

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 56

AMENDING ADMINISTRATIVE ORDER NO. 405, DATED JUNE 24, 1998, AFFIRMING THE PAYMENT OF SALARIES AND ALLOWANCES OF GOVERNMENT PERSONNEL STATIONED ABROAD AT COLLECTION RATE

WHEREAS, Republic Act No. 7157, otherwise known as the Philippine Foreign Service Act of 1991, was enacted to strengthen the Philippine foreign service by providing the personnel with, among other things, suitable and competitive salaries, allowances and benefits;

WHEREAS, the salaries and allowances of the Philippine foreign service personnel, including those comprising the Philippine foreign service attached offices, have been diminished by the increase in cost of living at the different foreign service posts caused by drastic changes in foreign currency conversion rates;

WHEREAS, certain Philippine foreign service posts, in an effort to minimize the adverse effects of the foreign currency fluctuations and bank charges for currency conversions, have sought refuge in the adoption of an ad hoc procedure of securing authorization from the Secretary of Foreign Affairs to pay the salaries and allowances of personnel at the foreign currency rates utilized in the conversion of revenues collected at said posts;

WHEREAS, the payment of salaries and allowances at collection rate level has provided the flexibility by which government personnel assigned abroad are given fairly adequate means to live in a manner befitting their representative capacities and within the government's financial capability;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby ratify and affirm that:

1. The authority of the Secretary of Foreign Affairs to formulate, adopt and implement rates, policies and procedures including those which are already being followed in different foreign service posts relating to payment of salaries and allowances of foreign service personnel at collection rate; provided that such payments shall be made only out of collections; provided furthermore that in the case of the attached services; such payments of salaries and allowances

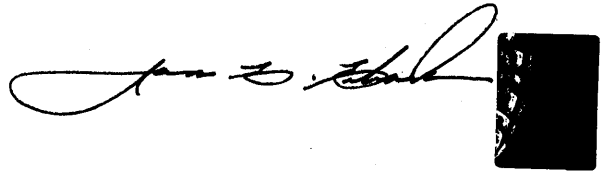


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computed on the basis of the collection rate by virtue of this Administrative Order shall be made out of the savings of their respective Departments.

2. Foreign service posts which are currently applying the collection rate on an ad hoc basis may continue to do so until otherwise instructed by the President of the Republic of the Philippines upon the recommendation of the Secretary of Foreign Affairs.
3. Under this Administrative Order, the Heads of the Departments herein referred to are authorized to pay their personnel concerned accordingly out of savings certified by the concerned Department Chief Accountant.
4. This Administrative Order shall take effect immediately and with retroactive effect to the year 1991.

DONE in the City of Manila, this 24th day of FEBRUARY in the year of Our Lord, Nineteen Hundred and Ninety-Nine.



By the President:


RONALDO B. ZAMORA
Executive Secretary

