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May 22, 2023

SENATE

S.B. No. 2020

(In substitution of S.B. Nos. 1670 and 1814, taking into consideration H. B. No. 6608)

Prepared by the Committees on Banks, Financial Institutions & Currencies, joint with Committees on Government Corporations and Public Enterprises; Ways and Means; and Finance with Senators Villar, M., Tulfo, R. and Padilla, R. as authors thereof

AN ACT
ESTABLISHING THE MAHARLIKA INVESTMENT FUND, PROVIDING FOR THE
MANAGEMENT, INVESTMENT, AND USE OF THE PROCEEDS OF THE FUND, AND
FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **Section 1. Title.** – This Act shall be known as the “*Maharlika Investment Fund*
2 *Act of 2023.*”

3 **Sec. 2. Declaration of Policy.** – It is the policy of the State to generate,
4 preserve and grow national wealth, create jobs, promote trade and investments, foster
5 technological transformation, strengthen connectivity, expand infrastructure, and
6 achieve energy, water, and food security.

7 The State recognizes the vital role of various investments in financial assets in
8 promoting economic growth, accelerating job creation, and improving the welfare of
9 Filipinos. The State acknowledges the need to preserve and optimize the use of
10 government financial assets to generate returns, and support the infrastructure
11 development agenda of the government, thereby promoting efficient intergenerational
12 management of wealth.

13 The State further recognizes the country’s natural capital and its role as the basis
14 for the economy, hence the need to ensure its integrity and measure its contribution in

1 national income accounting to improve decision making, and investments in conservation
2 and protection of natural resources and biodiversity.

3 Towards this end, the State shall establish a Maharlika Investment Fund by
4 investing national funds, and coordinating and strengthening the investment activities of
5 the country's top-performing government financial institutions to promote economic
6 growth and social development.

7 **ARTICLE I**

8 **Definition of Terms**

9 **Sec. 3. Definition of Terms.** – The following terms as used in this Act and the
10 implementing rules and regulations shall be understood as follows:

11 a) **Advisory Body** refers to the body established under this Act which shall
12 provide guidance, counsel and advice to the Board of Directors of the Maharlika
13 Investment Corporation, and all other functions as provided for in this Act;

14 b) **Board of Directors (Board)** refers to the governing body of the Maharlika
15 Investment Corporation;

16 c) **Divestment** refers to the transfer of title or disposal of interest in property by
17 voluntarily, completely, and actually depriving or dispossessing oneself of his right or
18 title to it in favor of a person or persons other than his spouse or any relative within the
19 fourth civil degree of consanguinity or affinity;

20 d) **Founding Government Financial Institutions (Founding GFIs)** refer to
21 the Land Bank of the Philippines (LBP) and Development Bank of the Philippines (DBP);

22 e) **Independent Director** refers to a person who is independent of management
23 and the controlling shareholder, and is free from any business or other relationship which
24 could, or could reasonably be perceived to, materially interfere with his exercise of
25 independent judgment in carrying out his responsibilities as a director;

26 f) **Maharlika Investment Corporation (MIC)** refers to the State investment
27 body, a government-owned and controlled corporation (GOCC) created under this Act,
28 which shall be responsible for the overall governance and management of the MIF;

29 g) **Maharlika Investment Fund (MIF or Fund)** refers to the fund created
30 under this Act;

31 h) **Regular Director** refers to a director appointed by the President of the
32 Philippines who shall serve in the board full-time, and shall not hold any other public
33 office during his tenure, unless otherwise provided under this act;

1 i) **"Santiago" Principles** refers to the twenty-four (24) Generally Accepted
2 Principles and Practices (GAPP) voluntarily endorsed by the International Forum of
3 Sovereign Wealth Funds (IFSWF) members. The GAPP for Sovereign Wealth Funds
4 (SWFs) are designed as guidelines that assign best practices for the operations of SWFs.
5 They are the rules followed by SWF that promote stability in the global financial system,
6 set proper controls on investment risks, and implement sound governance structure.

7 **ARTICLE II**

8 **Maharlika Investment Corporation**

9 **Sec. 4. Establishment of the Maharlika Investment Corporation.** — There
10 is hereby created a corporate body to be named as the "Maharlika Investment
11 Corporation". The MIC shall act as the sole vehicle for the purpose of mobilizing and
12 utilizing the MIF for investments in transactions in order to generate optimal returns on
13 investments (ROIs), while contributing to the overall goal of reinvigorating job creation
14 and accelerating poverty reduction by sustaining the economy's high growth trajectory,
15 while ensuring sustainable development.

16 The MIC shall govern and manage the Fund in accordance with the objectives
17 and purposes set forth in this Act, and other laws, rules and regulations, and it shall
18 adhere to the Santiago Principles and other internationally-accepted standards of
19 transparency and accountability: *Provided*, That the MIC shall coordinate with all relevant
20 institutions to ensure harmonization of policies.

21 **Sec. 5. Place of Business.** — The MIC shall have its principal place of business
22 in Metro Manila, but may maintain branches, and agencies in such other places, within
23 and outside the Philippines, as the proper conduct of its business may require.

24 **Sec. 6. Capitalization and Initial Funding.** — The MIC shall have an
25 authorized capital stock of Five hundred Billion Pesos (P500,000,000,000.00) to be
26 divided into five (5) billion shares, with a par value of One hundred Pesos (P100.00) per
27 share which shall have the following classifications and features:

28 (1) Common shares of three billion seven hundred fifty million (3,750,000,000)
29 equivalent to Three hundred seventy five Billion Pesos (P375,000,000,000.00), to be
30 subscribed by the national government, its agencies or instrumentalities, including
31 government-owned and- controlled corporations (GOCCs) or government-financial
32 institutions: *Provided*, That one billion two hundred fifty million (1,250,000,000) shares
33 equivalent to One hundred twenty-five Billion Pesos (P125,000,000,000.00) shall initially
34 be subscribed by the following:

35 (a) Land Bank of the Philippines – Fifty Billion Pesos (P50,000,000,000.00);

36 (b) Development Bank of the Philippines – Twenty-Five Billion Pesos
37 (P25,000,000,000.00); and

1 (c) National Government – Fifty Billion Pesos (P50,000,000,000.00);

2 *Provided, further,* That of the One hundred twenty-five Billion Pesos
3 (P125,000,000,000.00), Seventy-five Billion Pesos (P75,000,000,000.00) pertaining to
4 the contributions of the Founding GFIs shall be fully paid by them; and

