



## **INDUSTRIAL GUARANTEE AND LOAN FUND**

The Industrial Guarantee and Loan Fund (IGLF) was established by an Agreement between the Government of the United States of America and the Philippines, under Counterpart Project Agreement No. 32 dated July 15, 1952. The loan agreement provided for the establishment of the Counterpart Fund Special Account at the Bangko Sentral ng Pilipinas (BSP), formerly Central Bank of the Philippines (CBP), of which the Philippine Government set up an initial amount of P10 million. For its part, the United States Government extended International Cooperative Administration (ICAX) Loan Account Nos. 92-1 and 92-2 of US\$6.7 million and US\$7.5 million, respectively, to the Philippine Government with peso equivalent of P10 million each to augment the IGLF.

In 1964, an additional loan of P1 million (ICAX Loan 92-4) was extended out of the peso proceeds of imports under the U.S. Public Law 480, also earmarked for IGLF.

The International Bank for Reconstruction and Development (IBRD) and the Asian Development Bank (ADB) provided fund assistance in 1975, 1979, 1982, and 1989 in the total amount of US\$259.50 million. On the other hand, the Philippine Government's additional counterpart fund is P803.30 million.

Effective August 01, 1990, the Memorandum of Agreement (MOA) dated July 26, 1990 between the Republic of the Philippines through the National Economic and Development Authority (NEDA), and the Development Bank of the Philippines (DBP) transferred the administration of the IGLF from BSP to DBP. Under said MOA, its term shall be for five years and for such additional period as may be agreed upon between the parties. Extension agreements were issued extending the term of the MOA until August 01, 2005. On May 25, 2005, another extension agreement was made between the Republic of the Philippines, through NEDA, and the DBP, extending the term of the MOA for another five years, until August 01, 2015, unless otherwise terminated upon six months prior notice by NEDA to DBP.

In 2019, by virtue of Executive Order No. 58 series of 2018, the management of funds of IGLF was transferred to the Philippine Guarantee Corporation.