

Office of the President
of the Philippines
Malacañang

MEMORANDUM CIRCULAR NO. 16

REQUESTS FOR AUTHORIZATION TO NEGOTIATE AND SIGN
INTERNATIONAL AGREEMENTS, AND AGREEMENTS COVERING
BORROWINGS, GUARANTEES, AND FOREIGN GRANTS

WHEREAS, the President is the sole organ of the country's foreign relations and the constitutionally assigned chief architect of its foreign policy;

WHEREAS, Section 2, Title I, Book IV of Executive Order (EO) No. 292 or the Administrative Code of 1987, designates the Department of Foreign Affairs (DFA) as the lead agency that shall advise and assist the President in planning, organizing, directing, coordinating and evaluating the total national effort in the field of foreign relations;

WHEREAS, EO No. 459 (s. 1997) defines an international agreement as a contract or understanding, regardless of nomenclature, entered into between the Philippines and another government in written form and governed by international law, whether embodied in a single instrument or in two or more related instruments, and provides guidelines for the negotiation and ratification thereof;

WHEREAS, Section 20, Article VII of the 1987 Constitution provides that the President may contract or guarantee foreign loans on behalf of the Republic of the Philippines with the prior concurrence of the Monetary Board, and subject to such limitations as may be provided by law;

WHEREAS, under Section 3 (5), Title II, Book IV of EO No. 292 the Department of Finance (DOF) is tasked to undertake and supervise activities related to the negotiation, servicing and restructuring of domestic and foreign debt incurred or guaranteed by the government and its instrumentalities;

WHEREAS, Memorandum Circular (MC) No. 68 (s. 2004) directs all departments and agencies to submit requests for Presidential issuances and/or approvals only after a complete staff work has been conducted, and submitting therewith the basic papers and all pertinent documents, with a covering Memorandum containing a brief statement of the justification, legal basis, coordination done with other agencies, potential problems and fund availability, and attaching therewith a draft action document;

NOW, THEREFORE, to enhance the coordination between and among various departments and agencies in the negotiation and signing of international agreements, and agreements covering borrowings, guarantees and foreign grants, the following are hereby ordered:

1. All heads of departments, bureaus, offices, agencies or instrumentalities of the government, including government-owned or -controlled corporations (GOCCs)

and state universities and colleges (SUCs), are hereby directed to coordinate closely with the DFA prior to the negotiation and signing of international agreements as defined in EO No. 459, and/or with the DOF prior to the negotiation and signing of agreements covering borrowings, guarantees, and foreign grants.

2. Prior to the negotiation or signing of a treaty or executive agreement, as well as agreements covering borrowings, guarantees, and foreign grants, authorization must be secured by the lead agency from the Office of the President (OP), unless the DFA or the DOF determines that the nature or scope of the agreement does not require such authorization from the OP.

3. Authorizations for the negotiation and signing of international agreements, or agreements covering borrowings, guarantees, and foreign grants shall be granted in writing through Full Powers, Special Authority, Letter or Memorandum signed by the President, or the Executive Secretary "by authority of the President".

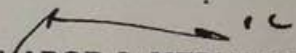

4. All heads of departments, bureaus, offices, agencies or instrumentalities of the government, including GOCCs and SUCs, are directed to strictly observe and comply with the requirements of complete staff work under MC No. 68 before requesting the abovementioned authorizations.

5. To give the Office of the President sufficient time to evaluate and process the abovementioned requests, the same should be submitted to the OP, through the DFA or the DOF, as the case may be, at least ten (10) working days before the desired date of issuance.

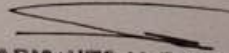
This Circular shall take effect immediately.

DONE, in the City of Manila, this **11th** day of **April** in the year of Our Lord, Two Thousand and Seventeen.

By Authority of the President:


SALVADOR C. MEDIALDEA
Executive Secretary 

CERTIFIED COPY:


MARIANITO M. DIMAS
CHIEF DIRECTOR IV
MALACANANG RECORDS

4-12-77