



## **MEMORANDUM ORDER No. 2013 - 32**

### **CLASSIFYING THE NORTHEASTERN LUZON PACIFIC COASTAL SERVICES, INC (NLPCS) AS EXCLUDED FROM THE COVERAGE OF REPUBLIC ACT NO. 10149**

**WHEREAS**, the **NORTHEASTERN LUZON PACIFIC COASTAL SERVICES, INC. (NLPCS)** was incorporated and registered with the Securities and Exchange Commission on 19 January 2004 under SEC Registration Number CS200400658 in response to the "Strong Republic Nautical Highway Flagship Program of then President Gloria Macapagal Arroyo in 2004;

**WHEREAS**, since 2006, the NLPCS was placed under administrative authority of the Cagayan Economic Zone Authority (CEZA) and since then the CEZA has been in charge of the operations of the NLPCS, and that COA Reports on GOCCs classifies NLPCS as a "subsidiary" of NLPCS;

**WHEREAS**, Section 4 of Republic Act (R.A.) No. 10149 provides that the jurisdiction of the Governance Commission for GOCCs (GCG) shall cover "all GOCCs, GICPs/GCEs, and government financial institutions, including their subsidiaries, but **excluding** the Bangko Sentral ng Pilipinas, state universities and colleges, cooperatives, local water districts, **economic zone authorities** and research institutions;"

**WHEREAS**, it is the standing policy of the GCG that the subsidiaries of GOCCs excluded from the coverage of R.A. No. 10149 should also not be within the coverage of the Commission;

**WHEREAS**, Section 5(b) of R.A. No. 10149, empowers the GCG to "Classify GOCCs into: (1) Developmental/Social Corporations; (2) Proprietary Commercial Corporations; (3) Government Financial, Investment and Trust Institutions; (4) Corporations with Regulatory Functions; and (5) Others as may be classified by the GCG, without prejudice to further subclassifications in each category and/or any other classification based on parameters as it may find relevant or material such as, but not limited to, industry type. The classification shall guide the GCG in exercising its powers and functions as provided herein;"

**NOW, BE IT –**

**RESOLVED**, that NLPCS shall be classified as a GOCC excluded from the coverage of RA No. 10149 under the category of being a subsidiary of an economic zone authority;

**RESOLVED FURTHER**, the above stated classification of NLPCS shall be subject to reclassification, pending any change in the situation and/or circumstances of the corporation, such as when NLPCS is transferred to another GOCC or Supervising Agency, which would then bring it back within the coverage of R.A. No. 10149.

**DONE**, in the City of Manila, this 15<sup>th</sup> day of July in the year of our Lord, Two Thousand Thirteen.

**BY AUTHORITY OF THE COMMISSION:**



**CESAR L. VILLANUEVA**  
*Chairman*



**MA. ANGELA E. IGNACIO**  
*Commissioner*



**RAINIER B. BUTALID**  
*Commissioner*