

**MALACAÑANG  
MANILA**

**PRESIDENTIAL DECREE NO. 453  
CREATING THE PHILIPPINE CENTER FOR ECONOMIC DEVELOPMENT**

WHEREAS, the country's continuing and accelerated efforts at national development require an adequate research base for planning and policy formulation;

WHEREAS, more rapid national development further demands a steady and expanding supply of economic technicians both within and outside government who are specialists in various areas of technical work;

WHEREAS, a continuing interaction between government officials and academic research workers is mutually beneficial and in the interest of national development;

WHEREAS, to meet the above-mentioned demands it is necessary to provide adequate financial support so that existing programs for the development of qualified manpower and research on economic development can be strengthened, improved, and expanded;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the power vested in me by the Constitution, do hereby decree and order the following to be part of the law of the land;

**SECTION 1. Creation of the Philippine Center for Economic Development.** There is hereby created and established a Philippine Center for Economic Development, which shall be located at the University of the Philippines, with a distinct corporate personality. The function of the Center is to give financial and moral support to the research, teaching, training and other programs of the School of Economics of the University of the Philippines. The Center shall formulate a program for financing the academic and other programs of the School, including the endowment of faculty chairs.

The School of Economics nevertheless remains under the effective academic and administrative supervision of the University of the Philippine System. The School will undertake its academic functions at a larger scale to be made possible by the financial support of the Center, and in so doing, will be assisted by the Advisory Committee of the Center: but the School will maintain a high degree of independence, relying on faculty initiative as the prime means of developing competent training and research. This shall pertain to all of the following functions of the School:

(a) To conduct and engage in research work and studies oriented towards national policy and the needs of national development in the field of economics, particularly in the areas of:

- (1) monetary and fiscal policy;
- (2) tariff and trade policy;
- (3) industrial and agricultural policy;
- (4) regional economic development;
- (5) long-, medium- and short-term economic planning techniques;
- (6) manpower and employment;
- (7) economic studies on education, health and social development, in general and
- (8) statistical programs and policy;

(b) To undertake training programs designed to provide the government and the nation as a whole of planners, analysts and economic statisticians, or in general, of technicians skilled and knowledgeable in the problems of economic development;

(c) To serve as the medium for bringing together experts and specialists in other disciplines to conduct studies and investigations and engage in interchange of ideas so as to bring in

their knowledge and experience to bear on common problems with a view to evolving fresh ideas and approaches that could be effectively applied to economic development;

- (d) To engage in the publication to the results of research.

**SECTION 2. Powers.** The Center shall have the following powers:

- (a) To adopt, alter and use a corporate seal;
- (b) To collect, receive and maintain a fund or funds, from government appropriations, and from donations, grants, gifts, bequests, loans from domestic or foreign lenders or other sources of income, and to apply the income and principal thereof to the promotion of its aims and purposes;
- (c) To acquire, purchase, pledge, own, hold, operate, develop, lease, mortgage, pledge, exchange, sell, transfer or otherwise, in any manner permitted by law, real and personal property of every kind and description or any interests therein as may be necessary to carry out its purposes;
- (d) To raise or borrow money from domestic or foreign sources for the purposes of the Center and to do any and all acts required and/or necessary under the law to effect the same;
- (e) In furtherance of its purposes, to extend financial assistance and to enter into, make, perform and carry out, or cancel and rescind contracts of every kind and for any lawful purpose with any person, firm association, corporation, syndicate, domestic or foreign, or others in which it has a lawful interest;
- (f) To invest funds, as it may be able to obtain from donations, grants, loans or appropriations, the return of which the corporation uses to subsist and carry on the activities and purposes for which it was formed;
- (g) In general, to carry on any activity and to have and exercise all of the powers conferred by law on a private or government-owned or controlled corporation; and to do any and all of the acts and things herein set forth to the same extent as juridical persons could do, and in any part of the world, as principal, factor, agent or otherwise, either alone or in syndicate or otherwise in conjunction with any person, entity, syndicate, partnership, association or corporation, domestic or foreign.

**SECTION 3. Board of Trustees.** The affairs of the Center shall be managed by a Board of Trustees which shall be composed of nine members as follows:

- (a) The Director-General of the National Economic Development Authority (NEDA), as Chairman;
- (b) The Executive Secretary;
- (c) The Secretary of Industry;
- (d) The Secretary of Finance;
- (e) The Commissioner of the Budget;
- (f) The Governor of the Central Bank;
- (g) The President of the University of the Philippines;
- (h) The Dean of the School of Economics;
- (i) Two members to be appointed by the President of the University of the Philippines, upon recommendation of the Dean of the School of Economics, shall serve for a term of three years and may be re-appointed.

