



MALACAÑAN PALACE  
MANILA

**BY THE PRESIDENT OF THE PHILIPPINES**

**EXECUTIVE ORDER NO. 153**

**ADJUSTING THE DIVIDEND RATE OF THE PHILIPPINE GUARANTEE CORPORATION PURSUANT TO SECTION 5 OF REPUBLIC ACT NO. 7656**

**WHEREAS**, Republic Act (RA) No. 7656 requires all government-owned or -controlled corporations (GOCCs) to declare and remit at least 50% of their annual net earnings as cash, stock or property dividends to the National Government;

**WHEREAS**, RA No. 7656 provides that the President of the Philippines, upon the recommendation of the Secretary of Finance, may adjust the percentage of annual net earnings to be declared by a GOCC, in the interest of national economy and general welfare;

**WHEREAS**, pursuant to Executive Order (EO) No. 58 (s. 2018), the Home Guarantee Corporation, including all its guarantee functions, programs, personnel, assets and liabilities, was merged with the Philippine Export-Import Credit Agency (PHILEXIM), and all the guarantee functions, programs and funds of the Small Business Corporation, and the administration of the Agricultural Guarantee Fund Pool and the Industrial Guarantee and Loan Fund were transferred to the PHILEXIM, which was thereafter renamed as the Philippine Guarantee Corporation (PHILGUARANTEE);

**WHEREAS**, the PHILGUARANTEE is mandated to perform development financing through the provision of credit guarantees in support of trade and investments, exports, infrastructure, energy, tourism, agricultural business/modernization, housing, micro, small and medium enterprises and other priority sectors of the economy, with the end in view of facilitating and promoting socio-economic and regional development; and

**WHEREAS**, pursuant to RA No. 7656, the Secretary of Finance has recommended the downward adjustment of the percentage of the net earnings that shall be declared by the PHILGUARANTEE as dividends to the National Government for calendar years (CYs) 2019 and 2020, in order to support PHILGUARANTEE's role in facilitating and promoting socio-economic development through provision of credit guarantees to the priority sectors of the economy, as well as support its capital position and allow it to comply with Bangko Sentral ng Pilipinas regulations;

THE PRESIDENT OF THE PHILIPPINES

**NOW, THEREFORE, I, RODRIGO ROA DUTERTE**, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

**Section 1. Adjustment of Dividend Rate.** Pursuant to Section 5 of RA No. 7656, the percentage of net earnings to be declared and remitted by the PHILGUARANTEE to the National Government for CYs 2019 and 2020 is adjusted from fifty percent (50%) of its annual net earnings to 0%.


**Section 2. Coverage.** The adjusted dividend rate set forth in Section 1 of this Order is only applicable to PHILGUARANTEE for CYs 2019 and 2020.

**Section 3. Effectivity.** This Order shall take effect immediately.

**DONE**, in the City of Manila, this 6<sup>th</sup> day of December, in the year of our Lord, Two Thousand and Twenty-One.



By the President:



**SALVADOR C. MEDIALDEA**  
Executive Secretary