5 (2) Preferred shares of one billion two hundred fifty million (1,250,000,000)
6 equivalent to one hundred twenty-five billion pesos (P125,000,000,000.00) to be made
7 available for subscription by the National Government, its agencies or instrumentalities,
8 GOCCs or GFIs, except Social Security System (SSS), Government Service Insurance
9 System (GSIS), Philippine Health Insurance Corporation (PhilHealth), Home
10 Development Mutual Fund (Pag-IBIG Fund), Overseas Workers Welfare Administration
11 (OWWA), and Philippine Veterans Affairs Office (PVAO) Pension Fund: *Provided,* That
12 preferred shares shall be non-voting, non-participating, non-convertible, and may be
13 issued from time to time by the Board of Directors in one or more series, specifying the
14 relative rights, preferences and further limitations thereof. For this purpose, a single
15 private sector shareholder's interest, includes the direct or indirect shareholdings in MIC
16 held by the shareholder, as well as those held by the corporation, its subsidiaries,
17 affiliates, and related parties that are owned or controlled directly or indirectly by the
18 shareholder.

19 The contribution of the National Government shall come from the following
20 sources:

21 i. Bangko Sentral ng Pilipinas (BSP) Dividends. For the first and second fiscal
22 years upon the effectivity of this Act, One hundred percent (100%) of the BSP's total
23 declared dividends, as computed under R.A. No. 7653, as amended by R.A. No. 11211
24 also known as the New Central Bank Act, shall be remitted to the national government
25 for the capitalization of the MIC, in the amount not exceeding the P50 billion initial
26 subscription of the national government to the capitalization of the MIC under this
27 section: *Provided,* That the monetary board may recommend to the President of the
28 Philippines the reduction of BSP's dividend contribution to the MIC whenever economic
29 conditions may warrant. Thereafter, the dividends of the BSP shall be remitted to the
30 national government to fund the increase in the capitalization of the BSP in accordance
31 with Section 2 of R.A. No. 7653, as amended by R.A. No. 11211.

32 ii. Government Share in Philippine Gaming Corporation (PAGCOR). Ten percent
33 (10%) of the National Government's share from the income of the PAGCOR, as provided
34 for in P.D. No. 1869, as amended: *Provided,* That the share earmarked for the Universal
35 Health Care Act under Sec. 37 (b) of R.A. No. 11223 shall not in any manner be
36 diminished: *Provided, further,* That the above funding from PAGCOR will be for period
37 of five (5) years. Other government - owned gaming operators and/or regulators shall
38 also contribute ten percent (10%) of their revenues from gaming operations. Within
39 thirty (30) days from the effectivity of the IRR, the Governance Commission for GOCCs
40 (GCG) shall submit the list of government-owned gaming operators and/or regulators

1 that should remit to the mic. The list shall be updated annually, or as often as necessary.
2 The remittance of revenues of gaming operators and/or regulators shall be for five (5)
3 years.

4 PAGCOR and other government-owned gaming operators and/or regulators shall
5 remit the national government's share to the Bureau of the Treasury (BTr). Thereafter,
6 the BTr shall immediately release and transfer the portion intended for the MIF to the
7 MIC, subject to the usual budgeting, accounting, and auditing rules and regulations.

8 iii. *Department of Finance - Privatization and Management Office.* (DOF-PMO)

9 a. Properties, real and personal, identified by the Privatization Council. The real
10 and personal properties to be identified by the privatization council to be contributed to
11 the MIC shall be directly related to its mandate. The properties to be contributed to the
12 MIC shall be appraised at their fair market value at the time of their transfer. The title,
13 as well as all rights and obligations pertaining thereto, shall be transferred to the
14 MIC: *Provided*, That the MIC shall in no case be held liable for outstanding tax liabilities
15 of the properties; and

16 b. Proceeds from the privatization of government assets, the amount of which
17 shall be determined by the Privatization Council consistent with the fiscal program of the
18 government.

19 iv. Other sources, such as royalties and/or special assessments based on the fiscal
20 regime to be implemented by the National Government.

21 The Founding GFIs and the National Government may, upon recommendation of
22 the Advisory Body, and without prejudice to additional subscription and payment, use
23 its stock dividends from its unappropriated retained earnings in the MIC, to subscribe
24 and pay for the balance of the authorized capital stock.

25 The government agencies and GOCCs providing for the social security and public
26 health insurance of government employees, private sector workers and employees, and
27 other sectors and subsectors, such as but not limited to the SSS, GSIS, PhilHealth, Pag-
28 IBIG Fund, OWWA, and PVAO Pension Fund shall be absolutely prohibited, whether
29 mandatory or voluntary, to contribute to the capitalization of the MIC.

30 ***Sec. 7. Increase in Capitalization.*** – The Board, upon the recommendation of
31 the Advisory Body, shall request Congress for legislation to increase the capitalization of
32 the MIC up to such an amount, as may be necessary to attain the objectives of this Act.

33 The increase in the authorized capital stock may be subscribed and paid for by
34 the Founding GFIs and/or the national government from the unappropriated retained
35 earnings of the MIC: *Provided*, That payment for subscription by the national
36 government of the increase in authorized capital stock, other than those subscribed and

1 paid from its share in the unappropriated retained earnings, shall be appropriated by
2 Congress.

3 **Sec. 8. Corporate Powers.** – The MIC is hereby authorized to adopt, alter, and
4 use a corporate seal which shall be judicially noticed; to enter into contracts; to lease or
5 own real and personal property, and to sell or otherwise dispose of the same; to sue
6 and be sued; and otherwise to do and perform any and all things that may be necessary
7 or proper to carry out the purposes of this Act.

8 The MIC may acquire and hold such assets and incur such liabilities in connection
9 with its operations authorized by the provisions of this Act, or as are essential to the
10 proper conduct of such operations.

11 The MIC may compromise or release, in whole or in part, any claim of or settled
12 liability to the MIC, under such terms and conditions as may be prescribed by the Board,
13 upon favorable recommendation of the Advisory Body, to protect the interests of the
14 MIC and the integrity of the MIF: *Provided*, That in no event shall the MIC compromise
15 or release any claim or liability in excess of the amount as prescribed under relevant
16 laws, rules and regulations.

17 **Sec. 9. Functions of the Maharlika Investment Corporation.** — In carrying
18 out its objectives and functions, the MIC shall:

19 a) Establish a diversified portfolio of investments in the local and global financial
20 markets and in other assets that promote the objectives of the Fund.

