

**AQUINO NOT KEPT FULLY INFORMED OF BARCLAYS ROW, OFFICIAL SAYS.**By **Chaitanya Kalbag**, Reuters

612 words

13 August 1987

Reuters News

English

(c) 1987 Reuters Limited

MANILA, Aug 13, Reuter - President Corazon Aquino was not kept fully informed throughout a prolonged dispute between the Philippines and a consortium of Western banks, Finance Secretary Jaime Ongpin told Reuters in an interview today.

The dispute involved a commercial debt incurred by a private fertiliser company, Planters Products, and a consortium of banks led by Britain's Barclays Bank.

Ongpin said Aquino was first included in the discussions only a week before the Philippines signed a debt restructuring accord with more than 400 creditor banks on July 17.

Aquino lashed out at the banks in her state of the nation speech to the new Congress on July 27. Without naming Barclays, she accused the banks of "none too subtle coercion" in forcing the government to assume Planters' debt.

On July 14, three days before the New York ceremony, Aquino signed an executive order appropriating 620 million (30 million dollars) as part of a plan to resolve the dispute. The order drew sharp criticism from both houses of Congress.

Ongpin said at that time that Aquino was furious because Barclays had sent a telex threatening to boycott the debt accord signing unless the Planters issue was resolved.

On Tuesday, Ongpin told reporters a compromise had been reached with the banks on the 56.5-million-dollar debt.

The statement seemed to indicate the compromise was reached after Aquino's outburst.

Foreign bankers involved in the negotiations said as far back as January Ongpin offered a compromise to Manufacturers Hanover Trust, head of the Philippines' 12-bank advisory committee and a Planters creditor.

"Barclays' action was not last-minute," one banker said. "It capped a long saga."

The bankers said Ongpin offered the banks a deal under which the government would sell Planters' assets while the banks would take a 12.5 per cent loss in their loans, and voluntarily set a January 31 deadline for the arrangements.

The bankers said there was no action on Planters until May, when Ongpin promised a settlement by the end of June. "When even that deadline passed and the New York signing ceremony was imminent, Barclays had no alternative but to tell Manila that it could not sign unless it had a clean sheet of paper."

Asked to confirm the bankers' version, Ongpin acknowledged a "framework" had been agreed on in January.

"The January agreement was an agreement in principle," he said. "It was reached after about pretty near nine months of negotiations on Planters."

Ongpin also acknowledged there had been a delay in implementing the agreement. "We had to carefully plan the legal steps," he said.

Asked if Aquino had been kept fully informed about the Planters controversy, Ongpin said: "Not specifically, no."

"The problem of Planters had been festering for a long time, it defied solution," he said. "We were in the process of working out details. I talked to her (Aquino) a week earlier."

Ongpin said Aquino was given a draft of the executive order at a meeting on July 13, a day before she signed it.





Ongpin said Barclays' telex warning of a boycott had nevertheless introduced an element of duress and angered Aquino.

"The president was furious and told me: 'We must not hide that from the public. These guys are trying to blackmail us,'" he said, adding that this explained Aquino's bitter words on July 27.

Barclays, which lead managed two syndicates of banks that lent a total of 64 million dollars to Planters, has said it had told the Philippine government it would sign the debt accord once certain agreements about Planters were completed.

Document Iba0000020011204dj8d013jv

Manila, Philippines, is a port of call for the Philippine Airline, Philippine Airlines and Airline Services Administration (PALSA), the national airline, which is the only one to be licensed over Manila.

Manila, Philippines, is a port of call for the Philippine Airline, Philippine Airlines and Airline Services Administration (PALSA), the national airline, which is the only one to be licensed over Manila.

