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ADMINISTRATIVE ORDER NO. 498

PROVIDING ADDITIONAL MEASURES TO REDUCE GOVERNMENT EXPENDITURES FOR ITS OPERATIONS ABROAD

WHEREAS, Letter of Implementation No. 146 dated February 7, 1984, Letter of Instruction No. 1408 dated May 9, 1984, Executive Order No. 956 dated June 6, 1984 and Executive Order No. 957 dated August 1, 1984 mandate stricter economy measures in government;

WHEREAS, the current level of government finances is not adequate to meet, among others, the foreign exchange requirements to maintain the present operation of existing foreign service posts, including attache services provided by various ministries/agencies and the sending of delegates and representatives abroad to participate in seminars, meetings or conferences;

WHEREAS, the activities of the Foreign Service and the attache services must be further rationalized to increase their effectiveness at lower costs;

WHEREAS, there is an urgent need to reduce government expenditures in line with the national recovery program;

NOW, THEREFORE, I FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by law, do hereby order the following:

A. Ministry of Foreign Affairs

1. The Ministry of Foreign Affairs shall close within six months from the date of this Order the following posts:

- a. Philippine Consulate General, New Orleans
- b. Philippine Consulate General, Melbourne
- c. Philippine Consulate General, Winnipeg
- d. Philippine Mission, European Communities
- e. Philippine Mission, UNESCO

Personnel assigned to the posts mentioned above shall be recalled to the Home Office. Those personnel whose services in any of the above post is less than four years at the time of their recall shall be given priority in assignment to posts needing additional personnel.

2. The Ministry of Foreign Affairs shall recall immediately to the Home Office employees who have served eight consecutive years or more in the foreign service and excess personnel, from among others, the Philippine Embassy, Washington, D.C., Philippine Mission to the United Nations in New York, and the Philippine Consulates General in Chicago, Seattle, San Francisco and Los Angeles and other over-staffed posts within three months from the date of this Order.
3. The Ministry of Foreign Affairs shall effect the periodic rotation of foreign service officers and recall clerical and other support personnel to the Home Office without assigning replacements to fill their posts. Local hiring of clerical staff on casual or contractual basis shall instead be encouraged to enable the government to save on expense items involving overseas and transportation allowances of support personnel.
4. The Ministry of Foreign Affairs shall further reduce by twenty-five (25%) percentum the allowance provided for under Section 3 of Ministry of Foreign Affairs Order No. 7-84, covering expenditures for shipment of household goods, personal effects and motor vehicles of foreign service personnel, including military or civil attaches or representatives.
5. The Ministries of Foreign Affairs and Finance shall limit the grant of tax exemption for motor vehicles brought in by returning foreign service personnel and attache or representative irrespective of rank, to vehicles with engine displacement not exceeding 1800 cc which must have been used by and registered in the name of the returning officer or employee for at least two years prior to his last date of service abroad.



✓ B. Service Attaches


1. The urgency of reviewing the proliferation of service attaches abroad is herewith emphasized. Until otherwise instructed, only the following ministries/agencies shall be authorized to field and maintain the following maximum number of attaches and support staff:

	<u>Attaches</u>	<u>Support Staff</u>
✓ a. Ministry of Agriculture and Food	2	1
b. Ministry of Tourism (to include the Philippine Convention Bureau)	14	14
Ministry of Labor and Employment (to include the Philippine Overseas Employment Administration)	17	1
d. Office of Media Affairs (to include the National Media Production Center)	20	2
e. Ministry of Trade and Industry	24	6
f. Ministry of National Defense	11	18
g. Ministry of Finance	2	2
Bureau of Internal Revenue	1	2
h. National Science and Technology Authority	2	0
T O T A L	93	46

The Ministries/Agencies affected by this provision shall cause the recall of their representatives within six months from the date of this Order.

2. The foreign service personnel of the Ministry of Foreign Affairs shall perform the duties of the attaches or representatives in various posts where there are no assigned attache or representative.
3. No contractual or casual employee serving as attache shall be accredited by the Ministry of Foreign Affairs as regular foreign service employees.
4. Except for the Ministry of Labor and Employment which is authorized to hold office in Jeddah, Riyadh and Damman and the Ministry of Tourism which is authorized to hold office in Frankfurt, Federal Republic of Germany and Osaka, Japan, all other attaches and support staff shall hold office only at the embassy or consulate where they are assigned. The Ministry of Foreign Affairs shall provide the necessary office space requirements in the embassy or consulate for all duly appointed attaches or support staff.

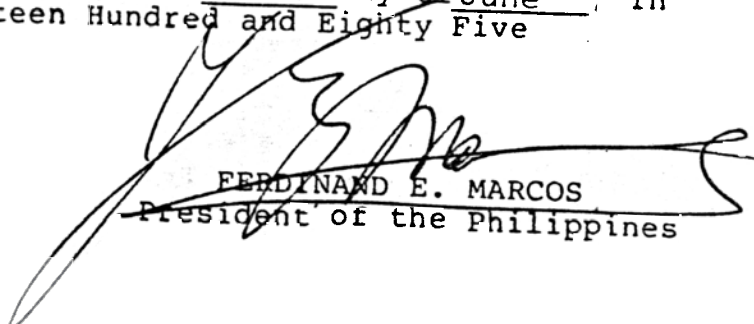
C. International Conferences and Commitments

1. The Ministry of Foreign Affairs shall review Philippine participation in various international meetings, seminars or conferences and shall recommend Philippine participation in such international gatherings to the Office of the President in consultation with the concerned Ministry/Agency.
 2. Ministry/Agency participation in international meetings, seminars or conferences shall be limited to the minimum.
 3. As a matter of procedure, Ministries/Agencies should seek prior clearance from the Ministry of Foreign Affairs and the Office of Budget and Management before making any commitments or pledges of a financial nature in international meetings, even if such amount is already within the budget of the concerned Ministry/Agency to insure that funds are available to meet the proposed Philippine commitment.
 4. Whenever feasible, instead of sending government representatives from Manila to attend international meetings or conferences, the Ministry of Foreign Affairs in consultation with
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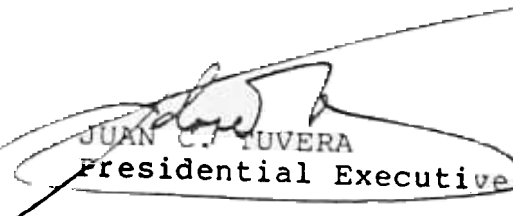
the concerned Ministry or Agency shall designate qualified or technically competent foreign service personnel in overseas posts to attend such meetings or conferences as representatives of the Philippine government and shall require the designated representative to submit a report to the Minister of Foreign Affairs fifteen (15) days after the closing of the meeting or conference.

- D. Inter-Agency Committee. - An Inter-Agency Committee shall be constituted and chaired by the Office of the Prime Minister to periodically review the operations of government abroad, ensure the strict implementation of this Order and render regular reports to the Cabinet and the President.
- E. Effectivity. - This Order shall take effect immediately.

Done in the City of Manila, this 25th day of June in the year of Our Lord, Nineteen Hundred and Eighty Five


FERDINAND E. MARCOS
President of the Philippines

By the President:


JUAN C. TUVERA
Presidential Executive Assistant