21 b) Manage and invest the initial and future contributions to the Fund in
22 accordance with this Act;

23 c) Accept and manage investment mandates whose investment purpose is to
24 increase income for development goals;

25 d) Develop and foster skills in finance, economics, risk mitigation, good
26 governance, and other related areas, consistent with the capacity and capabilities build-
27 up of human resources in the industry; and,

28 e) Implement international best practices in investing and managing assets in
29 accordance with the Santiago Principles and other internationally-accepted standards
30 and principles of transparency and accountability.

31 **Sec. 10. Issuance of Bonds.** — The MIC may issue all kinds of bonds,
32 debentures, and securities, and/or the renewal or refunding thereof (hereinafter called
33 "Bonds"), within and/or outside the Philippines, at such terms, rates, and conditions as
34 the Board of Directors may determine, subject to compliance with the provisions of
35 applicable law, and rules and regulations promulgated by the Monetary Board.

1 The MIC shall provide for appropriate reserves for the redemption or retirement
2 of the bonds. These bonds and other obligations shall be redeemable at the option of
3 the MIC at or before maturity and in such manner as may be stipulated therein and shall
4 bear such rate of interest as may be fixed by the MIC.

5 Such obligations shall be secured by the assets under the management of the
6 MIC, including the stocks, bonds, debentures, and other securities purchased or held by
7 it under the provisions of this Act. These bonds and debentures may be long-term,
8 medium, or short-term, with fixed interest rate or floating interest rate.

9 In no instance shall the Philippine government guarantee any bonds issued by
10 the MIC.

11 **Sec. 11. Administrative and Operational Expenses of the Maharlika**
12 **Investment Corporation.** — The Board of the MIC is authorized to disburse from the
13 Fund such amounts as may be necessary for administrative and operating expenses, the
14 total of which shall not exceed two percent (2%) of funds managed: *Provided*, That the
15 Board of Directors shall set annual targets to reduce operating and administrative
16 expenses as a share of funds managed: *Provided, further*, That the foregoing ceiling
17 shall decrease as the size of the fund increases based on industry practice.

18 **ARTICLE III**

19 **Maharlika Investment Fund**

20 **Sec. 12. Establishment of the Maharlika Investment Fund** — There is
21 hereby created a Maharlika Investment Fund (MIF), a Fund that adheres to the principles
22 of good governance, transparency, and accountability. The Fund shall initially be sourced
23 from the capitalization of the MIC, as provided for in this Act; the investible funds of
24 select GFIs and from contributions of the NG, as well as other sources of funds, as
25 provided in this Act: *Provided*, That other GFIs and GOCCs may invest into the MIF,
26 subject to their respective investment and risk management strategies, and approval of
27 their respective boards: *Provided, further*, That government agencies and GOCCs
28 providing for the social security and public health insurance of government employees,
29 private sector workers and employees, and other sectors and subsectors, such as but
30 not limited to the SSS, GSIS, PhilHealth, Pag-IBIG Fund, OWWA, and PVAO Pension Fund
31 shall be absolutely prohibited, whether mandatory or voluntary, to invest in the MIF:
32 *Provided, furthermore*, That the investments from LBP, DBP, and other GFIs shall not
33 exceed twenty five (25%) of their net worth.

34 Additional investments may likewise be sourced from investments of reputable
35 private and state-owned financial institutions and corporations in the form and under
36 the terms and conditions that the board of directors may prescribe.

37 The Fund shall be used to invest on a strategic and commercial basis in a manner
38 designed to promote fiscal stability for economic development, and strengthen the top-

1 performing GFIs through additional investment platforms that will help attain the
2 National Government's priority plans.

3 **Sec. 13. Objective of the Maharlika Investment Fund.** – The objective of
4 MIF is to promote socio-economic development. This will be achieved by making
5 strategic and profitable investments in key sectors to preserve and enhance long-term
6 value of the Fund; to obtain the optimal absolute return and achievable financial gains
7 on its investments; and to satisfy the requirements of liquidity, safety/security, and yield
8 in order to ensure profitability. In pooling the investible funds from the GFIs, and
9 channeling them to diversified financial assets and development projects, the MIC's
10 activities shall contribute to a prudent and transparent management of the government
11 resources.

12 **ARTICLE IV**

13 **Investments**

14 **Sec. 14. Allowable Investments.** – Subject to strict compliance with
15 Investment and Risk Management Guidelines, the Board of Directors of the MIC may
16 engage in the following investments:

- 17 a) Cash, foreign currencies, metals, and other tradeable commodities;
- 18 b) Fixed income instruments issued by sovereigns, quasi-sovereigns and
19 supranationals;
- 20 c) Domestic and foreign corporate bonds;
- 21 d) Listed or unlisted equities, whether common, preferred, or hybrids;
- 22 e) Islamic investments, such as Sukuk bonds;
- 23 f) Joint Ventures or Co-Investments, mergers and acquisitions;
- 24 g) Mutual and Exchange-traded Funds invested in underlying assets;
- 25 h) Real estate and infrastructure projects: *Provided*, That investments in
26 infrastructure projects shall be directed towards the fulfillment of national priorities such
27 as the national infrastructure program of the Department of Public Works and Highways
28 (DPWH) and other infrastructure agencies, the inclusive innovation industry strategy of
29 the Department of Trade and Industry (DTI), and the public investment programs of the
30 National Economic Development Authority (NEDA);
- 31 i) Programs and projects on health, education, research and innovation, and
32 other such investments that contribute to sustainable development;

1 j) Loans and guarantees to, or participation into joint ventures or consortiums
2 with Filipino and foreign investors, whether in the majority or minority position in
3 commercial, industrial, mining, agricultural, housing, energy, and other enterprises,
4 which may be necessary or contributory to the economic development of the country,
5 or important to the public interest; and

6 k) Other investments with sustainable and developmental impact aligned with
7 Section 17 of this Act, as may be approved by the Board.

8 Investments in real estate, including agro-industrial estates and economic zones,
9 estate infrastructure and other development projects, whether alone or in partnership
10 with other corporate entities shall be limited to high-impact projects as approved by the
11 appropriate approving body, to ensure that these are in line with the socio-economic
12 development program of the government.

13 The Board of Directors of the MIC shall likewise ensure that all allowable
14 investments as provided in this section are in accordance with the principle of
15 sustainability.