**SECTION 4. Functions and Responsibilities of the Board of Trustees.** The Board shall have the following functions:

- (a) To approve and authorize on an annual basis a program for financial assistance to the School of Economics;
- (b) To appoint the Executive Director and the other officers and staff of the Center, whose number, organizational structure and compensation shall be determined by the Board upon recommendation of the Executive Director;
- (c) To constitute themselves or their representatives into an Advisory Committee whose function shall be to make recommendations to the School with respect to the latter's academic and other programs;
- (d) To promulgate rules and regulations necessary for the discharge of its powers and functions and the internal organization and operations of the Center;
- (e) To monitor and review periodically the programs and projects of the Center.

**SECTION 5. Executive Director of the Center.** The Executive Director shall be the executive officer of the Center and shall receive such salary and remuneration as may be determined by the Board of Trustees. He shall have the following powers and duties:

- (a) To have control and supervision over the personnel, staff, operations and internal administration of the Center in accordance with existing laws and the rules and regulations promulgated by the Board of Trustees;
- (b) To recommend to the Board of Trustees such policies and measures which he deems necessary for the effective exercise and discharge of the powers and responsibilities of the Center;
- (c) To submit an annual report to the Board of Advisers on the operations, the status of the programs funded by, and the financial condition of the Center, including a recommendation for its budget for the ensuing year.

**SECTION 6. Endowment Fund.** To provide a source for the funding of programs and projects of the Center, there is hereby established an Endowment Fund which shall be self-sustaining and shall consist of contributions, donations, bequests, grants and loans from domestic and/or foreign sources, government subsidy appropriations and other income accruing from the operations of the Center. For the initial organizational and operational requirements of the Center, there is hereby appropriated out of any fund in the National Treasury or other sources not otherwise appropriated the sum of Five Million Pesos ( ₱ 5,000,000.00) and an annual amount of Two Million Pesos ( ₱ 2,000,000.00) shall continue to be appropriated for six years to support the operations of the Center.

The Endowment Fund shall be administered as a trust with the Board of Trustees of the Center as trustee thereof, provided that the principal of the fund shall not be impaired and that only the earnings thereof shall be available for expenditure.

**SECTION 7. Finance Committee.** The Board of Trustees shall constitute a Finance Committee, composed of at least three members, to be headed by member of the Board of Trustees, which shall administer the Endowment Fund for, and shall be responsible directly to, the Board of Trustees. It shall advise and make recommendations to the Board of Trustees on matters pertaining to the funding aspect of programs proposed to be funded by the Center, on matters pertaining to maintaining the integrity of the Endowment Fund.

**SECTION 8. Applicability of Procurement Restrictions.** Requirements and restrictions under existing laws and regulations on procurement of supplies and equipment and on contracting applicable to government-owned or controlled corporations shall not apply to the Center.

**SECTION 9. Appointment and Discipline of Personnel.** Any provision of law to the contrary notwithstanding, appointments, compensation and discipline of the personnel in the staff of the Center shall be in accordance with the rules and regulations promulgated by the Board of Advisers and shall be exempt from the Civil Service Law, laws, rules and WAPCO; Provided, that nay government retiree employed in the Center shall not be required to reimburse or refund any gratuity received from the government nor shall nay pension or annuity to which he is entitled be suspended or reduced on account of his employment in the Foundation.

**SECTION 10. Exemption From Taxes.** Any provision of existing laws to the contrary notwithstanding, any donation , contribution, bequest, subsidy or financial aid which may be made to the Center shall be exempt from taxes of any kind, and shall constitute allowable deductions in full from the income of the donors or givers for income tax purposes.

The Center, its assets, acquisitions, income, and its operations and transactions shall be exempt from any an all taxes, fees, charges, imposts, licenses and assessments, direct or indirect imposed by the Republic of the Philippines or nay of its political subdivision or taxing authority thereof, except import taxes, duties and fees.

DONE in the City of Manila, this 13<sup>th</sup> day of May, in the year of our Lord, nineteen hundred and seventy-four.

**CERTIFIED COPY:**

**MELQUIAGES T. DELA CRUZ**  
Presidential Staff  
Records Office  
3/15/74

Signed by:

**Ferdinand E. Marcos**  
President of the Philippines