"The central bank is working hard to control the money supply," he said, adding that the system, dubbed "Moring", is a money management system of 10-15-20-30-40-50-60-70-80-90-100-110-120-130-140-150-160-170-180-190-200-210-220-230-240-250-260-270-280-290-300-310-320-330-340-350-360-370-380-390-400-410-420-430-440-450-460-470-480-490-500-510-520-530-540-550-560-570-580-590-600-610-620-630-640-650-660-670-680-690-700-710-720-730-740-750-760-770-780-790-800-810-820-830-840-850-860-870-880-890-900-910-920-930-940-950-960-970-980-990-1000-1010-1020-1030-1040-1050-1060-1070-1080-1090-1100-1110-1120-1130-1140-1150-1160-1170-1180-1190-1200-1210-1220-1230-1240-1250-1260-1270-1280-1290-1300-1310-1320-1330-1340-1350-1360-1370-1380-1390-1400-1410-1420-1430-1440-1450-1460-1470-1480-1490-1500-1510-1520-1530-1540-1550-1560-1570-1580-1590-1600-1610-1620-1630-1640-1650-1660-1670-1680-1690-1700-1710-1720-1730-1740-1750-1760-1770-1780-1790-1800-1810-1820-1830-1840-1850-1860-1870-1880-1890-1900-1910-1920-1930-1940-1950-1960-1970-1980-1990-2000-2010-2020-2030-2040-2050-2060-2070-2080-2090-2100-2110-2120-2130-2140-2150-2160-2170-2180-2190-2200-2210-2220-2230-2240-2250-2260-2270-2280-2290-2300-2310-2320-2330-2340-2350-2360-2370-2380-2390-2400-2410-2420-2430-2440-2450-2460-2470-2480-2490-2500-2510-2520-2530-2540-2550-2560-2570-2580-2590-2600-2610-2620-2630-2640-2650-2660-2670-2680-2690-2700-2710-2720-2730-2740-2750-2760-2770-2780-2790-2800-2810-2820-2830-2840-2850-2860-2870-2880-2890-2900-2910-2920-2930-2940-2950-2960-2970-2980-2990-3000-3010-3020-3030-3040-3050-3060-3070-3080-3090-3100-3110-3120-3130-3140-3150-3160-3170-3180-3190-3200-3210-3220-3230-3240-3250-3260-3270-3280-3290-3300-3310-3320-3330-3340-3350-3360-3370-3380-3390-3400-3410-3420-3430-3440-3450-3460-3470-3480-3490-3500-3510-3520-3530-3540-3550-3560-3570-3580-3590-3600-3610-3620-3630-3640-3650-3660-3670-3680-3690-3700-3710-3720-3730-3740-3750-3760-3770-3780-3790-3800-3810-3820-3830-3840-3850-3860-3870-3880-3890-3900-3910-3920-3930-3940-3950-3960-3970-3980-3990-4000-4010-4020-4030-4040-4050-4060-4070-4080-4090-4100-4110-4120-4130-4140-4150-4160-4170-4180-4190-4200-4210-4220-4230-4240-4250-4260-4270-4280-4290-4300-4310-4320-4330-4340-4350-4360-4370-4380-4390-4400-4410-4420-4430-4440-4450-4460-4470-4480-4490-4500-4510-4520-4530-4540-4550-4560-4570-4580-4590-4600-4610-4620-4630-4640-4650-4660-4670-4680-4690-4700-4710-4720-4730-4740-4750-4760-4770-4780-4790-4800-4810-4820-4830-4840-4850-4860-4870-4880-4890-4900-4910-4920-4930-4940-4950-4960-4970-4980-4990-5000-5010-5020-5030-5040-5050-5060-5070-5080-5090-5100-5110-5120-5130-5140-5150-5160-5170-5180-5190-5200-5210-5220-5230-5240-5250-5260-5270-5280-5290-5300-5310-5320-5330-5340-5350-5360-5370-5380-5390-5400-5410-5420-5430-5440-5450-5460-5470-5480-5490-5500-5510-5520-5530-5540-5550-5560-5570-5580-5590-5600-5610-5620-5630-5640-5650-5660-5670-5680-5690-5700-5710-5720-5730-5740-5750-5760-5770-5780-5790-5800-5810-5820-5830-5840-5850-5860-5870-5880-5890-5900-5910-5920-5930