16 **Sec. 15. Forms of Joint Ventures and Co-Investments.** – In line with
17 Section 14 (f) of this Act, the Board shall prescribe the form, as well as the terms and
18 conditions, of the joint venture and/or co-investment, subject to pertinent laws, rules
19 and regulations: *Provided*, That the board and management of the MIC shall ensure that
20 all transactions with private and other state-owned entities in a joint venture or co-
21 investment are not prejudicial to the interest of the government and complies with the
22 principles under the last paragraph of Section 12 of this Act.

23 To ensure transparency and accountability, the MIC shall regularly publish the
24 terms and conditions of the arrangement, in the form and manner as determined by the
25 Board, as well as all financial statements and reports relative to the operations of the
26 joint venture and/or co-investment in its website, which shall be immediately updated
27 and made easily accessible to the public.

28 **Sec. 16. Prohibited Investments.** – In no case shall the MIC, in whatever
29 manner or devise, invest in areas that are explicitly prohibited under existing laws and
30 conventions to which the Philippines is a party.

31 **Sec. 17. Investment Policy.** – The Board of Directors shall formulate written
32 policies in relation to the following matters:

33 (a) Directions on the acceptable balance between risk and return of the overall
34 portfolio;

35 (b) Investment policies, including policies that promote environment, social, and
36 governance (ESG) principles, mandates, strategies, and guidelines on financing
37 infrastructure projects and other investments;

1 (c) Risk management for the investments, including prudential standards and
2 concentration limits to avoid undue risk concentration from excessive exposures;

3 (d) Standards for assessing the investment performance;

4 (e) Matters relating to international best practices for institutional investments;

5 (f) Matters specific to rules and regulations where investments are domiciled;

6 (g) Procedural framework and cooperation among investors, including fund
7 commitments, co-investments, voting requirements, exit mechanisms, and other matters
8 pertaining to the pooling of funds and the management thereof;

9 (h) Matters relating to the procedure for assessing, deploying, and liquidating
10 investments;

11 (i) Disclosure and transparency mechanisms to oversee compliance by various
12 departments of the MIC with the standards, procedures and policies set by the Board;

13 (j) Aside from the potential earnings, the Board shall take into account risks other
14 than economic, i.e. climate risks and those that are reported under rules and regulations
15 of government agencies requiring environmental, social and governance reporting as
16 well as resource valuation studies and natural capital accounting in making investment
17 decisions; and

18 (k) All other matters needed to be discussed to guarantee compliance with the
19 objectives of the MIF.

20 In the formulation of its investment policies, the Board of Directors shall be
21 guided by the principle that priority must be given to investing in government
22 infrastructure and other developmental projects which would yield the highest return on
23 investment coupled with the developmental impact of lower cost of living and lower cost
24 of basic commodities, as well as in those investments that incorporate environments,
25 social and governance (ESG) considerations and sustainable practices. The Board of
26 Directors shall ensure that policies formulated are consistent with the objectives of the
27 Fund, and the same shall be subject to periodic review.

28 All investment policies approved by the Board of the MIC shall be posted on its
29 website which shall be immediately updated and made easily accessible to the public.

30 ***Sec. 18. Limitations and Safeguards on the Maharlika Investment Fund.***

31 – The management of the MIF shall be subject to a set of investment policies, guidelines,
32 and risk management limits and procedures, as approved by the Board of Directors,
33 upon due consideration of the recommendations of the Advisory Body. Investment and
34 risk management strategies of the MIC shall be in line with the policies and objectives
35 hereunder stated to ensure the long-term viability of the Fund.

1 Investment and risk management plans, strategies and activities of the MIC,
2 involving the MIF, shall be disclosed and published on its website that will be immediately
3 updated and made easily accessible to the public.

4 No guarantee involving financial liability arising from any action of the MIC shall
5 be binding upon the Philippine government without obtaining the written authority of the
6 proper authorities under existing laws.

7 **Sec. 19. Fees and Charges on the Establishment of the Maharlika**
8 **Investment Fund.** – Third party fees and all charges incurred in connection with the
9 establishment and effective management of the MIF, such as custody fees, transaction
10 fees, clearing fees, and management fees payable to external fund managers, shall be
11 charged against the MIF, in accordance with the applicable policies on fund
12 disbursements.

13 **ARTICLE V**

14 **Governance**

15 **Sec. 20. Board of Directors.** There shall be nine (9) members of the Board of
16 Directors composed as follows:

- 17 a) The Secretary of Finance shall sit as the Chairperson in an ex-officio capacity;
- 18 b) President and Chief Executive Officer (PCEO) of the MIC as Vice-Chairperson;
- 19 c) President AND CEO of LBP;
- 20 d) President AND CEO of the DBP;
- 21 e) Two (2) regular directors; and
- 22 f) Three (3) Independent Directors from the private sector.

23 *Provided*, that, in case of a merger, consolidation, abolition, or dissolution of any
24 of the founding GFIs, the seat in the board of the absorbed, dissolved, or abolished GFI
25 shall be filled by the next highest ranking officer of the GFI who has assumed the rights
26 of the absorbed, dissolved, or abolished GFI.

27 The regular directors shall be citizens of the Philippines, at least thirty-five (35)
28 years of age, and must be of good moral standing and reputation, of recognized probity
29 and independence, and have substantial experience and expertise in any of the
30 following: (i) corporate governance and administration, (ii) investment in financial
31 assets, (iii) management of investments in the global and local markets. The regular
32 directors shall be appointed by the President of the Philippines upon recommendation of
33 the Advisory Body for a term of three (3) years. In case of removal or resignation, the

1 appointment to any vacancy shall only be for the unexpired term of the predecessor.
2 The appointment of a regular director to fill such vacancy shall be in accordance with
3 the manner provided for regular nomination, shortlisting and appointment of regular
4 directors.

5 The regular directors shall serve in the board full-time, and shall not hold any
6 other public office or public office during their tenure. Neither will the regular directors
7 have or possess any private financial and business interest while in office. In this regard,
8 regular directors shall be required to resign from, and divest themselves of any and all
9 interests in any private institutions that would put them in conflict with the interests of
10 the MIC before assumption to their office.

11 The Independent Directors shall be appointed by the President of the Philippines,
12 upon the recommendation of the advisory body, for a term of one (1) year. The
13 Independent Directors shall be eligible for reappointment, provided that the cumulative
14 term of an independent director shall not exceed nine (9) years. The Advisory Body shall
15 ensure that the selected members of the Board of Directors are with proven probity,
16 competence, expertise and experience in finance, economics, investments, business
17 management, or law, and are highly capable to contribute to the attainment of the
18 objectives and purposes of the MIF.

