

**Office of the President  
of the Philippines  
Malacañang**

**MEMORANDUM ORDER NO. 30**

**DIRECTING THE ABOLITION OF THE PHILIPPINE SUGAR CORPORATION (PHILSUCOR) AND FOR OTHER PURPOSES**

**WHEREAS**, the Philippine Sugar Corporation (PHILSUCOR) is a government-owned and controlled corporation (GOCC) created on 14 November 1983 under Presidential Decree (P.D.) No. 1890, primarily to provide financing in the acquisition, rehabilitation, and/or expansion of sugar mills, refineries, and other related facilities used in the manufacture, packing, storage, distribution, and shipment of sugar and its by-products and derivatives;

**WHEREAS**, Republic Act (RA) No. 10659, also known as the Sugarcane Industry Development Act of 2015, gives the Sugar Regulatory Administration (SRA) the authority to extend financial assistance through socialized credit to sugarcane stakeholders;

**WHEREAS**, at present, much of the financing needs of sugar mills are already being provided by private banking and financing institutions in addition to the lending facilities offered by the Development Bank of the Philippines and the Land Bank of the Philippines;

**WHEREAS**, pursuant to Section 5 (a) of RA No. 10149, or the "GOCC Governance Act of 2011," the Governance Commission for GOCCs (GCG) has recommended the abolition of PHILSUCOR on the following grounds: (a) PHILSUCOR's functions or purposes duplicate or unnecessarily overlap with the functions, programs, activities or projects of the SRA and government financial institutions; and (b) PHILSUCOR is no longer effectively performing the objectives and purposes for which it was originally created;

**NOW, THEREFORE**, the following are hereby ordered:

**SECTION 1. Abolition of PHILSUCOR.** PHILSUCOR is hereby abolished.

**SECTION 2. Liquidation of Assets and Settlement of Liabilities.** The assets of PHILSUCOR shall be liquidated to settle its outstanding liabilities in accordance with applicable laws, rules and regulations.

**SECTION 3. Compensation for Affected Officials and Personnel.** Affected officials and personnel of PHILSUCOR, whether regular or contractual personnel, may

avail themselves of the separation benefits below, in addition to retirement or separation benefits allowed under existing laws:

Years In Service	Rates
First 20 years	1.0 x Basic Monthly Pay (BMP) x No. of years
20 years and 1 day to 30 years	1.25 x BMP x No. of years
30 years and 1 day and above	1.50 x BMP x No. of years

Funding for the separation pay and other benefits of affected officials and personnel of PHILSUCOR shall be sourced from the corporate funds of PHILSUCOR.

**SECTION 4. Creation of Technical Working Group.** To implement the provisions of this Order, the GCG shall be assisted by a Technical Working Group composed of representatives from the following:

- (a) Department of Agriculture;
- (b) Department of Finance;
- (c) Department of Budget and Management;
- (d) Sugar Regulatory Administration; and
- (e) Privatization and Management Office.

**SECTION 5. Repeal.** All orders, issuances, or parts thereof, which are inconsistent with the provisions of this Order, are hereby repealed or modified accordingly.

**SECTION 6. Separability.** If any provision of this Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

**SECTION 7. Effectivity.** This Order shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation.

DONE, in the the City of Manila, this 25<sup>th</sup> day of **October**, in the year of our Lord Two Thousand and Eighteen.

By authority of the President:

  
**SALVADOR C. MEDIALDEA**