-5940-5950-5960-5970-5980-5990-6000-6010-6020-6030-6040-6050-6060-6070-6080-6090-6100-6110-6120-6130-6140-6150-6160-6170-6180-6190-6200-6210-6220-6230-6240-6250-6260-6270-6280-6290-6300-6310-6320-6330-6340-6350-6360-6370-6380-6390-6400-6410-6420-6430-6440-6450-6460-6470-6480-6490-6500-6510-6520-6530-6540-6550-6560-6570-6580-6590-6600-6610-6620-6630-6640-6650-6660-6670-6680-6690-6700-6710-6720-6730-6740-6750-6760-6770-6780-6790-6800-6810-6820-6830-6840-6850-6860-6870-6880-6890-6900-6910-6920-6930-6940-6950-6960-6970-6980-6990-7000-7010-7020-7030-7040-7050-7060-7070-7080-7090-7100-7110-7120-7130-7140-7150-7160-7170-7180-7190-7200-7210-7220-7230-7240-7250-7260-7270-7280-7290-7300-7310-7320-7330-7340-7350-7360-7370-7380-7390-7400-7410-7420-7430-7440-7450-7460-7470-7480-7490-7500-7510-7520-7530-7540-7550-7560-7570-7580-7590-7600-7610-7620-7630-7640-7650-7660-7670-7680-7690-7700-7710-7720-7730-7740-7750-7760-7770-7780-7790-7800-7810-7820-7830-7840-7850-7860-7870-7880-7890-7900-7910-7920-7930-7940-7950-7960-7970-7980-7990-8000-8010-8020-8030-8040-8050-8060-8070-8080-8090-8100-8110-8120-8130-8140-8150-8160-8170-8180-8190-8200-8210-8220-8230-8240-8250-8260-8270-8280-8290-8300-8310-8320-8330-8340-8350-8360-8370-8380-8390-8400-8410-8420-8430-8440-8450-8460-8470-8480-8490-8500-8510-8520-8530-8540-8550-8560-8570-8580-8590-8600-8610-8620-8630-8640-8650-8660-8670-8680-8690-8700-8710-8720-8730-8740-8750-8760-8770-8780-8790-8800-8810-8820-8830-8840-8850-8860-8870-8880-8890-8900-8910-8920-8930-8940-8950-8960-8970-8980-8990-9000-9010-9020-9030-9040-9050-9060-9070-9080-9090-9100-9110-9120-9130-9140-9150-9160-9170-9180-9190-9200-9210-9220-9230-9240-9250-9260-9270-9280-9290-9300-9310-9320-9330-9340-9350-9360-9370-9380-9390-9400-9410-9420-9430-9440-9450-9460-9470-9480-9490-9500-9510-9520-9530-9540-9550-9560-9570-9580-9590-9600-9610-9620-9630-9640-9650-9660-9670-9680-9690-9700-9710-9720-9730-9740-9750-9760-9770-9780-9790-9800-9810-9820-9830-9840-9850-9860-9870-9880-9890-9900-9910-9920-9930-9940-9950-9960-9970-9980-9990-10000-10010-10020-10030-10040-10050-10060-10070-10080-10090-10100-10110-10120-10130-10140-10150-10160-10170-10180-10190-10200-10210-10220-10230-10240-10250-10260-10270-10280-10290-10300-10310-10320-10330-10340-10350-10360-10370-10380-10390-10400-10410-10420-10430-10440-10450-10460-10470-10480-10490-10500-10510-10520-10530-10540-10550-10560-10570-10580-10590-10600-10610-10620-10630-10640-10650-10660-10670-10680-10690-10700-10710-10720-10730-10740-10750-10760-10770-10780-10790-10800-10810-10820-10830-10840-10850-10860-10870-10880-10890-10900-10910-10920-10930-10940-10950-10960-10970-10980-10990-11000-11010-11020-11030-11040-11050-11060-11070-11080-11090-11100-11110-11120-11130-11140-11150-11160-11170-11180-11190-11200-11210-11220-11230-11240-11250-11260-11270-11280-11290-11300-11310-11320-11330-11340-11350-11360-11370-11380-11390-11400-11410-11420-11430-11440-11450-11460-11470-11480-11490-11500-11510-11520-11530-11540-11550-11560-11570-11580-11590-11600-11610-