19 The Independent Directors shall not hold any business or financial interests and
20 other relationships which could, or could reasonably be perceived to, materially interfere
21 with his exercise of independent judgment in carrying out their responsibilities as
22 directors.

23 At least one (1) year from the end of their tenure, the regular and Independent
24 Directors shall be barred from employment, whether in full-time or advisory capacity, in
25 any private companies and institutions, the interests of which directly compete with or
26 in conflict with the MIC.

27 A person shall be disqualified from being a director, if within five (5) years prior
28 to his appointment as such, the person was:

29 (a) convicted by final judgment of an offense punishable by imprisonment for a
30 period exceeding six (6) years;

31 (b) found administratively liable for any offense involving fraudulent acts; and

32 (c) convicted by final judgment or found liable by a foreign court or equivalent
33 foreign regulatory authority for acts violations, or misconduct similar to those
34 enumerated in paragraphs (a) and (b) above; and

35 (d) or has a pending administrative, civil or criminal case relating to fraud,
36 plunder, corrupt practices, money laundering, tax evasion, or any similar crimes involving
37 misuse of money or breach of trust.

1 The foregoing grounds are without prejudice to qualifications or other
2 disqualifications, which the Board of Directors, may impose in its promotion of good
3 corporate governance.

4 All members of the Board of Directors shall be bonded to the government for the
5 faithful performance of all duties imposed upon him by law and for the faithful accounting
6 of all funds and public properties coming into his custody or control in accordance with
7 the public bonding law under the revised administrative code, E.O. 449 s. 1997, and
8 related laws and issuances. Prior to the discharge of duties, each member shall be
9 required to secure a fidelity bond of ten million pesos (P10,000,000.00).

10 The specific guidelines in this section, including the rules on appointment, election
11 and termination of membership in the Board, shall be provided in the implementing rules
12 and regulations of this Act, to ensure that only those eligible and qualified shall be
13 appointed to the Board.

14 ***Sec. 21. Powers and Functions of the Board of Directors.*** – The primary
15 function of the Board of Directors is to govern and manage the MIC, its assets, and
16 investments in accordance with this Act. The specific functions of the Board shall include
17 the following:

18 (a) To direct the management and operations, and administration of the MIC;

19 (b) To approve and implement the Investment and Risk Management Guidelines
20 and such other investment policies, guidelines, and parameters to effectively carry out
21 the purposes of this Act;

22 (c) To set minimum criteria and targets for investments;

23 (d) To oversee the investment processes which may include asset allocation,
24 portfolio construction, monitoring, and risk management;

25 (e) To approve the issuance of debt and debt-like instruments;

26 (f) To develop short, medium, and long-term strategies appropriate for
27 investments;

28 (g) To regularly meet and consult with the Advisory Body;

29 (h) To engage as may be necessary an International Advisory Consultant whose
30 main responsibility is to advise the Board on its development strategy and investment
31 business, equip executives and management with insights on geopolitical and macro-
32 economic issues, international financial market conditions, and global investment trends;

33 (i) To engage external fund managers and investment advisors, as may be
34 necessary, to manage the MIF;

1 j) To declare dividends in accordance with law and subject to the provisions of
2 R.A. No. 7656;

3 k) To determine in accordance with Republic Act No. 10149, or the GOCC
4 Governance Act, the organizational structure, staffing pattern, number of personnel of
5 the MIC, and define their duties and responsibilities as well as their compensation and
6 other emoluments: *Provided*, That the Board shall determine the positions that are highly
7 technical, including their compensation and other emoluments, and bonuses: *Provided*,
8 *further*, That in all cases, such compensation and emoluments shall be comparable with
9 the prevailing rates in the private sector. The organizational structure, staffing pattern
10 and compensation structure of the MIC shall be subject to the approval of the President
11 of the Philippines.

12 (l) To exclusively prescribe a system for performance standards and evaluation
13 for officials and employees of MIC;

14 (m) To set the criteria and procedures for termination of employment of officials
15 and employees for:

16 i. Gross violation of the provisions in this Act or investment policies and guidelines
17 set by the Board of Directors;

18 ii. Commission of acts inimical to the MIF or the Republic of the Philippines, such
19 as any loss suffered by the Fund caused by negligence, willful misconduct, fraud, or
20 actions in breach of any Investment Agreement; and/or

21 iii. Failure to meet performance standards set by the Board of Directors.

22 (n) To appoint key and critical officials and employees as may be necessary to
23 assist the Board of Directors in carrying out its functions;

24 (o) To submit semestral reports on investment performance to the Advisory Body
25 and to the President of the Republic of the Philippines;

26 (p) To review and certify the MIC/MIF financial statements;

27 (q) Act as Trustee of the MIF and such other assets as may be assigned to it and
28 direct how its assets are managed;

29 (r) To constitute an audit committee from among its members. The audit
30 committee shall recommend to the Board the engagement of an external auditor and
31 oversee the internal and external audits mandated under this Act;

32 (s) To perform other functions, duties and responsibilities necessary, related and
33 incidental to the performance of the above-mentioned powers and functions.

1 (t) To create, set up, and launch one or more sub-funds within the fund, each of
2 which shall have its specific investment objectives and strategies to be determined by
3 the Board of Directors in line with the investment objectives and policies of the Fund.

4 **Sec. 22. Removal of Members of the Board of Directors.** – The President
5 may remove the CEO, as well as the regular and independent directors, for any of the
6 following reasons: (a) if he subsequently possesses the disqualifications under Section
7 20 of this Act; or (b) if he is physically or mentally incapacitated that he cannot properly
8 discharge his duties and responsibilities and such incapacity has lasted for more than six
9 (6) months; or (c) if the member is guilty of acts or operations which are of fraudulent
10 or illegal character or which are manifestly opposed to the aims and interests of the MIC.

11 **Sec. 23. Duties and Qualifications of the Chief Executive Officer.** – The
12 President and CEO shall direct and supervise the operations and internal administration
13 of the MIC, and shall be charged with the risk management, financial performance,
14 human resources, accounting and legal affairs of the MIC. He shall have the following
15 powers and duties:

- 16 (i) Prepare the agenda for the meetings of the Board of Directors and to submit
17 for the consideration of the Board of Directors the policies and measures which
18 are necessary to carry out the purposes and provisions of this Act;
- 19 (ii) Execute and administer the policies and measures approved by the Board of
20 Directors;
- 21 (iii) Develop the MIC's business prospects by studying economic trends and
22 revenue opportunities; projects acquisition and expansion prospects; and
23 oversee financial performance and risk profiles while ensuring that all of
24 regulatory obligations are met; and
- 25 (iv) Exercise such other powers as may be vested by the Board of Directors.

