



**MEMORANDUM ORDER NO. 2021-14**

**DE-ACTIVATION OF THE  
FIRST CAVITE INDUSTRIAL ESTATE, INC. (FCIEI)**

**WHEREAS**, First Cavite Industrial Estate, Inc. (FCIEI) was created principally to acquire, own, lease, hold, subdivide, construct, develop, equip, operate, maintain and generally deal in industrial estates;

**WHEREAS**, pursuant to Section 5(a) of Republic Act (R.A.) No. 10149 or the "GOCC Governance Act of 2011", the Governance Commission for GOCCs (GCG) has the power to "[e]valuate the performance and determine the relevance of the GOCC, to ascertain whether such GOCC should be reorganized, merged, streamlined, abolished or privatized, in consultation with the department or agency to which a GOCC is attached";

**WHEREAS**, under GCG Memorandum Circular No. 2015-02, a GOCC may be de-activated and thereafter classified as In-Active/Non-Operational whenever it meets any of the grounds for abolition under R.A. No. 10149;

**WHEREAS**, a de-activated GOCC formally ceases to be a going concern and shall have no power or competence to enter any contract or transaction that seeks to pursue its ordinary course of business, and is deemed under evaluation for formal abolition under the provisions of R.A. 10149;

**WHEREAS**, in 2013, the GCG recommended to the Office of the President (OP) the abolition of FCIEI. On 23 January 2015, then President Benigno S. Aquino III approved in principle the abolition of FCIEI provided that it settles its liabilities with the Philippine Economic Zone Authority (PEZA). In a letter dated 07 March 2016, NDC formally transmitted to the GCG the Memorandum of Agreement between FCIEI and PEZA to settle FCIEI's payables to PEZA. The GCG formally transmitted the said MOA to the Office of the President in a letter dated 31 March 2016;

**WHEREAS**, FCIEI and NDC Board approved the dissolution of FCIEI on 04 June 2016 and 30 September 2015, respectively. Further, Secretary's Certificate provided by both NDC and FCIEI, dated 23 March 2017 and 24 March 2017, respectively, showed the board's approval to dissolve FCIEI;

**WHEREAS**, the 2020 Audited Financial Statements of FCIEI was prepared and presented on a liquidation basis due to its dissolution;

**WHEREAS**, in accordance with the declared policy of the State that government assets and resources are used efficiently, the GCG has determined that it is in the best interest of the State to deactivate FCIEI in the interim, pending its formal abolition as recommended by the GCG to the Office of the President.

**NOW, BE IT –**

**RESOLVED**, the **FIRST CAVITE INDUSTRIAL ESTATE, INC. (FCIEI)** is hereby ordered de-activated;

**RESOLVED FURTHER**, in accordance with GCG Memorandum Circular No. 2015-02, the de-activation of FCIEI shall have the following legal effects:

- (a) The De-Activated GOCC formally ceases to be a going concern and shall have no power or competence to enter into any contract or transactions, which seeks to pursue its ordinary course of business;
- (b) The Governing Board, if still constituted, shall undertake measures to wind-down the affairs of the GOCC and to preserve its assets to await the final disposition thereof;
- (c) The GOCC shall maintain any personnel it may have to assist in the winding-down of the corporate affairs, and no further hiring of any personnel shall be allowed;
- (d) The GOCC ceases to be entitled to a Corporate Operating Budget (COB), nor avail of the benefits provided for in the GOCC Sector, such as Collective Negotiation Agreement (CNA), Performance-Based Bonus (PBB) and Performance-Based Incentives (PBI);
- (e) The GOCC is deemed under evaluation for formal abolition under the provisions of R.A. No. 10149.

**RESOLVED FURTHER**, the Board of Directors of FCIEI, in coordination with the National Development Company (NDC), shall take all proper and necessary steps to protect the interests of the government in connection with the de-activation of FCIEI, including the preservation of its assets;


**RESOLVED FURTHER**, the NDC to coordinate with the Commission on Audit (COA), SEC, and such other agencies as may be necessary, to ensure the smooth implementation of this Order in accordance with existing laws, rules, and regulations;

**RESOLVED FINALLY**, NDC shall submit a Final Report to GCG upon completion of the implementation of the deactivation.

**DONE**, in City of Makati, this 21 of DEC, 2021, Two Thousand and Twenty-One.



Digitally signed by:  
CHAIRMAN SAMUEL G. DAGPIN, JR.



CARLOS G. DOMINGUEZ  
DOF Secretary

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Carlos G. Dominguez  
Date: 2021.11.03  
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Digitally signed by:  
COMMISSIONER MICHAEL P. CLORIBEL



TINA ROSE MARIE L. CANDAL  
DBM Officer-in-Charge



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COMMISSIONER MARITES C. DORAL