

MALACANANG

MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 4

**DIRECTING THE RATIONALIZATION OF THE ACQUISITION,
DEPLOYMENT, UTILIZATION AND DISPOSITION OF MOTOR
VEHICLES FOR GOVERNMENT OPERATIONS**

WHEREAS, the newly constituted Administration is committed to institute economy and efficiency in government spending and utilization of its resources;

WHEREAS, a rationalized acquisition, deployment, utilization, and disposition of government motor vehicles is one of the economy measures that will support this current thrust of the Administration;

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

SECTION 1. *General Policy.* A rational acquisition, deployment, utilization, and disposition of motor vehicles in National Government offices, including government-owned and/or controlled corporations (GOCCs), government financial institutions (GFIs), and state universities and colleges (SUCs), is hereby ordered to be instituted.

Only motor vehicles deemed necessary and appropriate for the performance of government official functions and activities requiring transport services shall be allowed.

SEC. 2. *Necessary and Appropriate Motor Vehicles.* The Department of Budget and Management is hereby directed to review and recommend revisions as necessary in National Budget Circular (NBC) No. 446 dated 24 November 1995, as amended by NBC No. 446-A dated 30 January 1998, to ensure that the same reflects the drive for greater economy and frugality in government spending. Until such revision, the acquisition, deployment, and utilization of motor vehicles shall strictly be based on the provisions and specifications prescribed in said NBC No. 446, as amended by NBC No. 446-A.

SEC. 3. *Comprehensive Inventory of Motor Vehicles.* All Heads of Departments and other National Government offices, including GOCCs, GFIs, and SUCs are hereby required to submit a comprehensive



FGMA Outgoing # 00360



inventory of their motor vehicles, exclusive of those that are distinctly military or police vehicles used by AFP or PNP units, which were acquired or are being maintained/utilized in the implementation of government programs, projects and activities, as of 31 January 2001.

The comprehensive inventory of motor vehicles shall be submitted to the Department of Budget and Management not later than 15 March 2001.

SEC. 4. Government Motor Vehicle Rationalization Plan. The Executive Secretary and the Secretary of Budget and Management are hereby directed to prepare a government motor vehicle rationalization plan within thirty (30) days after receipt of all motor vehicle inventories.

Said plan shall contain, among others, a detailed profile of the motor vehicle fleet of government agencies, and appropriate recommendations for disposition such as auction/sale and redeployment/transfer to other agencies, with full consideration of revenue proceeds and budgetary impact.

SEC. 5. Accountability. Heads of departments and agencies concerned shall be accountable for the strict compliance with and implementation of this Order.

SEC. 6. Effectivity. This Administrative Order shall take effect immediately.

DONE in the City of Manila, this 27th day of February, in the year of Our Lord, two thousand one.

J. M. Arroyo

By the President:

Renato S. de Villa
RENATO S. DE VILLA
Executive Secretary



PGMA Outgoing # 00361