26 The PCEO, in the discharge of its functions, may delegate administrative
27 responsibilities to other officers of the MIC.

28 The PCEO shall work closely with the executive management and the Board and must
29 have (i) exceptional experience and expertise in corporate management, financial
30 planning strategy, strategic planning and vision, market and business development,
31 budget development; (ii) has at least ten (10) years management experience, including
32 extensive commercial lending/credit administration experience; (iii) in-depth
33 understanding of the industry including risk management, compliance, and regulatory
34 requirements; and (iv) strategic knowledge of cash flow and capital planning
35 management.

36 The PCEO shall be appointed by the President of the Philippines, as recommended
37 by the Advisory Body, for a term of three (3) years.

1 **Sec. 24. Duties and Qualifications of the Chief Investment and Operating**
2 **Officer (CIOO).** – The CIOO is responsible for regular administration duties of all
3 investment files, communicating investment strategy and policies, managing and
4 developing a team of financial analysts and investment professionals, supervising risk
5 management across portfolios and that sound investment policies are followed.

6 The CIOO shall be appointed by the Board of Directors and terminated for a term as
7 provided for in the implementing rules and regulations.

8 The CIOO must have a degree in finance or a relevant experience in the field and
9 has proven expertise in managing a team of financial analysts and investment
10 professionals.

11 **Sec. 25. Quorum and Meetings of the Board.** — The Board of Directors shall
12 meet at least once every two (2) weeks, or as often as may be necessary upon its
13 constitution. It may hold special meetings to consider urgent matters upon call of the
14 Chairperson or upon initiative of at least two (2) members of the Board of Directors.

15 In order to constitute a quorum in Board meetings, a majority of the total
16 membership of the Board shall be present. The approval by a majority of all members
17 of the Board of Directors shall be required to constitute a decision of the Board of
18 Directors.

19 The Board of Directors shall maintain and preserve a complete record of the
20 proceedings and deliberations of the Board of Directors, including the minutes,
21 transcripts, and records, either in original or digital form. The meetings of the Board of
22 Directors may be conducted through modern technologies such as teleconferencing and
23 videoconferencing.

24 **Sec. 26. Risk Management Committee.** – The Board shall organize a risk
25 management committee composed of five (5) members as follows:

- 26 a) One (1) Independent Director as Chairperson;
- 27 b) One (1) Ex Officio member of the Board;
- 28 c) One (1) Regular Director; and
- 29 d) Two (2) Senior Executives of the MIC, one of whom is the key risk management
30 officer.

31 The Risk Management Committee shall ensure that the MIC is taking the appropriate
32 measures to achieve a prudent balance between risk and reward in both ongoing and
33 new business activities, taking careful consideration of risk identification, measurement
34 and assessment, mitigation, reporting and monitoring.

1 The designation of the respective GFIs' personnel to the MIC involves the
2 imposition of additional and/or higher duties to be performed by said personnel for the
3 MIC which is temporary and can be terminated anytime at the pleasure of the appointing
4 officer/authority. Designated personnel shall continue to receive their salaries, benefits,
5 and emoluments from their respective offices or agencies: *Provided*, That they shall be
6 paid honoraria for the additional and/or higher duties to be performed for the MIC.

7 The secondment of the GFIs' personnel to the MIC involves the movement of said
8 personnel from their mother agencies and offices to the MIC, which is temporary in
9 nature, which may or may not require the issuance of an appointment, and which may
10 or may not involve increase in compensation and benefits. Seconded personnel shall
11 receive, in lieu of their respective compensation from their respective agencies or offices,
12 the salaries, emoluments and all other benefits which their positions are entitled to
13 receive from the MIC.

14 **Sec. 32. Applicability of Republic Act No. 7656** – The MIC shall be subject
15 to the provisions of Republic Act No. 7656 or an act requiring government -owned or -
16 controlled corporations to declare dividends under certain conditions to the national
17 government, and for other purposes.

18 **ARTICLE VII**

19 **Financial Reporting Framework and Audit of Records**

20 **Sec. 33. Financial Reporting Framework.** – The financial statements and
21 reports shall be prepared, in accordance with the relevant Financial Reporting Standards
22 and principles.

23 **Sec. 34. Engagement of an Internal Auditor.** – The Board shall appoint an
24 internal auditor, who shall provide audit reports to the Board of Directors. The internal
25 auditor shall be independent from the management of the MIC and shall be under the
26 direct control and supervision of the Board of Directors. The CEO shall ensure that the
27 internal auditor, including the staff, shall have access to all documents and information
28 pertinent to the audit.

29 **Sec. 35. Engagement of an External Auditor.** – The Board shall engage, for
30 each accounting period or as soon as practicable after the commencement of the
31 relevant accounting period, an internationally recognized auditing firm to be the external
32 auditor of the Fund and to audit its financial statements.

33 The external auditor shall conduct annual audit, for a maximum engagement
34 period of three (3) consecutive years under such terms as may be determined by the
35 Board of Directors.

36 **Sec. 36. Audit by the Commission on Audit.** –The books and accounts of the
37 MIC shall be subject to the examination and audit of the Commission on Audit pursuant

1 to Article IX of the 1987 Philippine Constitution. All financial transactions shall be
2 governed by the applicable government laws, rules, and regulations. The COA shall
3 prescribe the guidelines of the audit of the MIC and the Fund under its management in
4 accordance with international best practices. In defining the scope of its audit, the COA
5 shall coordinate with the external auditor as provided under Section 35 of this Act. The
6 COA shall conduct a special audit every five (5) years.

7 **Sec. 37. Disposal of Investment Assets.** – Notwithstanding any law, rules,
8 regulations, or other issuances to the contrary, the disposal by MIC, pursuant to its
9 mandate and functions, of shares, securities, and other interests and investments, shall
10 not be covered by existing laws and regulations on disposal of government assets.

11 **ARTICLE VIII**

12 **Reports and Records**

13 **Sec. 38. Joint Congressional Oversight Committee.** – There shall be
14 created a Maharlika Investment Fund Joint Congressional Oversight Committee (MIF-
15 JCOC) to oversee, monitor, and evaluate the implementation of this Act. The MIF-JCOC
16 shall be composed of seven (7) members each from the House of Representatives and
17 the Senate. The MIF-JCOC shall be co-chaired by the Chairpersons of the House
18 Committee on Banks and Financial Intermediaries and the Senate Committee on Banks,
19 Financial Institutions and Currencies.

