

ADMINISTRATIVE ORDER NO. 16

TRANSFERRING THE FUNCTIONS OF THE GOVERNMENT CORPORATE MONITORING AND COORDINATING COMMITTEE TO THE DEPARTMENT OF FINANCE AND FOR OTHER PURPOSES

WHEREAS, the Government Corporate Monitoring Committee established under Executive Order No. 936 dated February 29, 1984, reconstituted as the Government Corporate Monitoring and Coordinating Committee (GCMCC) under Memorandum Order No. 10 dated May 19, 1986, further strengthened under Executive Order No. 236 dated July 22, 1987 and Executive Order No. 55 dated February 8, 1993, and implemented with the guidelines under Memorandum Circular No. 64 dated August 16, 1993, was created to monitor, coordinate, and evaluate principally the fiscal performance of government-owned or controlled corporations (GOCCs);

WHEREAS, under the Administrative Code of 1987, the Department of Finance is mandated to formulate long-range, medium-term and annual plans covering the government's resource mobilization efforts, in coordination with other concerned government agencies, and involving all public sector resources whether generated by revenues and operations, foreign and domestic borrowing, sale or privatization of corporations or assets, or from other sources, and to supervise the implementation of such plans;

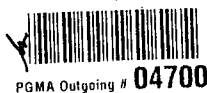
WHEREAS, under the Administrative Code of 1987, the Department of Finance is further mandated to review and coordinate the policies, plans and programs of government financial institutions and, thereafter, recommend courses of action consistent with the government's fiscal policies, plans and programs;

WHEREAS, to eliminate redundancies and focus responsibility, there is a need to abolish the GCMCC and transfer its functions to the Department of Finance;

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, hereby order:

Section 1. Abolishing the GCMCC. The GCMCC is hereby abolished.

Section 2. Additional Functions of the Department of Finance. The Secretary of Finance is mandated to monitor, coordinate, and evaluate



principally the fiscal performance of GOCCs, formulate policies and guidelines, and recommend to the President actions to be taken in relation to GOCC performance.

Accordingly, the functions of the GCMCC as provided under Executive Order No. 936 dated February 29, 1984, Memorandum Circular No. 10 dated May 19, 1986, Executive Order No. 236 dated July 22, 1987, Administrative Order No. 59 dated February 16, 1988, Memorandum Order No. 266 dated November 28, 1989, Memorandum Order No. 320 dated September 21, 1990, and Memorandum Circular No. 64 dated August 16, 1993 implementing Executive Order No. 55 dated February 8, 1993, shall hereafter be performed by the Department of Finance.

Within sixty (60) days from the effectivity of this Administrative Order, the Department of Finance shall review, revise, and consolidate, as may be appropriate, all Presidential issuances regarding the GCMCC and submit the same to the President for approval. As approved, the consolidated functions pertaining to the abolished GCMCC shall thereafter be performed by the Department of Finance.

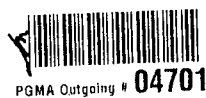
Section 3. Secretariat and Staff Support. The current secretariat and staff support services of the GCMCC under the Presidential Management Staff is hereby transferred to the Department of Finance.

All funds, appropriations, records, documents, facilities, equipment and other assets of the current GCMCC shall be transferred to the secretariat and staff support at the Department of Finance.

The secretariat and staff support may be augmented as necessary by personnel of the Department of Finance on part-time or full-time detail. The members of the secretariat and staff support on detail shall not receive additional compensation by virtue of their function as such.

Section 4. Government Corporations Covered. Upon approval by the President, all GOCCs, financial and non-financial, shall be subject to the mandate of the Department of Finance under this Administrative Order.

The Department of Finance shall regularly update the formal list of GOCCs subject to its mandate for the approval of the President. The President shall make the final determination of which GOCCs are subject to the mandate of the Department of Finance. For continuity, the current list of GOCCs under the GCMCC shall hereafter be subject to the same mandate under the Department of Finance.



All departments of government, to which a GOCC is attached, shall immediately provide the Department of Finance with a list of the GOCCs so attached.

Section 5. Compensation Structure of GOCCs. In this connection, the Department of Budget and Management shall review the compensation structure of all GOCCs and make its recommendations to the Department of Finance and the President in line with the austerity measures of the government.

Section 6. Reports to the President. The Secretary of Finance shall submit an annual report to the President of the Philippines, within the first quarter following the calendar year for which the annual report is made. The Secretary of Finance shall also make such reports as may be required by the President from time to time.

Section 7. Responsibility for GOCCs. This Administrative Order in no way diminishes the powers and functions of the respective boards of GOCCs, nor of the respective departments of government to which the GOCCs are attached. Respective departments of government to which a GOCC is attached shall remain primarily responsible for the administrative supervision over the performance of GOCCs.

The respective departments or other supervising or oversight bodies of the government to which a GOCC reports may likewise recommend to the Department of Finance such actions relative to a GOCC's performance as they deem necessary.

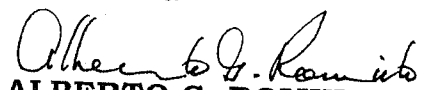
Section 8. Repeal and Amendment. All orders, letters of instructions, and other administrative issuances, or parts thereof, insofar as they are inconsistent herewith are hereby repealed or modified accordingly.

This Administrative Order takes effect immediately.

DONE in Manila, this 21st day of Aug, in the year of our Lord, Two Thousand and One.

By the President:




ALBERTO G. ROMULO
Executive Secretary