11620-11630-11640-11650-11660-11670-11680-11690-11700-11710-11720-11730-11740-11750-11760-11770-11780-11790-11800-11810-11820-11830-11840-11850-11860-11870-11880-11890-11900-11910-11920-11930-11940-11950-11960-11970-11980-11990-12000-12010-12020-12030-12040-12050-12060-12070-12080-12090-12100-12110-12120-12130-12140-12150-12160-12170-12180-12190-12200-12210-12220-12230-12240-12250-12260-12270-12280-12290-12300-12310-12320-12330-12340-12350-12360-12370-12380-12390-12400-12410-12420-12430-12440-12450-12460-12470-12480-12490-12500-12510-12520-12530-12540-12550-12560-12570-12580-12590-12600-12610-12620-12630-12640-12650-12660-12670-12680-12690-12700-12710-12720-12730-12740-12750-12760-12770-12780-12790-12800-12810-12820-12830-12840-12850-12860-12870-12880-12890-12900-12910-12920-12930-12940-12950-12960-12970-12980-12990-13000-13010-13020-13030-13040-13050-13060-13070-13080-13090-13100-13110-13120-13130-13140-13150-13160-13170-13180-13190-13200-13210-13220-13230-13240-13250-13260-13270-13280-13290-13300-13310-13320-13330-13340-13350-13360-13370-13380-13390-13400-13410-13420-13430-13440-13450-13460-13470-13480-13490-13500-13510-13520-13530-13540-13550-13560-13570-13580-13590-13600-13610-13620-13630-13640-13650-13660-13670-13680-13690-13700-13710-13720-13730-13740-13750-13760-13770-13780-13790-13800-13810-13820-13830-13840-13850-13860-13870-13880-13890-13900-13910-13920-13930-13940-13950-13960-13970-13980-13990-14000-14010-14020-14030-14040-14050-14060-14070-14080-14090-14100-14110-14120-14130-14140-14150-14160-14170-14180-14190-14200-14210-14220-14230-14240-14250-14260-14270-14280-14290-14300-14310-14320-14330-14340-14350-14360-14370-14380-14390-14400-14410-14420-14430-14440-14450-14460-14470-14480-14490-14500-14510-14520-14530-14540-14550-14560-14570-14580-14590-14600-14610-14620-14630-14640-14650-14660-14670-14680-14690-14700-14710-14720-14730-14740-14750-14760-14770-14780-14790-14800-14810-14820-14830-14840-14850-14860-14870-14880-14890-14900-14910-14920-14930-14940-14950-14960-14970-14980-14990-15000-15010-15020-15030-15040-15050-15060-15070-15080-15090-15100-15110-15120-15130-15140-15150-15160-15170-15180-15190-15200-15210-15220-15230-15240-15250-15260-15270-15280-15290-15300-15310-15320-15330-15340-15350-15360-15370-15380-15390-15400-15410-15420-15430-15440-15450-15460-15470-15480-15490-15500-15510-15520-15530-15540-15550-15560-15570-15580-15590-15600-15610-15620-15630-15640-15650-15660-15670-15680-15690-15700-15710-15720-15730-15740-15750-15760-15770-15780-15790-15800-15810-15820-15830-15840-15850-15860-15870-15880-15890-15900-15910-15920-15930-15940-15950-15960-15970-15980-15990-16000-16010-16020-16030-16040-16050-16060-16070-16080-16090-16100-16110-16120-16130-16140-16150-16160-16170-16180-16190-16200-16210-16220-16230-16240-16250-16260-16270-16280-16290-16300-16310-16320-16330-16340-16350-16360-16370-16380-16390-16400-16410-16420-16430-16440-16450-16460-16470-16480-16490-16500-16510-16520-16530-16540-16550-16560-16570-16580-16590-16600-16610-16620