty, the equitable distribution of wealth, and the generation of productive self-employment is of the highest priority of this Administration;

WHEREAS, this centuries-old problem can be remedied thru a meaningful agrarian land reform program;

WHEREAS, the past regime ordered government financial institutions to extend "behest" loans to its favorites and cronies who obtained amounts unconscionably far in excess of their loan values and knowing full well that they would never be repaid;

WHEREAS, the enterprises borne out of these behest loans have been or will be turned over by the government financial institutions to the Assets Privatization Trust for sale;

WHEREAS, initial reports indicate that the transfer value of the non-performing assets from the Philippine National Bank and the Development Bank of the Philippines to the Assets Privatization Trust is P108 billion but that their market value would only be roughly P23.8 billion;

WHEREAS, the foregoing figure does not include the non-performing assets of the National Development Co., the Philippine Loan Guarantee Corp. and other government institutions whose assets shall likewise be transferred to the Assets Privatization Trust for eventual sale;

WHEREAS, attempts for land reform in the past have failed because of lack of adequate funds to finance it;

WHEREAS, land reform has been a long-overdue measure of social justice which must be met head-on with massive funding and would provide the opportunity to put this bad money coming from the "behest loans" to good use;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby direct that all proceeds from the sale of all non-performing assets by the Assets Privatization Trust be devoted entirely and exclusively to the land reform program of the government. I direct the Departments of Agrarian Reform, Agriculture and Food, Natural Resources and Finance, the National Economic and Development Authority, and the Assets Privatization Trust to prepare a comprehensive land reform program, anchored on the utilization of the proceeds from the sale of the non-performing assets.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Republic of the Philippines to be affixed.

DONE in the City of Manila, this 3rd day of March, in the year of Our Lord, nineteen hundred and eighty-seven.

(SGD.) CORAZON C. AQUINO
President of the Philippines

By the President:

(SGD.) JOKER P. ARROYO
Executive Secretary