20 The Speaker and Senate President shall designate the other six (6) members of
21 the MIF-JCOC of the House and the Senate from among the members on the House
22 Committee on Banks and Financial Intermediaries and the Senate Committee on Banks,
23 Financial Institutions and Currencies, at least one member of which shall be from the
24 minority.

25 The MIC shall make a quarterly confidential submission of all investments,
26 whether planned or under negotiation by the mic and on the portfolio of the MIF, to the
27 MIF-JCOC.

28 All audit reports of the internal and external auditors for each accounting period
29 shall likewise be submitted to the MIF-JCOC.

30 **Sec. 39. Right to freedom of information of the public.** – All documents of
31 the MIF and the MIC, shall be open, available, and accessible to the public, as may be
32 allowed by law, in both English and Filipino, including but not limited to:

33 (a) All investments thereof, by the MIC and on the portfolio of the MIF;

34 (b) The statement of assets and liabilities (SALNs) of the members and officials
35 of the Board of Directors, Risk Management Committee, and Advisory Body;

1 (c) The SALNs of those who appointed and designated the said members; and
2 officials;

3 (d) Audit documents from the COA; and

4 (c) Similar documents and information.

5 ***Sec. 40. Provision for Access Rights and Retention Period of Records. –***

6 The records on the MIC pertaining to its investment activities shall be secured and
7 maintained pursuant to the rules of the National Archives of the Philippines. The relevant
8 disclosure rules under Republic Act No. 8799 or the Securities Regulation Code, Republic
9 Act No. 11232, or the Revised Corporation Code of the Philippines, and other laws, rules,
10 and regulations shall apply to the MIC. The MIC shall be covered by Executive Order No.
11 2, s. 2016. All reports of the MIC pursuant to the disclosure rules under existing laws
12 shall be published on its website that shall be immediately updated and made easily
13 accessible to the public.

14 ***Sec. 41. Reports of Government Financial Institutions to stakeholders.***

15 — Government financial institutions with investments in the MIC shall include the
16 performance of their investments, a risk assessment of their exposure and strategies to
17 manage such risks, and other relevant information in their annual reports.

18 ***Sec. 42. Compliance with Santiago Principles. –***

19 The audits required under
20 this article shall include an assessment of the implementation of the Santiago Principles
and recommendations to improve compliance with such principles.

21 ***Sec. 43. Dispute Settlement. –***

22 The provision of existing laws to the contrary
23 notwithstanding, any dispute, controversy or claim arising out of or relating to
24 investments entered pursuant to this act or the breach, termination or invalidity thereof
shall be resolved by good faith negotiations between the parties.

25 In the event that such negotiations do not succeed, any dispute, controversy or
26 claim arising out of or relating to investments entered pursuant to this act or the breach,
27 termination or invalidity thereof shall be settled in accordance with internationally
28 accepted institutional systems of arbitration of which the Philippines is a signatory.

29 The Maharlika Investment Fund Joint Congressional Oversight Committee created
30 under Section 38 hereof shall regularly be apprised of the status of any dispute
31 settlement proceeding.

32 **ARTICLE IX**

33 **Offenses and Penalties**

34 ***Sec. 44. Violation of Disqualification Provision; Penalties. –***

35 A Director or Officer who willfully holds office while possessing any of the disqualifications or willfully

1 conceals a ground for disqualification as provided for in Section 20 and Section 22 of
2 this Act shall be punished with a fine ranging from Five million pesos (P5,000,000.00) to
3 Seven million pesos (P7,000,000.00) at the discretion of the court, and perpetual
4 disqualification from holding public office. When the violation of this provision is injurious
5 or detrimental to the public, the penalty shall be a ranging from Ten million pesos
6 (P10,000,000.00) to Fifteen million pesos (P15,000,000.00).

7 **Sec. 45. Violation by an Independent Auditor; Penalties.** – An independent
8 auditor who, knowingly certifies the corporation’s financial statements despite its gross
9 incompleteness or inaccuracy, its failure to give a fair and accurate presentation of the
10 corporation’s condition, or despite containing false or misleading statements, shall be
11 punished with a fine ranging from Five million pesos (P5,000,000.00) to Seven million
12 pesos (P7,000,000.00), imprisonment of six (6) years, and perpetual disqualification
13 from holding public office. When the statement or report certified is fraudulent, or had
14 the effect of causing injury to the general public, the auditor or responsible officer may
15 be punished with a fine ranging from Ten million pesos (P10,000,000.00) to Fifteen
16 million pesos (P15,000,000.00), imprisonment of six (6) years, and perpetual
17 disqualification from holding public office.

18 **Sec. 46. Acting as Intermediaries for Graft and Corrupt Practices;**
19 **Penalties.** – Any person, natural or juridical, who allows itself to be used for fraud, or
20 for committing or concealing graft and corrupt practices – by the directors, officers, or
21 other employees of the MIC – as defined under pertinent laws, rules and regulations,
22 shall be liable for a fine ranging from one million pesos (P1,000,000.00) to five million
23 pesos (P5,000,000.00), imprisonment of six (6) years, and perpetual disqualification
24 from holding public office.

25 When there is a finding that any of its directors, officers, employees, agents, or
26 representatives are engaged in graft and corrupt practices, the Board of Director’s failure
27 to install: (a) safeguards for the transparent and lawful delivery of services; and (b)
28 policies, code of ethics, and procedures against graft and corruption shall be *prima facie*
29 evidence of corporate liability under this section.

30 **Sec. 47. Tolerating Graft and Corrupt Practices; Penalties.** – A director or
31 officer of the MIC who fails to sanction, report, or file the appropriate action with proper
32 agencies, allows or tolerates graft and corrupt practices or fraudulent acts committed by
33 a director, officer, employee, agent or representative shall be punished with a fine
34 ranging from Five million pesos (P5,000,000.00) to Ten million pesos (P10,000,000.00),
35 imprisonment of twenty (20) years, and perpetual disqualification from holding public
36 office.