-16630-16640-16650-16660-16670-16680-16690-16700-16710-16720-16730-16740-16750-16760-16770-16780-16790-16800-16810-16820-16830-16840-16850-16860-16870-16880-16890-16900-16910-16920-16930-16940-16950-16960-16970-16980-16990-17000-17010-17020-17030-17040-17050-17060-17070-17080-17090-17100-17110-17120-17130-17140-17150-17160-17170-17180-17190-17200-17210-17220-17230-17240-17250-17260-17270-17280-17290-17300-17310-17320-17330-17340-17350-17360-17370-17380-17390-17400-17410-17420-17430-17440-17450-17460-17470-17480-17490-17500-17510-17520-17530-17540-17550-17560-17570-17580-17590-17600-17610-17620-17630-17640-17650-17660-17670-17680-17690-17700-17710-17720-17730-17740-17750-17760-17770-17780-17790-17800-17810-17820-17830-17840-17850-17860-17870-17880-17890-17900-17910-17920-17930-17940-17950-17960-17970-17980-17990-18000-18010-18020-18030-18040-18050-18060-18070-18080-18090-18100-18110-18120-18130-18140-18150-18160-18170-18180-18190-18200-18210-18220-18230-18240-18250-18260-18270-18280-18290-18300-18310-18320-18330-18340-18350-18360-18370-18380-18390-18400-18410-18420-18430-18440-18450-18460-18470-18480-18490-18500-18510-18520-18530-18540-18550-18560-18570-18580-18590-18600-18610-18620-18630-18640-18650-18660-18670-18680-18690-18700-18710-18720-18730-18740-18750-18760-18770-18780-18790-18800-18810-18820-18830-18840-18850-18860-18870-18880-18890-18900-18910-18920-18930-18940-18950-18960-18970-18980-18990-19000-19010-19020-19030-19040-19050-19060-19070-19080-19090-19100-19110-19120-19130-19140-19150-19160-19170-19180-19190-19200-19210-19220-19230-19240-19250-19260-19270-19280-19290-19300-19310-19320-19330-19340-19350-19360-19370-19380-19390-19400-19410-19420-19430-19440-19450-19460-19470-19480-19490-19500-19510-19520-19530-19540-19550-19560-19570-19580-19590-19600-19610-19620-19630-19640-19650-19660-19670-19680-19690-19700-19710-19720-19730-19740-19750-19760-19770-19780-19790-19800-19810-19820-19830-19840-19850-19860-19870-19880-19890-19900-19910-19920-19930-19940-19950-19960-19970-19980-19990-20000-20010-20020-20030-20040-20050-20060-20070-20080-20090-20100-20110-20120-20130-20140-20150-20160-20170-20180-20190-20200-20210-20220-20230-20240-20250-20260-20270-20280-20290-20300-20310-20320-20330-20340-20350-20360-20370-20380-20390-20400-20410-20420-20430-20440-20450-20460-20470-20480-20490-20500-20510-20520-20530-20540-20550-20560-20570-20580-20590-20600-20610-20620-20630-20640-20650-20660-20670-20680-20690-20700-20710-20720-20730-20740-20750-20760-20770-20780-20790-20800-20810-20820-20830-20840-20850-20860-20870-20880-20890-20900-20910-20920-20930-20940-20950-20960-20970-20980-20990-21000-21010-21020-21030-21040-21050-21060-21070-21080-21090-21100-21110-21120-21130-21140-21150-21160-21170-21180-21190-21200-21210-21220-21230-21240-21250-21260-21270-21280-21290-21300-21310-21320-21330-21340-21350-21360-21370-21380-21390-21400-21410-21420-21430-21440-21450-21460-21470-21480-21490-21500-21510-21520-21530-21540-21550-21560-21570-21580-21590-21600-21610-21620-21