

BY THE PRESIDENT OF THE PHILIPPINES

M.F.N. 7140

EXECUTIVE ORDER NO. 75

**DIRECTING THE RATIONALIZATION OF THE UTILIZATION OF THE NATIONAL LIVELIHOOD SUPPORT FUND (NLSF) AND PLACING THE FUND AND ITS SECRETARIAT UNDER THE SUPERVISION OF THE LAND BANK OF THE PHILIPPINES**

**WHEREAS**, E.O. 238 dated July 22, 1987 directed that the Bagong Kilusang Kabuhayan sa Kaunlaran (BKKK) Capital Fund and its earnings be utilized for the promotion, generation and development of livelihood opportunities;

**WHEREAS**, Section 37 of Republic Act No. 6657 has transferred and attached to the Land Bank of the Philippines the Bagong Kilusang Kabuhayan sa Kaunlaran (BKKK) Secretariat and the BKKK Capital Fund/National Livelihood Support Fund;

**WHEREAS**, Administrative Order No. 75 dated August 6, 1993 institutionalized the administrative supervision of the Land Bank of the Philippines over the BKKK Secretariat and the BKKK Capital Fund/National Livelihood Support Fund through an Executive Committee;

**WHEREAS**, Republic Act No. 8425 has mandated the People's Credit and Finance Corporation (PCFC) to be the main vehicle for the delivery of microfinance services for the exclusive use of the poor;

**WHEREAS**, Memorandum Order No. 11 dated August 13, 1998 directed the Land Bank of the Philippines to invest additional P900 million from the National Livelihood Support Fund to PCFC;

**WHEREAS**, Administrative Order No. 45 dated December 22, 1998 abolished the Executive Committee of the National Livelihood Support Fund;

**WHEREAS**, the same Administrative Order transformed/renamed the BKKK Capital Fund into a Trust Fund, otherwise known as Effective Response to Alleviate Poverty (ERAP) Trust Fund;

**WHEREAS**, there is an urgent need to rationalize the utilization of the BKKK Fund in relation to other mandated resources to effectively serve



the needs of the poor, particularly farmers and marginalized members of the rural communities.

**NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA**, President of the Republic of the Philippines, by virtue of the powers vested in me, do hereby order:

**SECTION 1.** The BKKK Capital Fund/National Livelihood Support Fund as transformed into an Effective Response to Alleviate Poverty (ERAP) Trust Fund, otherwise known as ERAP Trust Fund, shall remain under the supervision of the Land Bank of the Philippines.

**SEC. 2.** A Management Committee is hereby organized as the policy making body through which Land Bank of the Philippines shall exercise its supervision over the Fund and the Secretariat, composed of the following:

1. President, Land Bank of the Philippines - Chairman
2. Executive Director, NLSF Secretariat - Vice Chairman
3. Representatives from:

Office of the President	- Member
Department of Agrarian Reform	- Member
Department of Agriculture	- Member
Department of Interior and Local Government	- Member
Peoples Credit and Finance Corporation	- Member
Farmers Organizations	- Member
Labor Sector	- Member

**SEC. 3.** The National Livelihood Support Fund Secretariat is hereby reorganized to serve as the ERAP Trust Fund Secretariat and realigned into a livelihood and enterprise development, generation and promotion agency of the government. The Executive Director shall appoint Secretariat personnel based on the DBM approved organizational structure and staffing pattern, provided, that those who may not be absorbed shall be entitled to separation benefits equivalent to two (2) months latest salary received for every year of government service.

**SEC. 4.** The NLSF Secretariat is directed to establish a resource development instrumentality for policy development and capability building of its partners and beneficiaries.



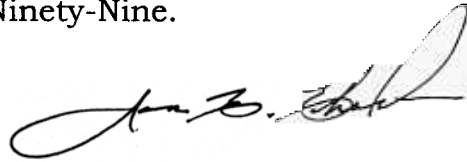
**SEC. 5.** The President of the Land Bank of the Philippines and the Executive Director of the NLSF Secretariat are hereby directed to formulate and issue the implementing guidelines of this Executive Order.

**SEC. 6.** The NLSF Secretariat shall submit annual reports to the Office of the President.

**SEC. 7.** All executive issuances, orders, rules and regulations inconsistent with this Executive Order are hereby revoked, amended or modified accordingly.

**SEC. 8.** This Order takes effect immediately.

**DONE** in the City of Manila this *19<sup>th</sup>* day of February in the year of Our Lord, Nineteen Hundred and Ninety-Nine.



By the President:



**RONALDO B. ZAMORA**  
Executive Secretary



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