

RA8435  
Chapter 2

The Basic Needs Program

**SEC. 98. Principles.** - The Department, in coordination with the appropriate government agencies, shall formulate the Basic Needs Program to create employment and cushion the effects of liberalization based on the following principles:

a.) No credit subsidies shall be granted. The normal rules of banking shall apply to all enterprises involved, provided that existing credit arrangements with ARBs shall not be affected.

b.) Enterprises can use training-information, advisory and related services of the Government free of charge.

c.) The participation of the private sector shall be voluntary.

Teams composed of specialists from government agencies and the private sectors shall develop pilot programs in selected locales to establish the planning, implementation and evaluation procedures.

**SEC. 99. Participation of Government Agencies.** - The replication of the program shall be the responsibility of the local government units concerned in collaboration with the appropriate government agencies, and the private sector. The local government units shall bear the costs of promoting and monitoring the basic needs program for which their IRA shall be increased accordingly as recommended by the Secretary of the Department: Provided, That the appropriate national government agencies shall continue to provide the necessary technical as well as financial assistance to the LGUs in the replication of the program.

The Cooperatives Development Authority shall encourage the establishment and growth of associations and cooperatives as vehicles for the stable expansion of basic needs enterprises.

The Department of Education, Culture and Sports, Department of Health and Technical Education and Skills Development Authority shall coordinate with the Department and Congress in the review, rationalization and reallocation of their regular budgets as well as their budgets under the GATT-related measures fund to finance education, training, health and other welfare services for farmers and fisherfolk.