37 **Sec. 48. Retaliation Against Whistleblowers.** – A whistleblower refers to any
38 person who provides truthful information relating to the commission or possible
39 commission of any offense or violation under this Act. Any person who, knowingly and
40 with intent to retaliate, commits acts detrimental to a whistleblower such as interfering

1 with the lawful employment or livelihood of the whistleblower, shall, at the discretion of
2 the court, be punished with a fine ranging from One million pesos (P1,000,000.00) to
3 Two million pesos (P2,000,000.00), and imprisonment of six (6) years.

4 **Sec. 49. Separate Liability.** – Liability for any of the foregoing offenses shall
5 be separate from and in addition to any other administrative, civil, or criminal liability
6 under other laws, such as, but not limited to:

- 7 i. Republic Act No. 3815 or The Revised Penal Code, As Amended;
- 8 ii. Republic Act No. 3019 or The Anti-Graft and Corrupt Practices Act, As
9 Amended;
- 10 iii. Republic Act No. 6713 or The Code of Conduct and Ethical Standards For
11 Public Officials And Employees;
- 12 iv. Republic Act No. 1379;
- 13 v. Republic Act No. 7080 or An Act Defining and Penalizing The Crime Of
14 Plunder;
- 15 vi. Republic Act No. 9160 or The Anti-Money Laundering Act, As Amended;
- 16 vii. Executive Order 292 or The Administrative Code Of 1987;
- 17 viii. Republic Act No. 9184 or The Government Procurement Act;
- 18 ix. Republic Act No. 386 or The Civil Code Of The Philippines, As Amended;
- 19 x. Republic Act No. 11232 or The Revised Corporation Code; and
- 20 xi. Other relevant laws, rules, and regulations.

21 **Sec. 50. Prescription of Crimes.** – The crimes punishable under this Act shall
22 prescribe in ten (10) years. However, the right of the State to recover properties
23 unlawfully acquired by the person involved, nominees, or transferees in embezzlement
24 and misappropriation of the funds shall not be barred by prescription, laches, or estoppel.

25 **Sec. 51. Prescription of Offenses.** – All offenses punishable under this Act
26 shall prescribe in twenty (20) years.

27 **ARTICLE X**

28 **MISCELLANEOUS PROVISIONS**

29 **Sec. 52. Appropriations.** – A portion of the National Government capital
30 contribution, either through subscription of common shares or of preferred shares, under
31 Section 6 hereof shall be sourced from the following:

- 32 i) Bangko Sentral ng Pilipinas (BSP) Dividends. For the first and second fiscal
33 years upon the effectivity of this Act, One hundred percent (100%) of the BSP's total
34 declared dividends, as computed under R.A. No. 7653, as amended by R.A. No. 11211,
35 also known as the New Central Bank Act, shall be remitted to the national government
36 for the capitalization of the MIC, in the amount not exceeding the P50 billion initial
37 subscription of the national government to the capitalization of the MIC under this
38 section: *Provided*, that the monetary board may recommend to the President of the

1 Philippines the reduction of BSP's dividend contribution to the MIC whenever economic
2 conditions may warrant; thereafter, the dividends of the bsp shall be remitted to the
3 national government to fund the increase in the capitalization of the bsp in accordance
4 with Section 2 of R.A. No. 7653, as amended by R.A. No. 11211;

5 ii) Government Share in PAGCOR, and revenue from other government-owned
6 gaming operators and/or regulators. Ten percent (10%) of the National Government's
7 share from the income of the PAGCOR, as provided for in Presidential Decree No. 1869,
8 as amended; Provided, that the share earmarked for the Universal Health Care Act under
9 Sec. 37 (b) of R.A. No. 11223 shall not in any manner be diminished; provided, further
10 that the above funding from PAGCOR will be for period of five (5) years. Accordingly,
11 other government-owned gaming operators and/or regulators shall also contribute ten
12 percent (10%) of their revenues from gaming operations for a period of five (5) years;

13 iii) DOF-PMO Proceeds from the privatization of government assets. The amount
14 of which shall be determined by the privatization council, subject to budgeting,
15 accounting, and auditing laws, rules, and regulations subject to the conditions provided
16 under Section 6 of this Act; and

17 iv) Other sources, such as royalties and/or special assessments, subject to
18 budgeting, accounting, and auditing laws, rules, and regulations.

19 The amount of contribution provided in Section 6 shall be remitted to the national
20 treasury as a special account in the general fund and are hereby appropriated solely for
21 the payment of the MIC's capitalization subscribed by the national government which
22 shall not exceed fifty-one (51%) of the authorized capital stock. Thereafter, all funds
23 collected under Section 6 shall be deposited to the national treasury under the general
24 fund to support the national budget.

25 **Sec. 53. Statutory Counsel.** – The Office of the Government Corporate
26 Counsel (OGCC) is the statutory counsel of the MIC and shall handle its legal affairs.

27 **Sec. 54. Corporate Term of the MIC.** – The MIC shall exist for a term of thirty-
28 five (35) years from the date of the effectivity of this Act, unless sooner repealed or
29 extended by Congress.

30 **Sec. 55. Implementing Rules and Regulations.** – Within ninety (90) days
31 from the effectivity of this Act, the Treasurer of the Philippines, in consultation with the
32 Founding GFIs, shall promulgate the necessary rules and regulations for the
33 implementation of this Act.

34 **Sec. 56. Suppletory Application.** – The provisions of R.A. No. 11232, as
35 amended, also known as the Revised Corporation Code of the Philippines, to the extent
36 relevant and consistent with this Act shall be applicable to the MIC.

1 **Sec. 57. Separability Clause.** — If any provisions of this Act are declared
2 invalid or unconstitutional, the remaining parts or provisions not affected shall remain
3 valid.

4 **Sec. 58. Repealing and Amendatory Clause.** - All acts, executive orders,
5 administrative orders, proclamations, rules and regulations or parts thereof inconsistent
6 with any of the provisions of this Act, are hereby repealed or modified accordingly.

7 Particularly, the following laws or provisions of laws are hereby expressly
8 amended to the extent of ensuring the full implementation of the provisions of this Act:

9 a) Section 2 of R.A. No. 7653, as amended by R.A. No. 11211 or the New Central
10 Bank Act; and

11 b) Presidential Decree No. 1869, otherwise known as the PAGCOR charter, as
12 amended, without prejudice to Section 37 of R.A. No. 11223 or the Universal Health Care
13 Act.

14 **Sec. 59. Effectivity.** — This Act shall take effect immediately upon its
15 publication, in English and Filipino, in the Official Gazette or in a newspaper of general
16 circulation in the Philippines.

17 After effectivity, this Act shall also be promulgated in Filipino.

Approved,